

01<sup>st</sup> September 2022

To,

The Manager – Listing National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex Bandra East Mumbai – 400051 Symbol - SALASAR	The Secretary Corporate Relationship Dept. BSE Limited P.J.Tower, Dalal Street, Mumbai – 400001 Scrip Code: 540642
---	---

**SUB: Submission of Annual Report under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Dear Sir/ Madam,**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are submitting herewith 21<sup>st</sup> Annual Report including Notice of 21<sup>st</sup> Annual General Meeting (AGM) of the Company for the Financial Year 2021-22.

The Notice of AGM and Annual Report is also being uploaded on the website of the Company and it can be accessed at [www.salasartechno.com](http://www.salasartechno.com)

You are requested to take the same on your records.

**Thanking you,**

**Yours faithfully,  
For Salasar Techno Engineering Limited**

**Rahul Rastogi  
Company Secretary**

CIN No. - L23201DL2001PLC174076



Unit 1- Khasra 265, 281-283, Parsaun-Dasna, Jindal Nagar, Distt. Hapur-201313  
Unit 2- Khasra 1184, 1185, Khera, Pilkhuwa, Tehsil Dhaulana, Distt. Hapur-245304

Unit 3- Khasra 686/6, Khera, Pilkhuwa, Tehsil Dhaulana, Distt. Hapur-245304  
Office- KL-46, Kavi Nagar, Ghaziabad-201002  
Regd. Office- E-20, South Extension 1, New Delhi-110049

+91 8938802180, 7351991000  
+91 120 6546670  
Fax: +91 11 45823834



towers@salasartechno.com  
marketing@salasartechno.com



www.salasartechno.com



# Resiliently

shaping a  
tomorrow

Expanding capacities | Robust order book | Sustaining profitability

# CONTENTS

## CORPORATE OVERVIEW

Creating wonders with Steel to build a Stronger Future	02
Building Infrastructure for diverse sectors	04
Catering to Infrastructural needs across the country	06
Our Strong Fundamentals that lead to growth	07
Our Five-Year Performance Scorecard	08
Chairman's Message	10
Favourable Trends Shaping our Business	12
A Multi-Pronged Approach for Delivering on Objectives	18
OUR Corporate Social Responsibility	20
Board of Directors	22

## STATUTORY REPORTS

Directors' Report	24
Report on Corporate Governance	38
Management Discussion and Analysis	74
Business Responsibility Report	82

## FINANCIAL STATEMENTS

Standalone Financial Statements	93
Consolidated Financial Statements	160

NOTICE	228
--------	-----



For additional information about the company scan the QR Code

### Forward - looking statements

Some information in this report may contain forward - looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward - looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward - looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward - looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



REVENUE

₹ 719 crore



EBITDA

₹ 69 crore



PAT

₹ 32 crore



ORDER BOOK

₹ 1,182 crore

# RESILIENTLY shaping a tomorrow

In the past two years, product and process innovations have played an important role in our journey of delivering excellence and staying ahead of the curve, despite an uncertain environment.

## EBITDA

₹69  
crore

As a key player in the steel structure and EPC segment, the resilience of our business model and our innovative edge helped us to break new grounds with modern design, value for money and high-quality products by that are in sync with the changing aspirations of customers,

to raise the bar higher and shape a better tomorrow.

Digitisation, customer-centricity, and a sharper focus on sustainability and governance continue to drive our strategic decisions to continue maximising value for our wide range of customers.

# CREATING Wonders with Steel to Build a Stronger Future

We are one of the top manufacturers of steel structures and EPC infrastructure in India covering the entire infrastructure value chain.

We began as a tower manufacturer in the year 2006 with the goal of revolutionising the industry and went on to become a one-stop shop for India's telecom giants by carrying out engineering, designing, procurement, fabrication, galvanisation and EPC under one roof.

Due to our tenacity, knowledge, and capacity to create wonders with steel, we have now broadened our offering of products and services to meet all the infrastructural requirements of a rapidly developing nation.



## Vision

To make substantial contribution towards the development of National Infrastructure by providing technologically advanced solutions, and to play a critical role in making India the most preferred destination for the fulfilment of local and global infrastructural needs.



## Mission

To be at the forefront of developing technologically advanced infrastructural solutions for our customers around the world.



## Business Verticals



ANNUAL  
PRODUCTION  
CAPACITY

**1,10,000+ mt**



TELECOM  
TOWER  
SUPPLIES

**50,000+ mt**



POWER  
TRANSMISSION  
LINES

**568+ km**



EMPLOYEES  
as of 31<sup>st</sup>  
March, 2022

**2,110 Employees**



RAILWAY TRACK  
KILOMETER

**367 TKM**



COUNTRIES  
EXPORTED

**25+ countries**



# BUILDING Infrastructure for Diverse Sectors

## SMART CITIES SOLUTIONS



In conjunction with Ramboll, we are making substantial efforts to realise India's Smart City Mission and have made significant contributions to the growth of smart cities in Visakhapatnam, Agartala, Indore, Bhopal, and NCR. Our smart city solutions assist India in constructing the required infrastructure for sustainable development, with a particular emphasis on cost optimisation and connectivity.

### Offerings

- Smart city poles
- Camouflaging solutions

## POWER



With more than a decade of experience and the motivation to achieve 100% rural electrification in India, we have grown to become one of the most reliable partners for power corporations and utilities, in providing every component and service possible to build the strongest infrastructure for smooth power production along with transmission and distribution of the same in the remotest of areas.

### Offerings

- Transmission line towers
- Substation structures
- Transmission line monopoles
- CORE approved railway overhead electrification structure

## RENEWABLES



With the mission to build a future that is sustainable, we offer 360-degree solutions covering the entire spectrum of wind and solar energy projects. We provide mounting arrays for solar modules that are used to produce solar-powered electricity. The structures' flexible rotation allows the panels to be adjusted for improved efficiency and insolation. We use our manufacturing capabilities to offer wind energy solutions as well as other solar energy solutions.

### Offerings

- Solar module mounting structure
- Solar trees
- Solar water pump
- Windmill tower



## TELECOMMUNICATION



To provide the best to our clients, we strive to work with our best potential. To offer you the best of products and services, we've collaborated with the world's leading consulting giant Ramboll for technical design and quality control of our products. Telecommunication Towers are the first touchpoint for receiving the information for any mode of telecommunication. Being in the business for more than 10 years, we offer the best of telecommunication towers with internationally certified designs. We also offer turnkey solutions for constructing telecom towers, monopoles, smart city solutions, cell-on-wheels and accessories, all underpinned by engineering designs created by our own IIT-certified design team and Ramboll, and are tailored as per customer needs.

### Offerings

- Towers and Monopoles
- Smart city solutions
- Cell on wheels
- Accessories

## POLES



Steel utility poles are extremely crucial for infrastructure development as they are cost-effective, more durable, better for the environment, and easier to employ compared to other alternatives. We are one of the few manufacturers in India with cutting-edge bending machines that can bend mild steel plates with the highest degree of precision, up to a thickness of 30 mm. We are able to meet any pole height and thickness criteria our customers may have owing to this asset. Engineers, architects, and design experts can use our poles for any imaginable commercial, residential, governmental, or industrial purpose because of our versatility.

### Offerings

- Lighting poles
- Distribution poles
- Infrastructure poles

## HEAVY STEEL STRUCTURES



Leveraging our persistence, expertise, and capabilities to work with steel, we cater to all the infrastructural needs of a rapidly developing nation. We have one of the largest installed capacities in North India with a state-of-the-art manufacturing facility that is equipped with technologies from around the world, complemented by an in-home design and development centre armed with the latest software.

In an effort to create a linked, cohesive country, a variety of projects across India have made use of our varied range of steel structures. Our structures help in rail over bridges, pre-engineered building, power plants, process plants, high-rise building, warehouses, airport hangers, metro stations and many more.

### Offerings

- Bridges
- Buildings
- Heavy and complex structures



# CATERING to Infrastructural needs across the Country



Map not to scale. Only for representation purpose



# OUR STRONG Fundamentals that Lead to Growth



## DIVERSIFIED BUSINESS MODEL

Our diverse and agile business model and our unique placement in the most dynamic industry in the nation allows us to serve our expanding customer base better.



## STRONG FINANCIALS

We continue to implement responsible financial management practises that enable us to fund our expansion plans while also preserving our financial stability. In order to increase our market share globally, we invest continually to expand our capacity.



## STRONG AND EXPERIENCED LEADERSHIP

Our experienced management team acts as a driving force behind our commitment of timely delivery with superior quality. Their constant guidance allows us to meet our targets efficiently and the policies and guidelines established by them help us sustain our growth.



## OUR MANUFACTURING CAPABILITY

Our strong base of operations together with technology-driven manufacturing facilities for efficient steel structure manufacturing and galvanising, allows us to carry out production at scale and offer quality products to our customers.



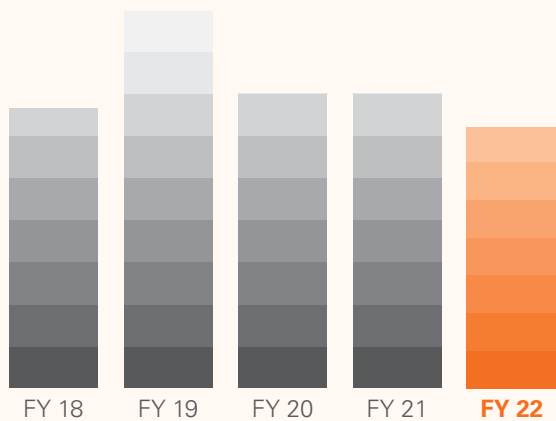
## MARQUEE CLIENTS

Our substantial and diverse clientele has enabled us to establish ourselves as a leader in the industry. Through our specialised goods and services, we provide our clients with unique value that offers customer satisfaction and retention.

# OUR FIVE-YEAR Performance Scorecard

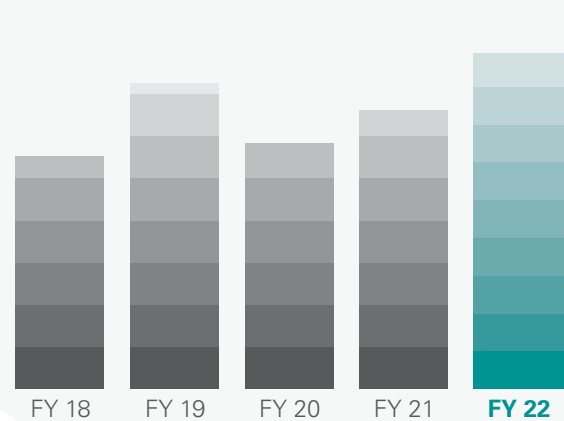
## SALES VOLUME (mt)

55,657    74,993    58,619    58,776    **51,829**



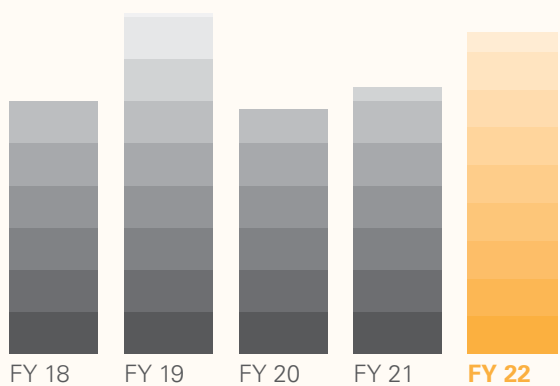
## REVENUE (in crore)

495    655    526    597    **719**



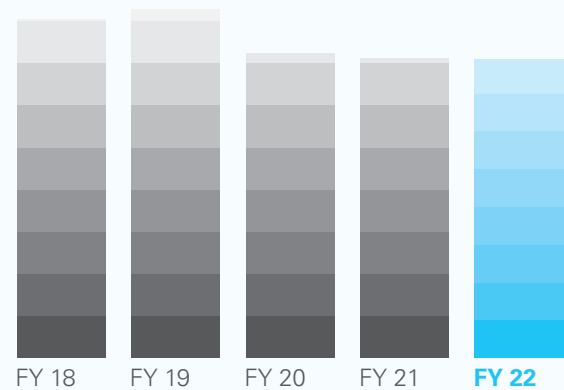
## EBITDA (in crore)

54    73    52    57    **69**

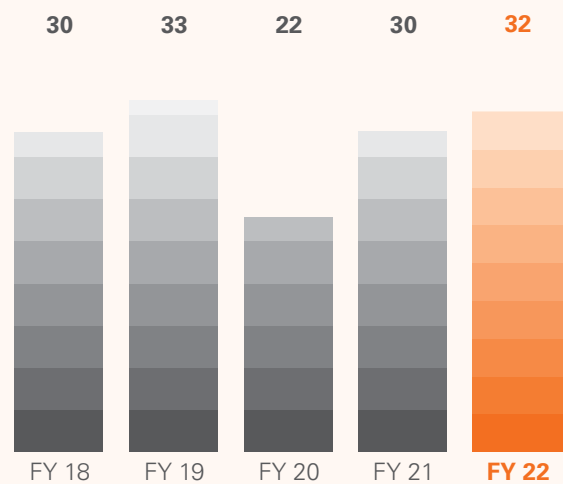


## EBITDA MARGIN (%)

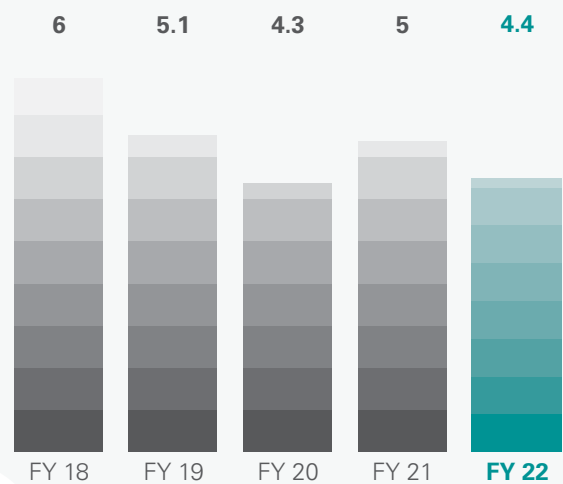
10.9    11.2    9.8    9.6    **9.6**



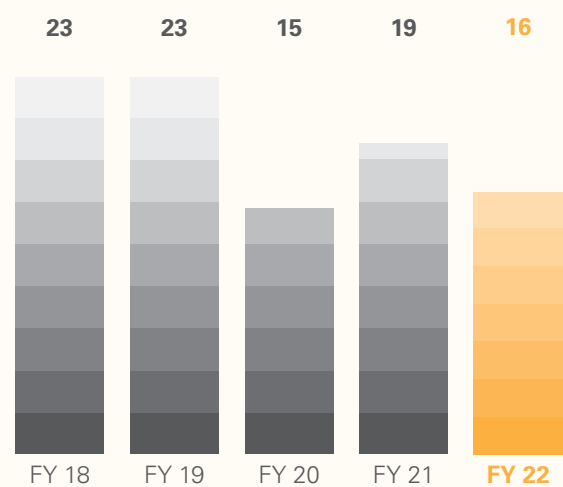
**PAT (in crore)**



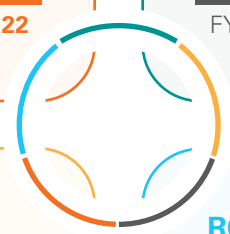
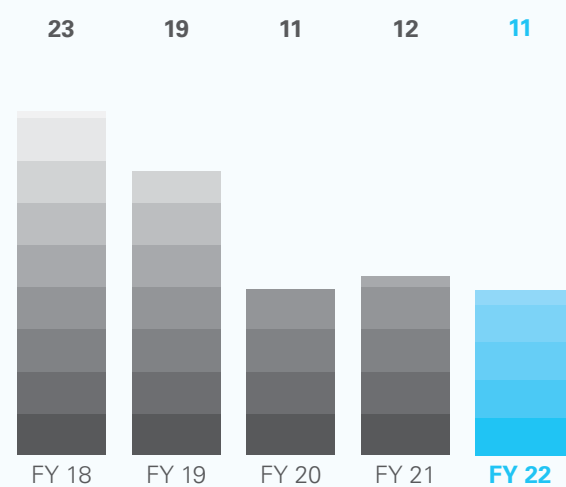
**PAT MARGIN (%)**



**ROCE (%)**



**ROE (%)**



## CHAIRMAN'S Message



**ALOK KUMAR**

Chairman

“

**During FY22, the company reported a consolidated revenue of Rs.719 crores, a 20.5% year-on year growth as compared to Rs.597 crores in FY21. I am happy to report that this is the highest ever revenue for your company since inception.**

”

### **Dear Shareholders,**

The fiscal year 2021-22 was another year of significant growth and progress. The groundwork for transformation was laid a few years back, where we widened our offerings beyond tower infrastructure to include complete range of infrastructure products and services of our fast-growing nation. Our expertise, established market presence and strong track record of consistent performance over a decade of existence has led to sustainable performance over the years.

I am feeling proud for our team who have passionately led to the transformation of the company into an integral infrastructure player. Our products form an important part in building the nation's future infrastructure needs. This year was marked by great volatility in all major commodities ranging from metals to energy to agriculture owing to the Russia-Ukraine war.

Despite the volatility in steel and zinc prices during the year, we managed to keep our EBITDA and PAT margin levels at sustainable levels. Again, due to volatility in commodity prices, our capacity utilization levels were also below last year levels, as major customers deferred their purchase requirements





due to such severe volatile price movements and their internal issues.

### Financial performance

During FY22, the company reported a consolidated revenue of Rs.719 crores, a 20.5% year-on year growth as compared to Rs.597 crores in FY21. I am happy to report that this is the highest ever revenue for your company since inception. A deeper dive into revenue break up shows that manufacturing of steel structures contributed 77%, EPC for power transmission sector contributed 18% and EPC from railway electrification contributed 5% to the overall revenues in FY22.

Talking of profitability, EBITDA at Rs. 69 crores was up by 21% year-on-year as against Rs. 57 crores in FY21, while the EBITDA margin stood stable at 9.6%. Similarly, PAT for the year was Rs.32 crores as compared to Rs.30 crores in FY21, a 5.2% year-on-year growth. Due to rising inputs costs throughout the year, PAT margin remained under pressure, which stood at 4.4% in FY22. We have tried to minimise the impact of price rise through operational arrangements and are working with our customers to improve the contractual conditions given the current environment. Our prudent cash flow management did result in our net debt stand comfortably at Rs. 238 crores as on 31st March 2022, with an encouraging interest coverage ratio of 3.45 in times.

### Securing future revenue visibility

Your Company stands at an healthy order book of book of Rs. 1,182 crores as on 31st March 2022 on the back of strong order inflows in the new vertical

of heavy steel structure division. The order book comprises of orders across heavy steel structure, telecom towers (domestic and exports), solar, railways and more. With the telecom operators looking for better connectivity and potential 5G spectrum auction around the corner, we believe there is huge opportunity in store for your company.

Aligned to emerging opportunities, your company has already hit the ground running by setting up the new galvanising plant at Hapur as part of its expansion plans. The state-of-the-art new largest galvanising plant in India in process of capex will be equipped with imported machinery, orders for which have been placed. We expect commercial production to begin by early FY24. The increasing order book in power transmission monopoles with bigger diameter and higher profitability margins will enable us to strengthen our key financial metrics in the near short-term.

Similarly, the proposed Bhilai unit at Chattisgarh is also under fast-track progress, where we have already acquired a part of the land while some more acquisition is under progress. We expect the Bhilai unit also to begin commercial production by early FY24, in order to meet the order book already in place across building unique structures to fulfill the growing need of diverse industry including telecom, power, railways, and some specific needs for industries like solar, bridges and utility poles.

### Creating a niche market leadership

While we are market leaders in providing telecom infrastructure to major telecom

customers, both in India and exports, we are fast-growing our market presence in heavy steel structure and EPC business. Our wide product range across our segment offerings makes us deliver exceptional value to our customers as well as create value for our stakeholders. We are seeing a lot of traction and demand emerging from telecom and heavy steel infrastructure business, and we are well-positioned to capitalize these opportunities with our excellent engineering capabilities and new capacities that are going to come up.

In conclusion, Infrastructure push by the Government of India and increasing economic activities post pandemic has strengthened steel structured demands. This makes a strong business case for companies like us, not only domestically but we are also poised to reap the benefits of growing export demand. I would like to thank the Board for their continued guidance and support. I also extend my appreciation to our employees, for their unwavering support and commitment during these exciting times. I believe the company is positioned perfectly to create consistent value for our stakeholders and we indeed have an exciting path ahead of us!

Thank you very much again.

**Alok Kumar**

Chairman

# FAVOURABLE Trends Shaping our Business



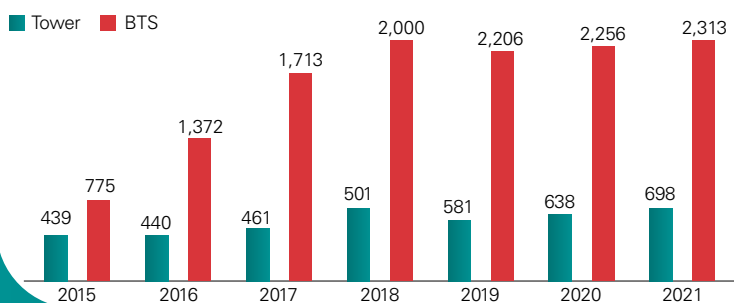
India is witnessing increased data consumption led by 4G and the launch of 5G. The tower sharing model has eased the operations of tele communications companies and help increase their revenues.

Tele-density is increasing in the untapped rural markets while smart city initiative is also driving the industry growth. Development of Internet of things (IoT) for manufacturing and service sector will further boost the telecom demand. India stands second in the telecom tower penetration in the world, next to China, with revenue potential of ₹ 21,500 – 31,000 crores.

**1.7 billion**

Telecom subscriber base in India

Yearly growth of towers and base stations (BTS) ('000s)



Our market share in the manufacturing of telecom towers is around 50%, making us an industry leader. As telecom operators strive to increase their connectivity, we see a lot of emerging opportunities. Demand for telecom towers in the next 10 years will increase than in the previous 25 years. To accomplish this, all operators are expected to make capital investments.

## 5G MOBILE NETWORK

We anticipate a rapid rise in demand for telecom towers as 5G deployment gets underway. Currently, India has over 6,00,000 telecom towers and about 8,00,000 connectivity points. In the next ten years, at least 10,00,000 additional towers and at least 15,00,000 connectivity points are required for a flawless 5G experience across India.

## INVESTMENT IN TELECOM INDUSTRY

Significant investments have been made by the government for telecom infrastructure development such as completion of optical fibre cable-based network for Defence services, rolling out broadband in 2.2 lakh panchayats and improving mobile services in the North East.

**350 million**

Estimated 5G subscriptions in India by 2026

**6,00,000+**

Telecom towers in India

**10,00,000**

Additional towers required for 5G

**350 million**

Estimated 5G subscriptions in India by 2026

**350 million**

Estimated 5G subscriptions in India by 2026



# FAVOURABLE Trends Shaping our Business

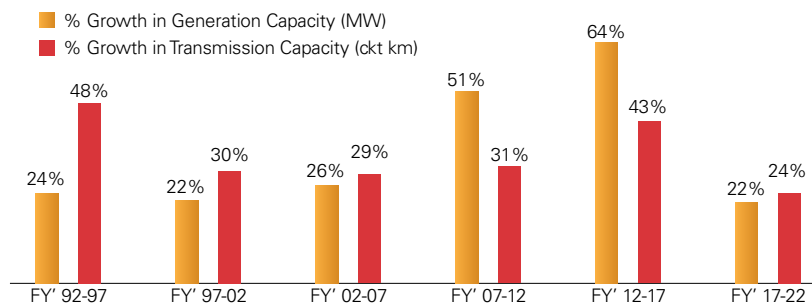
INCREASED DEMAND FOR POWER TRANSMISSION INFRASTRUCTURE DEVELOPMENT



Expansion of industrial activities coupled with rising urban and rural population is increasing the per-capita power consumption and ambitious projects across the energy value chain.

India produced the most coal ever (up 74 million tonnes in just two years). Additionally, in FY22, 14,895 ckm of transmission lines (220 kV and higher) and 37,200MVA of transformation capacity were added (as on March, 2022).

## Historical Generation and Transmission Investment



**1.17 billion**

Estimated transmission market opportunity

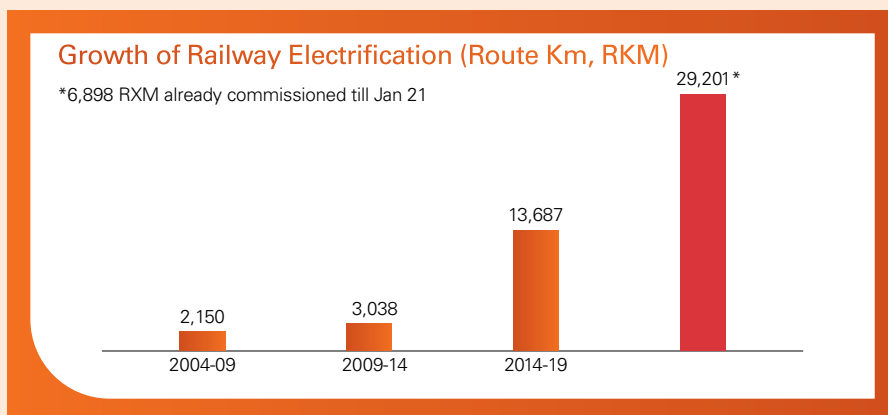
India's electricity consumption is expected to increase by more than 5%, and at a GDP growth rate of 5% over the following ten years and the country's power demand is expected to increase by 1.6 times.

According to the National Infrastructure Pipeline 2019–25, out of the total anticipated capital expenditure of ₹ 111 lakh crore, energy sector projects accounted for the highest share of 24%. This opens up a huge opportunity for the power transmission segment.

# FAVOURABLE Trends Shaping our Business

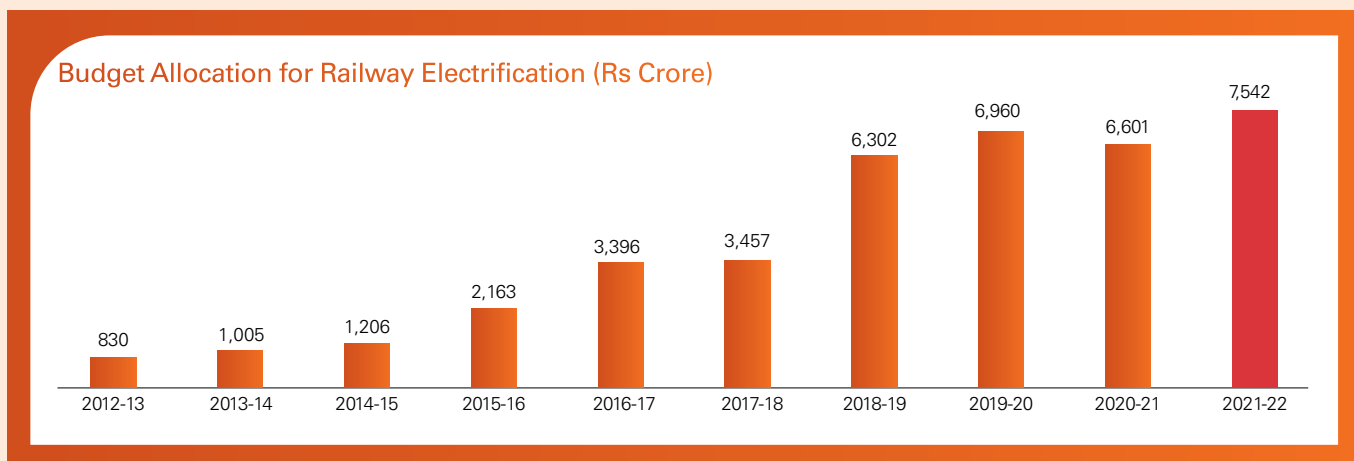


The Indian government has a goal to build the necessary infrastructure for the entire railway network to be electrified by 2024. This would require nearly 30 billion units of electricity annually, so the plan presents excellent opportunities for conventional power IPPs.



Suppliers of overhead line equipment will have numerous opportunities to supply items like conductors, transformers, insulators, and so forth. Enhancing substation capacity will offer incentives for the utilities that provide transmission and distribution.

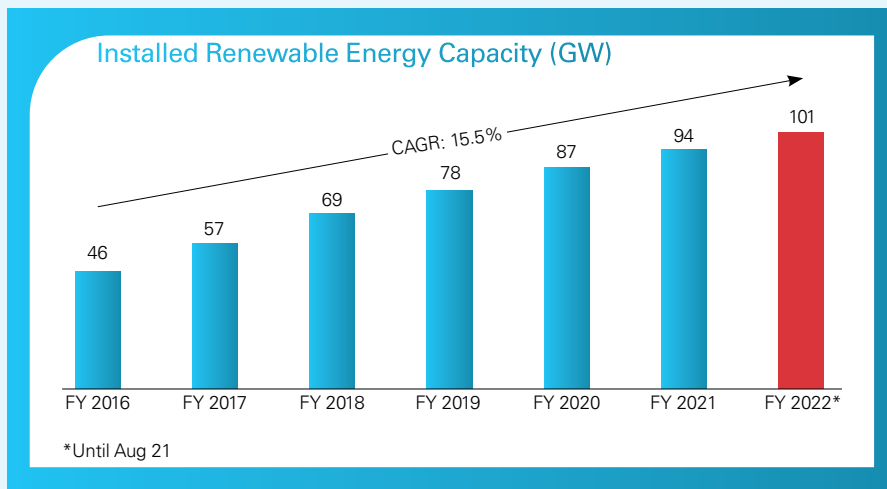
EPC contractors will be able to build infrastructure for railway electrification, and rolling stock firms will have a plenty of opportunities as electric locomotives gain popularity.



# FAVOURABLE Trends Shaping our Business



The Government pledge is to increase the share of non-fossil fuel in total capacity to 40% by 2030 and reduce emissions intensity by 33-35% below 2005 levels.



60 solar towns have received funding approval, and \$1.3 billion will be used to build 50 40GW solar parks. Under Atmanirbhar Bharat, the PLI scheme for Solar PV production was introduced with financial outlays of ₹ 4,500 crore. All these positive trends in renewables industry will boost the infrastructure providers.

**1,000+ GW**

Renewable energy potential in India

**~15,000 MW**

Wind-solar hybrid capacity between 2020-25

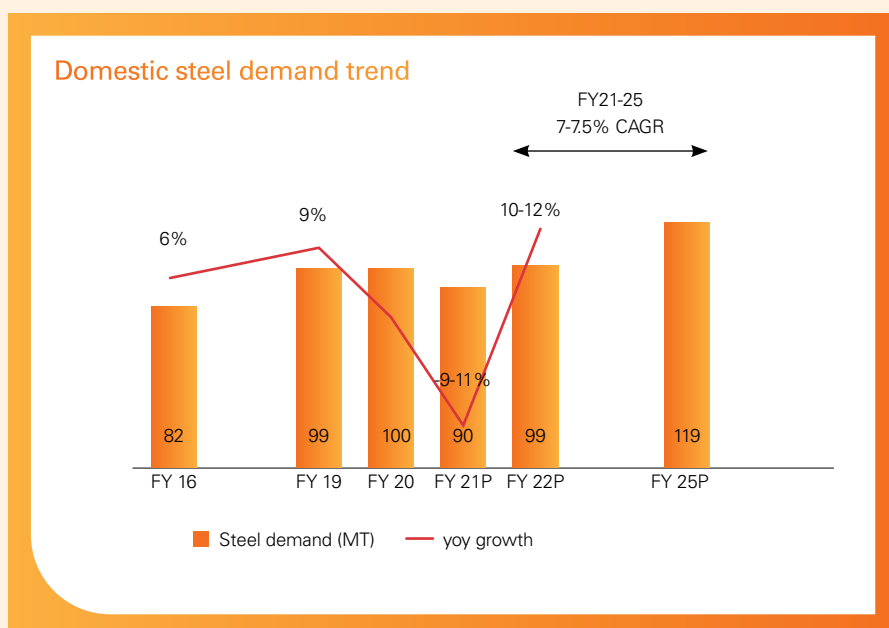


# FAVOURABLE Trends Shaping our Business



In India, structural steel demand is anticipated to increase over the next few years, with the market expected to expand at a CAGR of roughly 5.5% from 2019 to 2024.

Due to reasons like increased manufacturing sector demand, growing preference for pre-engineered structures and components, and government initiatives for infrastructure development activities, significant growth is anticipated. Between FY22 and FY25, demand from the building and construction (B&C) segment, which accounts for 35–40% of steel demand, is anticipated to increase by 6%.





## RISING DEMAND FOR PRE-ENGINEERED BUILDINGS AND COMPONENTS

Since 2017, the pre-engineered building market in India has grown at a double-digit CAGR as a result of greater attention being paid to the sector by a number of end-user industries, including automotive, power, transportation, pharmaceuticals, FMCG, and retail.

The main reason for this growing attention is the manufacturing plants and warehouses' notable cost advantages and shorter building times when compared to the traditional construction paradigm. The usage of structural steel in various commercial and residential construction projects is becoming more and more popular among Indian construction businesses.

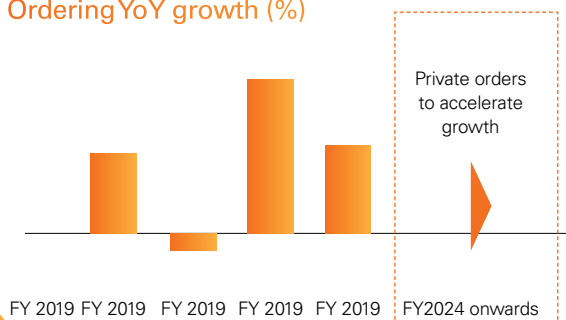


## GROWTH IN MANUFACTURING

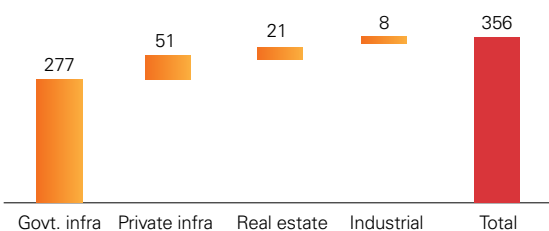
The manufacturing sector in India is anticipated to grow more than six times by 2025, reaching USD 1 trillion, as a result of the country's growing demand and the aim of international manufacturing corporations to diversify their production by establishing low-cost factories outside of China.

India is about to embark on a multi-year capex cycle driven by government-funded infrastructure, similar to FY 2003–12. Projects totalling \$356 billion could be awarded in FY22–23, with government-financed infrastructure (\$277 billion), privately funded infrastructure (\$51 billion), real estate (\$21 billion), and industries (\$8 billion) leading the way.

### Ordering YoY growth (%)



### Industry order flow opportunity, FY2022-23E (US\$ bn)



# A **MULTI-PRONGED** Approach for Delivering on Objectives

WE USE A **MULTI-PRONGED APPROACH** TO CAPITALISE ON THE FAVOURABLE OPERATIONAL ENVIRONMENT.



## CAPACITY UTILISATION

### Catering to healthy order book

The Company currently has a healthy order book, and the manufacturing facility is fully reserved for the upcoming year for supply of rail/road bridge structures, plant structures, pre-fabricated building structures, and many more.

### Opening largest steel galvanising facility in Asia

We are in the process of capex of new galvanising facility at Unit III, Khera, UP, the largest steel galvanising factory in Asia. One of the current galvanising

facilities would operate as a backup after the new GI capacity will be put into service, and the new GI Plant will also allow the company to produce monopoles up to 3 Metre diameter, which are used in larger KVA transmission lines.

### Strategic positioning to enter untapped market

By establishing a steel production facility in Bhilai, Chhattisgarh, we hope to have access to the Southern and Eastern regions of the country.

Location	Unit III, Khera, Distt. Hapur, Uttar Pradesh	Unit III, Khera, Distt. Hapur, Uttar Pradesh	Bhilai, Chhattisgarh
Facility	Heavy Steel Structure Division (HSD)	New Galvanization plant	Heavy Steel Structure Division (HSD)-II
Annual Capacity	15,000 MT	96,000 MT of Steel Galvanizing	25,000 MT
Project Cost	Rs 20 Crore	Rs 50 Crore	Rs 60 Crore
Status	Commissioned in March 2021	Expected Commissioning Q4 FY23	Land Identified and contracted; Expected Commissioning Q4 FY23

## STRATEGIC COLLABORATION

The Company and Ramboll (Denmark) have a long-standing technical partnership that allows us to produce lighter, more affordable tower structures and high mast poles. The cost is reduced by 20% when their designs are compared to traditional angular towers, thus putting us in a good position to address the growing industry demand owing to our international technological partnership.

Ramboll telecom is a leader in the design of telecom and high mast poles.

They have been designing towers for the past 60 years and their designs are performance tested and validated. With Ramboll's ongoing commitment to innovation, quality, multidisciplinary engineering, and well recognised designs, we are confident that we will continue to expand and provide our clients with top-notch goods and services.

### FAST-GROWING STEEL STRUCTURE DIVISION

Our steel structure division serves to refineries, steel plants, power

plants and bridges for railways and roadways. We have one of the largest installed capacities in North India with state-of-the-art manufacturing facilities and an easy accessibility to steel. We have proximity to the market and able to cater good quality and on time deliveries. We have access to low-cost producer and total solution provider complemented by technologically equipped home design and development facility.

## OUR SELECT CLIENTS

We are well-positioned to benefit from this favourable industry trend owing to our long-standing partnerships with telecom giants like Airtel, Jio, Indus, American Tower, Bharti Infratel, and many more. Our wide range of product offerings in this market, which include portable towers, smart city solutions, towers, and monopoles, will help us meet the diverse needs of our customers. In EPC segments our customers are Indian Railways and various State Power Corporations. In Pre fabricated SSD we are dealing with L&T, TATA, Apeco & Bhushan Steel.

### Telecom Sector



### Power Sector



### Other/EPC



# OUR Corporate Social Responsibility

## OUR VISION

We are cognizant of the significance of integrating our business philosophy and vision with our community endeavours. As infrastructure enablers, we are committed to building a better future for our country and the world. We extend the same vision to our social responsibility projects too. We firmly believe that no person or community can have a successful future unless their basic needs for survival are addressed on all fronts—physically, emotionally, and financially.



- As an Infrastructure Enabler
- As a Corporate Citizen

### Good Health

- Nutrition
- Strong Body and Mind

### Economic Independence

- Access to Quality Education
- Skill Development
- Livelihood Opportunities

### Equitable Opportunities

- Inclusivity
- Accessibility

### Environmental Sustainability

- Use of Renewable Energy
- Reducing Carbon Footprint

We aspire to strengthen the interrelated chain of a prosperous and fulfilling future at all levels through our community actions. With this vision, we have undertaken projects across several areas of social impact.



**2175**  
Bicycles distributed to girls

▶ Directors of Salasar with Chief Guest Gen V.K.Singh at the Launch of Rotary Foundation

## Empowering the girl child

Children are the country's future, and we believe it is our responsibility to enable and empower them to help build a better nation.

With our CSR efforts, we intend to focus on girl child empowerment in rural regions because there is little or no public transportation in rural India. It is not uncommon for students to have a five-kilometre or longer walk to school. Girls find it considerably harder to routinely attend school as a result of this. To end the trend of girls dropping out of school due to safety concerns or difficulty accessing the school without a male member of the household chaperoning them, we assisted our CSR partner in their Bicycle project to encourage girls



to continue their higher education and not drop out by providing them with bicycles that will ensure their freedom, independence, and safety.

The project's scope was to provide 2000 bicycles to 9th to 12th Class Girl Students of Government and Government Aided Schools in Delhi, Sonipat, G B Nagar, Ghaziabad, and Hapur revenue districts.

Since the initiative began, there has been a significant increase in the number of girls attending school. The girls' health and energy levels have also increased as a result of their regular cycling, and they now use the time they save from a shorter journey to finish their assignments on time, earn better grades, and further their education.

### Improving accessibility and mobility for people with disabilities

People with Disabilities (PwDs) are challenged not only by their health concerns, but also by the restrictive infrastructure that limits their mobility in moving freely through the towns and cities. One such restriction is frequently the unavailability of amenities, particularly the absence of easily accessible and hygienic restrooms.

Salasar supported the construction of accessible toilets in several regions of Delhi NCR in order to promote equitable opportunities for all members of our community. For convenience, men's and women's restrooms are separated in the toilets. A dedicated cleaning staff along with a guard have been hired to ensure cleanliness and usage only by individuals who need the facility.



➤ Accessible Toilet at Sector-14 market Gurgaon

### Delivering livelihood opportunities to leprosy colonies and food distribution to the homeless

The most significant challenge observed with Covid-19 was joblessness and loss of livelihood. Those trying times were especially harsh on daily wage employees and other vulnerable groups, such as leprosy afflicted, transgender people, and the physically challenged. Our initiative provides sustenance, strength, and hope to many individuals while also enabling us to execute our duty to humanity without discrimination.

The project's two-fold goal was to hire healthy family members of the Patel Nagar, Delhi, Leprosy Colony to prepare food for the homeless. This meant that 55 Leprosy colony families had a source of income through regular and meaningful

employment, and that 200 individuals on the streets received at least one nutritious meal every day. The initiative offered the opportunity to help these folks regain their livelihood subsistence as well as their fundamental human dignity.



➤ Ammucare Charitable Trust

### 55

Leprosy colony families got a source of income through regular and meaningful employment

We have also contributed to the purchase of an apheresis machine for a blood bank in Noida, as well as the provision of classroom furniture for 200 children at a school in Dabarsi, Hapur.

### Classroom furniture for 200

children at a school in Dabarsi, Hapur

# BOARD OF Directors



**Mr. Alok Kumar**  
**Chairman & Managing Director**

B.Sc from Punjab University

With experience spanning over 4 decades in trading, manufacturing and fabrication of iron & steel, Alok Kumar is a man with strong principles and progressive ideologies. He started his career with trading in iron & steel as Managing Partner in Gupta Traders and thereafter from 1959 operated two foundry units of C.I. Casting namely Capital Founders and Capital Udyog. He leads the organization with a firm hand.



**Mr. Shashank Agarwal**  
**Joint Managing Director**

B.E. (Mech) from MIT, Manipal

A man with a diverse range of experiences spanning 25+ years, Shashank Agarwal is a true entrepreneur. He has built Salasar from scratch with the help of the other directors. With his strong resolve and sharp marketing acumen, he makes sure all of Salasar's stakeholders get the returns they deserve. He was the driving force behind the company's IPO in 2017.



**Mr. Shalabh Agarwal**  
**Whole Time Director**

B.E. (Mech) from MIT, Manipal

Shalabh has a professional experience of 20+ years and is at the forefront of all the innovation that takes place at Salasar - be it technological or procedural. Alongside that, he manages the company's day-to-day affairs and looks after Salasar's volatile power vertical.



**Ms. Tripti Gupta**  
**Whole Time Director**

Commerce Graduate from Shri Ram College of Commerce, Delhi and MBA in Finance from IMT, Nagpur

With experience spanning over a decade in strategic management, policy-making, business development, and various other corporate matters; Tripti Gupta has been a pillar of strength for the company ever since she joined Salasar in the year 2014. An MBA in Finance and Marketing, she has demonstrated excellent decision-making skills time and again.



**Mr. Sanjay Chandak**  
**Independent & Non-Executive Director**

Chartered Accountant

A fellow member of the Institute of Chartered Accountants of India, Sanjay Chandak has an experience of almost three decades in the field of Chartered Accountancy and has headed various conventions across the country. He is an expert in Tax Planning, Income Tax, and Statutory Audits, and presently advises the board on all related matters.



**Mr. Vijay Kumar Jain**  
**Independent & Non-Executive Director**

B.E. (Hons.) and MBA

With a vast experience of working in different capacities at leading companies across India and the world for more than 5 decades, Vijay Kumar Jain lends his expert opinion at Salasar. Vijay has demonstrated proficiency in leading organizations towards success.



**Mr. Mukesh Kumar Garg**  
**Non-Executive and Independent Director**

B.Tech Civil Engineering, M.Tech Structural Engineering, PGDIM and PGDIM/IGNOU

An ex-CAO of North Central Railway, Mukesh Garg uses his experience of planning, executing and managing costs of tenders worth several hundred crores to advise the company. He also has immense experience on contesting arbitration cases.



**Mrs. Garim Dhamija**  
**Non-Executive Independent Director**

MBA from IIM, Kozhikode and Master in Economics from Punjab University

As a Co-Founder, Partner at Salto Dee Fe Consulting, She currently helps organizations in Assessment and Development of Senior Leaders.

She has developed a depth of experience in Assessments - She is a Hogan and OPQ Certified Assessor and is certified in Coaching through Emotional Intelligence. Her one-on-one work with Senior Leaders in businesses has been acknowledged for creating long term impact on individuals.

# DIRECTORS' REPORT

To,  
The Shareholders of the Company

Your Directors are pleased to present the 21st Annual report of the Company together with Consolidated and Standalone Audited Financial Statements of the Company for the Financial Year ended on March 31, 2022.

## 1. FINANCIAL RESULTS:

The Company's financial performance, for the year ended March 31, 2022 is summarized below:

(Amount in Lakhs.)

Particular	STANDALONE		CONSOLIDATED	
	2021-22	2020-21	2021-22	2020-21
Revenue from operation	69,089.98	58,331.18	71,886.18	59,658.77
Other Income	218.75	1,015.04	222.81	1,015.04
Gross Revenue	69,308.73	59,346.22	72,108.98	60,673.80
Total Expenses	65,055.05	55,042.30	67,883.80	56,287.73
Profit before Depreciation, Exceptional items & Tax	4,963.36	4,864.60	4,934.86	4,948.36
Less: Depreciation	709.68	560.68	709.68	562.28
Less: Share of Net Profit of Investments using Equity Method	-	-	-	-
Exceptional Items	-	-	-	-
Profit before Tax	4,253.68	4,303.92	4,225.18	4,386.08
<b>Less: Provision for Taxation</b>				
Current Tax	1,096.16	1,184.10	1,103.40	1,210.09
Deferred Tax	-23.90	186.09	-23.90	186.09
Profit after tax (PAT)	3,181.42	2,933.74	3,145.68	2,989.90
Other Comprehensive Income	72.65	12.21	72.64	12.21
Total comprehensive income	3,254.06	2,945.95	3,218.32	3,002.11
No. of Equity Shares	2,85,70,528	1,42,85,264	2,85,70,528	1,42,85,264
Earning per share (Basic)	11.14	10.60	11.01	10.71
Earning per Share (Diluted)	11.14	10.60	11.01	10.71

## 2. FINANCIAL PERFORMANCE:

During the year under review, your Company's Revenue from operations was Rs. 69,089.98 as against Rs. 58,331.18 Lakhs in the previous financial year at Standalone level. The Profit after Tax amounted to Rs. 3,181.42 Lakhs as against Rs. 2,933.74 Lakhs in the previous financial year. Company's Profit after comprehensive income was Rs. 3,254.06 Lakhs as compared to Rs. 2,945.95 Lakhs in the previous financial year.

The Company has been able to register a growth at 18.44% and the PAT of the Company has also increase by Rs. 247.68 Lakhs. The Consolidated Revenue from operations

amounted to Rs. 71,886.18 Lakhs as against Rs. 59,658.77 Lakhs in the previous financial year. The Profit after Tax amounted to Rs. 3,145.68 Lakhs as against Rs. 2,989.90 Lakhs in the previous financial year. Company's Profit after comprehensive income was Rs. 3,218.32 Lakhs as compared to Rs. 3,002.11 Lakhs in the previous financial year. The Company has good growth in the topline as well as in the PAT of the Company on consolidated level.

The performance and Financial position of the subsidiary companies are included in the Consolidated Financial Statements and presented in the Management Discussion and Analysis Report forming part of this Annual Report.

### 3. FUTURE OUTLOOK –

The Future outlook of the business of the Company in different segment is as under:-

#### A. Telecom:-

The industry is expected to grow with the expansion in 5G technology. It is predicted to add \$450 billion to the Indian economy between 2023 and 2040. 5G Spectrum Trials are now underway in India to assure the spread of 5G technology across the country. By December 2022, the Department of Telecommunications (DoT) expects to have 100 percent broadband access in villages, 55% fiberisation of mobile towers, average broadband speeds of 25 mbps, and 30 lakh kilometres of optic fibre rollouts. By December 2024, it expects to have fiberized 70% of its towers, average internet speeds of 50 Mbps, and 50 lakh kilometres of optic fibre rollouts across India.

The telecom industry is the third biggest in terms of Foreign Direct Investment (FDI) inflows, accounting for 7% of overall FDI inflows. It directly employs 2.2 million people and indirectly employs 1.8 million people. Between 2014 and 2021, FDI inflows into the telecom sector increased by 150 percent to \$20.72 billion, up from \$8.32 billion between 2002 and 2014.

The government has also come with initiatives to boost the sector. Additionally, the Digital India programme will enable sectors like as healthcare, retail, etc to be connected through internet. The production linked initiative has triggered the entry of global players to manufacture devices and components.

#### B. Renewable Energy:-

During the previous 7.5 years, India has had the greatest rate of increase in renewable energy capacity addition among all big economies, with renewable energy capacity increasing by 2.9 times and solar energy rising by more than 18 times. Renewable energy (excluding big hydro) accounts for more than 24.71 % of the country's installed power capacity and about 10.7 % of electrical energy output in 2020-21. India's total renewable energy installed capacity (excluding hydropower over 25 MW) had surpassed 103.05 GW as of October 31, 2021. The Green Energy Corridor (GEC) initiatives have been launched in order to ease renewable electricity evacuation and reshape the system for future needs. The GEC

Project attempts to synchronise electricity generated by renewable sources such as solar and wind with traditional power plants in the grid. The Indian government has set targets to reduce India's total projected carbon emissions by 1 billion tonnes by 2030, to reduce the carbon intensity of the nation's economy by less than 45 percent by the end of the decade, to achieve net-zero carbon emissions by 2070, and to increase India's renewable energy installed capacity to 500 GW by 2030.

#### C. Railway:-

The railway sector in India aspires to contribute around 1.5% of the country's GDP by constructing infrastructure to accommodate 45% of the economy's modal freight share. India's railway industry is anticipating to electrify the entire network by 2023, resulting in annual energy savings of \$1.55 billion. The network of broad gauge railways totals 64,689 route kilometres, with electrification accounting for 71% of the total. Railway electrification operations on a total of 1,924 route kilometres were completed in 2021.5 The Government is giving new growth prospects to the industry. It is planning to fully electrify the balance 42% network till 2024. Around 30 billion units of electricity will be required for railway electrification on annual basis by 2024 leading opportunities for IPPs of conventional power. With more solar & wind power installations coming up, direct power purchase agreements are also to likely to go up thereby supplying directly for railways.

#### D. Transmission Power Sector:-

India has witnessed a huge transformation from a country with serious electricity shortages to one where demand is completely fulfilled. India has also made considerable efforts to ensure that all households have access to electricity.

The total installed power capacity and captive power plant (industries with a requirement of 1MW or more) was 459.15 GW as of March 31, 2021. As per the National Infrastructure Pipeline, 2019-25, energy sector projects accounted for the highest share (24%) out of the total expected capital expenditure of INR111 lakh crore. The greatest increase in electricity generation occurred between 2020-21 and 2019-20 in diesel-based thermal energy for utilities and RES for captive plants. There is an estimated INR6-8 trillion market opportunity in transmission till FY2029. The expansion in industrial



activity, growing urban and rural population are key growth drivers of the company. Besides, the increasing per-capita power usage and upcoming ambitious projects across the value chain is also accelerating the growth of the industry.

#### **E. Heavy Steel Structure**

Due to reasons like increased manufacturing sector demand, growing preference for pre-engineered structures and components, and government initiatives for infrastructure development activities, significant growth is anticipated. Between FY22 and FY25, demand from the building and construction (B&C) segment, which accounts for 35–40% of steel demand, is anticipated to increase by 6%.

### **4. BUSINESS OPERATIONS:**

The Company is primarily engaged in the business of Manufacturing and sale of galvanized and Non galvanized steel structure including telecom towers, transmission line towers including Railway Electrification (OHE), solar panels and pre-fabricated steel structure such as Bridges etc. Your Company has three manufacturing units at Jindal Nagar, Hapur District (UP) and Khera Dehat, Hapur District (UP).

The Business is divided in two major segments i.e. Steel Structure segment and Engineering procurement & construction segment.

#### **4.1. Steel structure segment**

Under this segment it mainly operates in following business verticals-

- Telecommunication Tower
- Transmission and rail towers
- Solar Towers
- Poles
- Heavy Steel Structure
- Smart City Solutions

#### **4.2 EPC Segment**

The Company's EPC business primarily consists of the manufacture and deployment of transmission towers and railway electrification towers for its own EPC and Turnkey Projects. It has completed around 568 kilometres of power transmission lines and 367 kilometres of railway track.

### **5. DIVIDEND:**

The Board of Directors is pleased to recommended a Final Dividend of Rs. 0.10/- (Rupee Ten Paise i.e. 10%) per equity share of face value of Re. 1.00 (Rupees One Only) each (previous year final Dividend of Rs. 1.0/- per Equity Shares of Nominal Value of Rs. 10/- each). The dividend, if approved by the Members in the ensuing Annual General Meeting, would involve a cash outflow of Rs. 2,85,70,528 and will be paid to those members whose name appear in the Company's Register of Members and to those persons whose name appear as Beneficial Owners as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as at the close of business hours on September 17, 2022.

In terms of Regulation 43A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations"), the Company has formulated a Dividend Distribution Policy which is enclosed herewith as Annexure-A, and is also available on the website of the Company at <http://www.salasartechno.com>

### **6. TRANSFER TO RESERVES:**

The Company has not made any transfer to reserve during the Financial Year 2021-22. However, profit for the year is shown as surplus under the head Reserve & Surplus during the financial year 2021-22.

### **7. PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

The details relating to deposits, covered under Chapter V of the Act,-

- (a) accepted during the year; NIL
- (b) remained unpaid or unclaimed as at the end of the year; NIL
- (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-NIL



- (i) at the beginning of the year; NA
- (ii) maximum during the year; NA
- (iii) at the end of the year; NA

During the year under review, your Company had not accepted or renewed the deposits which are not in compliance with the requirements of Chapter V of the Act;

## 8. SHARE CAPITAL

(a) The paid up Equity Share Capital of the Company as on March 31, 2022 was Rs. 28,57,05,280. Company had Issued (1:1) Bonus share during the year under review. Therefore, the paid up share capital of the Company increased from Rs. 14,28,52,640 (divided into 1,42,85,264 Equity shares of Rs. 10 each) to Rs. 28,57,05,280 (divided into 2,85,70,528 Equity shares of Rs. 10 each)

### (b) Status of Shares

As the members are aware, the Company's shares are compulsorily tradable in Electronic form. As on March 31, 2022, out of total shares 99.99961% of the Company's total paid up capital representing 2,85,70,417 shares are in dematerialized form and 0.000389% of the Company's total paid up capital representing 111 shares are in physical form.

### (c) Sub- Division of Equity Shares after March 31, 2022

The Board of Directors on 30th April, 2022 has recommend Sub-division of Equity Shares in (10:1) ratio which was approved by the shareholders by Postal Ballot on 07th June, 2022. Accordingly the paid up share capital of the Company is Rs. 28,57,05,280 divided in to 28,57,05,280 Equity Shares of Re. 1/- each.

## 9. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 125 of the Companies Act, 2013 the Company has Unclaimed and Unpaid Dividend but the unpaid Dividend amount not liable to transfer in Investor Education and Protection Fund.

## 10. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31st March, 2022 and the date of this Report.

## 11. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as applicable for the year under review is presented in a separate section forming part of this Annual Report are attached hereto as "Annexure-B"

## 12. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Joint Venture and Associates

The Company had entered into following Joint Ventures namely:-

1. Sikka- Salasar JV
2. Salsar- HPL JV.
3. Salasar-REW JV.

The company does not have any Associate Company. Further, the Company is having one Subsidiary LLP namely Salasar Adorus Infra LLP

## 13. PERFORMANCE AND FINANCIAL POSITION OF THE JOINT VENTURE AND ASSOCIATES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

The statement containing the financial statement of Joint Venture and Associates of the Company was duly disclosed in the Balance sheet. Details of financial of Joint Venture as required under the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 is being attached with the Board's Report in Form AOC-1 as Annexure-C and the forming part of the Board's Report.

## 14. DEPRICIATION AND AMORTIZATION

The Company had followed Straight-line method on its tangible fixed assets the rates prescribed under the Part C of the Schedule II of the Companies Act, 2013, Intangible fixed assets stated at cost less accumulated amount of amortization.

## 15. AUDITORS

### 15.1 STATUTORY AUDITORS

The Statutory Auditors' Report for the FY 2021-22 does not contain any qualifications, reservations, adverse remarks or disclaimer and no frauds were reported by the Auditors under sub-section (12) of Section 143 of the Act.

As per Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. Arun Naresh & Company (Firm's Registration No. 007127-N) as the Statutory Auditors of the Company, expires at the conclusion of 21st Annual General Meeting of the Company.

The Board of Directors, based on the recommendation of the Audit Committee, proposes the appointment of the M/s VAPS & Company Chartered Accountants (Firm's Registration No. 003612N), as the Statutory Auditors of the Company to the Members for their approval. If approved by the Members, the appointment of M/s VAPS & Company as the Statutory Auditor will be for a period of three years commencing from the conclusion of Twenty First Annual General Meeting till the conclusion of the Twenty Fourth Annual General Meeting.

M/s VAPS & Company has confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as Statutory Auditor in terms of the provisions of Sections 139(1), 141(2) and 141(3) of the Act and the Companies (Audit and Auditors) Rules, 2014. The Board recommends the resolution, as set out at Item No. 4 of the accompanying Notice, for approval by the Members.

### 15.2 COST AUDITOR

Pursuant to Section 148 read with Section 141 & 143 and other applicable provisions of the Companies Act, 2013,

read with Rule 6 of the Companies (Cost Records and Audit Rules), 2014 as amended from time to time, your Company has carried out audit of Cost Records every year. The Board of Directors on the recommendation of Audit Committee has appointed M/S S. Shekhar & Co., Cost Accountants (Membership No. 30477, FRN 000452), as cost Auditors of the Company for the Financial Year 2022-23. As required under the Companies Act, 2013 a resolution seeking members' approval for remuneration payable to the Cost Auditor is part of the Notice convening the Annual General Meeting for their ratification.

### 15.3 SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, amended upto date and other applicable provisions, if any, the Company has appointed M/s Deepika Madhwal & Associates (C. P. No. 14808) Practising Company secretaries, to do Secretarial Audit of the Company for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year ended 31st march, 2022 in Form MR-3 is annexed to this report as 'Annexure-D' and forms part of the Board's Reports.

The observation made by Secretarial Auditors in their report are self explanatory and therefore do not call for any further explanations/comments. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

### 15.4 INTERNAL AUDIT

Pursuant to provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rule, 2014 as amended from time to time, the Board of Directors on recommendation of Audit Committee had appointed M/s Alok Mittal & Associates., Chartered Accountants, New Delhi (FRN 005717N) as internal auditor of the Company to conduct internal audit of the Company from 01st April, 2022 to 31st March, 2023.

## 16. ANNUAL RETURN

The Annual Return for the year ended 31st March 2021 in Form MGT-7, filed with Ministry of Corporate Affairs, is available in the Company's website at the following link: [www.salasartechno.com/investor](http://www.salasartechno.com/investor)

## 17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### 17.1 Conservation of Energy:

During the financial year under review, following specific actions were taken by the Company at its various locations, which resulted in saving of energy consumption:

- (i) The Company is now using of furnace oil with LPG in the zinc melting furnace of galvanizing plant at all the three Units. LPG is a more sustainable fuel than furnace oil and minimizes environmental pollution and also leads to more efficiency.

### 17.2 Technology Absorption:

- (i) The efforts made towards technology absorption:
  - Manufacturing process is continuously monitored to ensure better productivity.
  - The Company is using new technology machines for better production and effective utilization of resources.
- (ii) The benefits derived:
  - Improvement in product quality.
  - Improved productivity and cost reduction
  - Introduction of new and improved products.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
  - (a) Technology imported: Not Applicable
  - (b) Year of import: Not Applicable
  - (c) Whether the technology been fully absorbed: Not Applicable
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

- (iv) The expenditure incurred on Research and Development (R&D):

No major expenses have been incurred on R&D.

### 17.3 Foreign exchange earnings and Outgo:

Following are the details of total foreign exchange earned and used during the financial year:

Particular	(Rs. in Lakh)	
	FY 2021-22	FY 2020-21
Foreign exchange earned	7558.76	3547.19
Foreign exchange used	88.65	61.64

## 18. DIRECTORS:

### 18.1 CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Article of Association of the Company, Mr. Alok Kumar, Managing Director (DIN:01474484) of the Company is liable to retire by rotation and being eligible, offer himself for re-appointment. The Board recommends the re-appointment of Mr. Alok Kumar, Managing Director in the ensuing AGM of the Company.

During the year, the term of 5 years of Mr. Anil Kumar Jain as Independent Director completed on 18.01.2022 and he vacated the office as Independent Director.

During the Year Mrs. Garima Dhamija (DIN: 02155303) was appointed as an Additional Director (in the capacity of Independent Director) by the Board of the Company with effect from 14th August 2021 for a period of three years. Accordingly, pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors at their meeting held on 14th August, 2021 had recommended the appointment of Mrs. Garima Dhamija (DIN: 02155303) as additional cum Independent Director of the Company for a term of three years with effect from 14th August 2021, and subsequently the appointment of Mrs. Garima Dhamija as Independent Director approved by the shareholders of the Company by way of a special resolution at 20th ensuing Annual General Meeting was held on 18th September, 2021.

All the Directors have made necessary disclosures as required under the various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 18.2 KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with the Rules framed thereunder, the following persons are the Key Managerial Personnel of the Company as on March 31, 2022:

- a. Mr. Alok Kumar, Chairman and Managing Director
- b. Mr. Shashank Agarwal, Joint Managing Director
- c. Mr. Shalabh Agarwal, Whole Time Director
- d. Ms. Tripti Gupta, Whole Time Director
- e. Mr. Pramod Kumar Kala, Chief Financial Officer
- f. Mr. Rahul Rastogi, Company Secretary

## 18.3 DECLARATION BY INDEPENDENT DIRECTORS

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 of SEBI Listing Regulations including amendments thereof, the Company has received declarations from all the Independent Directors of the Company that they meet the criteria of independence, as prescribed under the provisions of the Act and SEBI Listing Regulations, as amended from time to time. There has been no change in the circumstances affecting their status as an Independent Director during the year. Further, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and re-imbursalment of expenses, if any, incurred by them for the purpose of attending meetings of the Board/Committee(s) of the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

## 18.4 ANNUAL EVALUATION OF BOARD PERFORMANCE

As the ultimate responsibility for sound governance and prudential management of a Company lies with its Board, it is imperative that the Board remains continually proactive and effective. An important way to achieve this objective is through an annual evaluation of the performance of the Board, its Committees and all the individual Directors.

As per the provisions of the Companies Act, 2013 a formal annual evaluation needs to be made by the Board

of its own performance and of its Committees And their individual Directors. Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out the annual performance evaluation of the Board, Independent Directors, Non-Executive Directors, Executive Directors, Committees and Chairman of the Board.

Directors were evaluated on aspects such as attendance, contribution at Board/Committee meetings and guidance/support to the management outside Board/Committee meetings. The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The detailed analysis of performance evolution is incorporated under nomination and Remuneration Committee head in Corporate Governance Report.

## 19. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Board of Directors have adopted Vigil Mechanism Policy. The Vigil Mechanism Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Vigil Mechanism Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The Vigil Mechanism Policy has been posted on the website of the Company.

The aforesaid policy can be accessed on the Company's website [www.salasartechno.com](http://www.salasartechno.com).

## 20. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The company conducts its businesses with high standards of legal, statutory and regulatory compliances. A dedicated

Compliance Cell ensures that adequate internal financial controls with reference to the Financial Statement of the Company.

## 21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The provisions of Section 197(12) of the Act read with Rules 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 respectively, is annexed to the Board's report as 'Annexure-E'

## 22. MEETINGS OF THE BOARD

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their programme. The Agenda of the meeting is circulated to the members of the Board well in advance along with the necessary papers, reports, recommendations and supporting documents so that each board member can actively participate on agenda items during the meeting.

The board met 5 (Five) times during the Financial Year 2021-22. The maximum intervals between any two meetings did not exceed 120 days. Details of Board Meetings and held during the period under review are given in Corporate Governance Report.

## 23. AUDIT COMMITTEE

The Company has constituted Audit Committee as per the provisions of the Companies Act, 2013. The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report. The Audit committee satisfies the requirements of section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, there were no instances, where Board had not accepted the recommendations of the Audit Committee.

## 24. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to provisions of Section 178(3) of the Companies Act, 2013, read with rules made there under and Regulation 19 of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015, the Board has a Nomination and Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the Corporate Governance Report. The Board on the recommendation of Nomination & Remuneration Committee had formulated the criteria for determining qualifications, positive attributes and independence of directors and the same was recommended to the Board. The Board had approved the policy. Also the committees was the deciding factors in decisions like remuneration of Directors, KMP's and other employees, identifying qualified personnel to appoint in Key Management of the Company etc. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

## 25. COMPANY'S POLICY ON REMUNERATION OF DIRECTORS, KMPs AND OTHER EMPLOYEES

The Policy of the Company on remuneration of Directors, KMPs and other employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is annexed to the Board's Report as Annexure F.

## 26. CORPORATE SOCIAL RESPONSIBILITY (CSR) AND ITS COMMITTEES

The Corporate Social Responsibility Committee of the Board of Directors inter alia gives strategic direction to the Corporate Social Responsibility (CSR) initiatives, formulates and reviews annual CSR plans and programmes, formulates annual budget for the CSR programmes and monitors the progress on various CSR activities. Details of the composition of the CSR Committee have been disclosed separately in the Corporate Governance Report.

The CSR Policy of the Company adopted in accordance with Schedule VII of the Act, outlines various CSR activities to be undertaken by the Company in the areas of promoting education, enhancing vocational skills, promoting healthcare including preventive healthcare, community development, heritage conservation and revival, etc. The CSR policy of the Company is available on the Company's website i.e. [www.salasartechno.com](http://www.salasartechno.com) under 'Investors' tab.



The Company is committed to operate and grow its business in a socially responsible way. The core values strengthening your Company's business actions comprise of Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy, observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary.

The company requires to spent during the year on CSR 78.86 Lakhs for the Current Year. The Company had spent 62.98 Lakhs on CSR activities during the financial year 2021-22. As on March 31, 2022 Rs. 15.89 Lakhs were un-spend amount on CSR and pursuant to the Companies (Corporate social Responsibility Policy) Amended Rules 2021 ("the rules"), the Company has subsequently transfer this amount to separate bank account for ongoing projects of CSR. The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been made as per 'Annexure-G'.

is presented in a separate section forming part of this Annual Report and marked as "Annexure- H"

### 30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The loans given, investments made and guarantee given & securities provided during the year under review are in compliance with the provisions of the Act and Rules framed thereunder and details thereof are given in the Notes to the Standalone Financial Statements.

### 31. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts/ arrangements/ transactions entered by the Company during the FY 2021-22 with related parties were on an arm's length basis and in the ordinary course of business. The Audit committee grants omnibus approval for the transactions that are in the ordinary course of business and repetitive in nature. For other transactions, the Company obtains specific approval of the Audit Committee before entering into any such transactions. The approval of the Audit Committee was sought for all RPTs. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations. Further, disclosure as required under Indian Accounting Standards ("IND AS")- 24 have been made in Note No. 44 to the standalone Financial Statements.

During the FY 2021-22, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees as applicable. The policy on related party transaction, as formulated by the Board is available on the Company's website i.e. [www.salasartechno.com](http://www.salasartechno.com) under investor tab.

### 32. ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs

## 27. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

Stakeholder's Relationship Committee has been constituted by the Board in accordance with section 178 of the Companies Act, 2013.

The details regarding composition, terms of reference, power, functions, scope, meetings, attendance of members and the status of complaints received during the year are included in the Corporate Governance Report which forms part of the Annual Report.

## 28. INDUSTRIAL RELATIONS

The Company always give importance to industrial relation and therefore the Industrial relations continued to remain cordial throughout the year under review.

## 29. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The management Discussion and Analysis for the year under review as stipulated under the Listing Regulations



of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary interfaces between the management and regulatory authorities for governance matters.

### 33. ROLE OF THE CHIEF FINANCIAL OFFICER (KMP)

The Chief Financial Officer-Cum-Key Managerial Personnel of the Company plays a pivotal role in ensuring the compliance of applicable accounting procedures, taxation aspects and administrative policies are followed and regularly reviewed. The Chief Financial Officer-Cum-Key Managerial Personnel ensures that all relevant information pertaining to accounting policy including details and documents are made available to the Directors for taking effective decision-making at the meetings.

### 34. RISK MANAGEMENT POLICY

The Company has adopted the measures concerning the development and implementation of a Risk Management System in terms of Section 134(3)(n) of the Companies Act, 2013 after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself. The Company has an elaborate Risk Management process of identification, assessment and prioritization of risk followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Risk Management procedure is reviewed by the Audit Committee from time to time, to ensure that the executive management controls risks through means of a properly defined framework. Major risks identified are systematically addressed through mitigating actions on a continuing basis.

### 35. BUSINESS RESPONSIBILITY REPORT

A Business Responsibility Report prepared in accordance with Regulation 34(2) of Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and the governance perspective for the year 2021-22 is set out in the "Annexure I" to this report.

### 36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace which is in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to ensure prevention, prohibition and redressal against sexual harassment. Awareness programmes are organized by the Company to sensitize employees. During the year under review, no complaints of any nature were received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### 37. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief of the Directors of the Company and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013. :

- (a) In the preparation of the annual accounts for the financial year 2021-22, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2021-22 and of the profit and loss of the company ended on that date;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and

- (e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
  - (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.
- d. Secretarial Audit Report- Annexure 'D'
  - e. Information under sub-rule (1) of Rule 5 of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014- Annexure 'E'
  - f. Nomination and Remuneration Policy- Annexure- 'F'
  - g. Corporate Social Responsibility Report- Annexure 'G'
  - h. Management Discussion and Analysis Report- Annexure 'H'
  - i. Business Responsibility Report – Annexure 'I'

### 36. ACKNOWLEDGEMENTS

The Directors acknowledge with sincere gratitude, the cooperation and help extended by all the stakeholders of your Company including its esteemed shareholders, government departments and agencies, financial institutions and banks, customers, vendors and employees.

For and on behalf of the Board of Directors  
For Salasar Techno Engineering Limited

### 37. ANNEXURES

The following annexures form part of this Report:

- a. Dividend Distribution Policy- Annexure 'A'
- b. Corporate Governance Report- Annexure 'B'
- c. Details of Financial of Joint Ventures and Associates- Annexure 'C'

**Chairman and  
Managing Director**

**Alok Kumar**

DIN NO. 01474484

KL-46, Kavi Nagar  
Ghaziabad-201001  
Uttar Pradesh

Date: 09.08.2022

Place: New Delhi

**Jt. Managing Director**

**Shashank Agarwal**

DIN:00316141

B-166, Sector-50  
GautamBudh Nagar  
Noida 201301 UP

# ANNEXURE-A

## DIVIDEND DISTRIBUTION POLICY

### INTRODUCTION

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, prescribed Listed Companies are required to frame a Dividend Distribution Policy.

### PURPOSE

The purpose of this Policy is to regulate the process of dividend declaration and its pay-out by the Company which would ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

### AUTHORITY

This Policy has been adopted by the Board of Directors of Salasar Techno Engineering Limited ('the Company').

### FORMS OF DIVIDENDS

The Companies Act provides for two forms of Dividend:

- **Final Dividend**

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of final dividend to the shareholders for their approval at the general meeting of the Company. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

Process for approval of payment of Final Dividend:

- Board to recommend quantum of Final Dividend payable to Shareholders in its meeting in line with this policy;
- Based on the profits arrived at as per the audited financial statements;
- Shareholders to approve in Annual general Meeting;
- Once in financial year.

- **Interim Dividend**

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, in line with this policy. The Board should consider declaring an interim dividend after finalization of quarterly/ half yearly financial results. This would be in order to supplement the annual dividend or to reward shareholders in exceptional circumstances.

Process for approval of payment of Interim Dividend:

- Board may declare Interim Dividend at its complete discretion in line with this policy;
- Based on profits arrived at as per quarterly (or half-yearly) financial statements including exceptional items;
- One or more times in a financial year.

### QUANTUM OF DIVIDEND AND DISTRIBUTION

Dividend payout in a particular year shall be determined after considering the operating and financial performance of the Company and the cash requirement for financing the Company's future growth. In line with the past practice, the payout ratio is expected to grow in accordance with the profitable growth of the Company under normal circumstances.

### DECLARATION OF DIVIDEND

Dividend shall be declared or paid only out of-

- 1) Current financial year's profit:
  - a) after providing for depreciation in accordance with law;
  - b) after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion

- 2) The profits for any previous financial year(s) after providing for depreciation in accordance with law and remaining undistributed; or
- 3) out of 1) & 2) both.

The circumstances under which shareholders may not expect dividend/or when the dividend could not be declared by the Company shall include, but are not limited to, the following:

- a. Due to operation of any other law in force;
- b. Due to losses incurred by the Company and the Board considers it appropriate not to declare dividend for any particular year;
- c. Due to any restrictions and covenants contained in any agreement as may be entered with the Lenders and
- d. Due to any default on part of the company.

## FACTORS AFFECTING DIVIDEND DECLARATION:

The Dividend pay-out decision of any company, depends upon certain external and internal factors-

### External Factors:

- Legal/ Statutory Provisions and Regulatory concern: The Board should keep in mind the restrictions imposed by Companies Act, any other applicable laws with regard to declaration and distribution of dividend. Further, any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company may also impact the declaration of dividend.
- State of Economy: The Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks in case of uncertain or recessionary economic conditions and in situation where the policy decisions of the Government have a bearing on or affect the business of the Company.
- Nature of Industry: The nature of industry in which a company is operating, influences the dividend decision. Like the industries with stable demand throughout the year are in a position to have stable earnings and thus declare stable dividends.
- Taxation Policy: The tax policy of a country also influences the dividend policy of a company. The rate of tax directly

influences the amount of profits available to the company for declaring dividends.

- Capital Markets: In case of unfavorable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows and reduce the cost of raising funds through alternate resources.

### Internal Factors:

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which inter alia will include -

- Magnitude and Stability of Earnings: The extent of stability and magnitude of company's earnings will directly influence the dividend declaration. Thus, the dividend is directly linked with the availability of the earnings (including accumulated earnings) with the company.
- Liquidity Position: A company's liquidity position also determines the level of dividend. If a company does not have sufficient cash resources to make dividend payment, then it may reduce the amount of dividend pay-out.
- Future Requirements: If a company foresees some profitable investment opportunities in near future including but not limited to Brand/ Business Acquisitions, Expansion / Modernization of existing businesses, Additional investments in subsidiaries/associates of the Company, Fresh investments into external businesses, then it may decide for lower dividend payout and vice-versa.
- Leverage profile and liabilities of the Company.
- Any other factor as deemed fit by the Board.

## RETAINED EARNINGS

The portions of profits not distributed among the shareholders but retained and used in business are termed as retained earnings. It is also referred to as ploughing back of profit. The Company should ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. These earnings may be utilized for internal financing of its various projects and for fixed as well as working capital. Thus the retained earnings shall be utilized for carrying out the main objectives of the company and maintaining adequate liquidity levels.

## PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARE

The Company does not have different classes of shares and follows the 'one share, one vote' principle.

## REVIEW & AMENDMENT

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Executive Management Committee has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

# ANNEXURE-B

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), but also several inherent core values at a superior level of business ethics, effective supervision and enhancement of shareholders' value. These core values are central to the business philosophy of the Company and act as the guiding inspiration for the day-to-day business operations.

The Company believes that timely disclosures, transparent accounting policies and a strong independent Board go a long way in protecting the shareholders' interest while maximizing long term corporate values.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of

Regulation 46 of the SEBI Listing Regulations as applicable including relaxations granted by the Securities and Exchange Board of India ("SEBI") in the wake of COVID-19 pandemic, with regards to Corporate Governance.

Your Company is fully compliant with all the provisions of Companies Act, 2013, Listing Regulations and other applicable rules & bye laws. The details of Compliances are as follows:-

### 2. BOARD OF DIRECTORS

#### A. Composition of Board:-

i.) As on March 31, 2022, the Company has Eight Directors. Out of the Eight Directors four are Executive Directors and four are Non-Executive Independent Directors. The board of the Company duly constituted as per the requirements of Companies Act, 2013 read with rule made thereunder and Listing Regulations. The composition and category of Directors of the Company are as follows:

Name of Director(s)	Designation	Category
Mr. Alok Kumar	Managing Director	Promoter-Executive
Mr. Shashank Agarwal	Jt. Managing Director	Promoter-Executive
Mr. Shalabh Agarwal	Whole Time Director	Promoter-Executive
Ms. Tripti Gupta	Whole Time Director	Promoter-Executive
Mr. Sanjay Chandak	Independent Director	Non-Executive/Independent
Mr. Vijay Kumar Jain	Independent Director	Non-Executive/Independent
Mr. Mukesh Kumar Garg	Independent Director	Non-Executive/Independent
Mrs. Garima Dhamija	Independent Director	Non-Executive/Independent

- ii) All the Directors have given disclosures of interest as required in the Companies Act, 2013 and rules made thereunder.
- iii) Except Mr. Alok Kumar & Ms. Tripti Gupta who are related to each other as Father and Daughter and Mr. Shashank Agarwal & Mr. Shalabh Agarwal who

are related to each other as Brothers, none of the Directors of our Company are related to each other.

- iv) As per the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, all the Independent Directors on the Company's Board are Non-Executive.



**B. Details of Board Meetings held during the year ended 31st march 2022:-**

The Board of Directors met 5 (Five) times during the Financial Year 2021-22. The details of the meetings of the Board of Directors held during the year are as follows:0

Sl. No.	Date of Meeting	No. of Directors present
1.	01.06.2021	7
2.	17.07.2021	8
3.	14.08.2021	8
4.	30.10.2021	9
5.	11.02.2022	7

- As stipulated, the gap between two consecutive Board Meetings did not exceed One Hundred and Twenty Days.

**C. Attendance at Board Meeting and Last AGM:-**

During the Financial Year 2021-22, 5(Five) Board Meetings were held and all the meetings of the Board were convened as per the requirements of Companies Act and other applicable laws. Director's attendance at the Board Meeting and in the last AGM is as follows:-

Name of Director(s)	No. of Board Meetings attended	Last AGM attended
Mr. Alok Kumar	5	Yes
Mr. Shashank Agarwal	5	Yes
Mr. Shalabh Agarwal	5	Yes
Ms. Tripti Gupta	5	Yes
Mr. Sanjay Chandak	5	Yes
Mr. Vijay Kumar Jain	4	Yes
Mr. Mukesh Kumar Garg	5	Yes
Mrs. Garima Dhamina	2	Yes

**D. Number of other Board of Directors or committees in which Director is a member or chairperson:-**

Detail of other directorship in other Companies and chairmanship/membership in other Committees are as follows:-

Name of Director (s)	No. of other Directorships and Committee Memberships/Chairmanships		
	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Alok Kumar	5	Yes	Yes
Mr. Shashank Agarwal	5	Yes	Yes
Mr. Shalabh Agarwal	5	Yes	Yes
Ms. Tripti Gupta	5	Yes	Yes
Mr. Sanjay Chandak	5	Yes	Yes
Mr. Vijay Kumar Jain	4	Yes	Yes
Mr. Mukesh Kumar Garg	5	Yes	Yes
Mrs. Garima Dhamina	2	Yes	Yes

**E. Details of Shareholding of Directors are as under:-**

The details of Shareholding of Directors in the Company are as under:-

Sl. No.	Name of Director	*Shareholding
1.	Mr. Alok Kumar	17,880,000
2.	Mr. Shashank Agarwal	14,211,840
3.	Mr. Shalabh Agarwal	25,611,840
4.	Ms. Tripti Gupta	80,00,000
5.	Mr. Sanjay Chandak	Nil
6.	Mr. Vijay Kumar Jain	Nil
7.	Mr. Mukesh Kumar Garg	Nil
8.	Mrs. Garima Dhamija	Nil

\* After 31.03.2022 Company split its shares in (10:1) now the face value of the Company is Re. 1/- per share

#### **F. Familiarization Programme for Directors:-**

Upon appointment of new Independent Director, the Company undertakes an orientation exercise to familiarize the Director about the Company's Business operations, products, corporate objectives, financial performance, management structure, compliance etc., apart from explaining him/her about his/her role, responsibility, rights and duties. In order to familiarize the Independent Directors with the business of the Company. The Familiarization Programme Module of Independent Directors are available on the Company's website: [www.salasartechno.com](http://www.salasartechno.com) in the tab of investors.

#### **G. Skill/Expertise/Competence of the Board of Directors**

In the context of the business of the Company, your Board always recognize that a appropriate mix of skills/expertise/competencies that are required by the Company to work effectively. This includes experience, knowledge of the Telecom industry, technical skills & specialist knowledge in various other areas which are essential for smooth working of the Company. The Board is of the opinion that all the Board members have significant experience and expertise in the Industry segments in which company operates and are having skills in the areas of corporate governance, planning, finance and investor relations. The Company working has significantly improved from the clear vision and guidance provided by the Directors of the Company.

**H.** The Board is of the opinion that all Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and are independent of the management.

**I.** During the year under review, the term of Mr. Anil Kumar Jain and Mr. Vijay Kumar Jain as Independent Directors completed on 18.01.2022 and Mr. Anil Kumar Jain does not offer himself for re-appointment. Accordingly he left the Board of the Company. Although, Mr. Vijay Kumar Jain offer himself for appointment for another term accordingly he continued in the Board of the Company as Independent Director for second term of 3 (three) years. The re-appointment of Mr. Vijay Kumar Jain was approved by the Board of Directors on 11.02.2022 and subsequently approved by the shareholders on 17th March, 2022 by passing Special Resolution through Postal Ballot.

### **3. BOARD COMMITTEES**

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of Committees with specific terms of reference/scope. The Board has established various committees such as Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Finance Committee.

#### **A. Audit Committee:-**

##### **(i) Terms of Reference:-**

The scope of functions and terms of references of the Audit Committee are as prescribed under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.

- d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly and annual financial statements before submission to the board for approval
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
  8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
  9. Scrutiny of inter-corporate loans and investments.
  10. Valuation of undertakings or assets of the Company, wherever it is necessary.
  11. Evaluation of internal financial controls and risk management systems.
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  14. Discussion with internal auditors on any significant findings and follow up there on.
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  18. To review the functioning of the Whistle Blower mechanism, in case the same exists.
  19. Approval of appointment of CFO or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
  20. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
- The Audit Committee shall mandatorily review the following information:
1. Management Discussion and Analysis of financial condition and results of operations.
  2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
  3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
  4. Internal audit reports relating to internal control weaknesses.
  5. The appointment, removal and terms of remuneration of the chief internal auditor shall be

subject to review by the audit committee.

6. Statement of deviations:

- a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Powers of the Audit Committee:

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

**(ii) Composition, Name of Members and Chairman:-**

The Audit Committee presently comprises of three members with two Independent Directors and One Executive Director. Mr. Sanjay Chandak (independent Director) is the Chairman of the Committee. All the members are financially literate and possess sound knowledge of accounts, audit, finance etc.

The following directors are the present members of the Audit Committee:-

Sl. No.	Date of Meeting	No. of Directors present
1.	Mr. Sanjay Chandak	Chairman (Independent Director)
2.	Mr. Shashank Agarwal	Executive Director
3.	Mr. Mukesh Kumar Garg	Independent Director

**(iii) Meeting and attendance:-**

During the year under review, 4(Four) meetings of the Audit Committee were held on June 01, 2021, August

14, 2021, October 30, 2021 and February 11, 2022.

The attendance of the members is as follows:-

S. No.	Name	Attendance
1.	Mr. Sanjay Chandak	4
2.	Mr. Shashank Agarwal	4
3.	*Mr. Mukesh Kumar Garg	1
4.	**Mr. Vijay Kumar Jain	3

\* Mr. Mukesh Kumar Garg became part of the Audit Committee after reconstitution of the Audit Committee on 02.02.2022 through resolution passed by circulation.

\*\* Mr. Vijay Kumar Jain is not part of the Audit Committee after reconstitution of the Audit Committee on 02.02.2022 through resolution passed by circulation.

Chief Financial Officer Mr. Pramod Kumar Kala is a permanent invitee of the Audit Committee Meetings and Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

**B. Nomination and Remuneration Committee:**

**(i) Terms of Reference**

The Nomination and Remuneration Committee has been constituted pursuant to the provisions of Section 178 of the Companies Act, 2013, and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Terms of reference, Powers & Obligations of the committee are given below:

**Role of Nomination and Remuneration Committee are:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior

management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

### (ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Nomination and Remuneration Committee:-

Sl. No.	Name	Category
1.	Mr. Mukesh Kumar Garg	Chairman (Independent Director)
2.	Mr. Sanjay Chandak	Independent Director
3.	Mrs. Garima Dhamija	Independent Director

### (iii) Meeting and attendance:-

During the year under review, 2(two) meetings of the Nomination and Remuneration Committee were held on June 01, 2021, and February 11, 2022. The attendance of the members is as follows:-

S. No.	Name	Attendance
1.	Mr. Mukesh Kumar Garg	1
2.	*Mr. Sanjay Chandak	1
3.	*Mrs. Garima Dhamija	1
4.	*Mr. Vijay Kumar Jain	1

\* Mr. Sanjay Chandak and Mrs. Garima Dhamija become part of the Nomination of Remuneration Committee, in place of Mr. Anil Kumar Jain and Vijay Kumar Jain, after reconstitution of the Nomination and Remuneration Committee on 02.02.2022 through resolution passed by circulation.

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

### (iv) Mechanism for Evaluation of Board, Committees and Individual Directors:-

The Nomination and remuneration committee during the year has done the performance evaluation of every Director on the Board, including the Executive and Independent Directors. The criteria which was selected by the Nomination and Remuneration Committee for evaluation includes attendance and preparedness for the meetings, contribution at meetings, effective decision making ability and providing strategic perspective. The committee also considered involvement of each director in their respective meetings and decision making thereof. The committee also take parameters such as attendance, level of engagement and contribution, independence of judgment, completion challenges and meeting the risk management compliances and due diligence, financial control, safeguarding the interest of the Company and its minority-shareholders.

The performance evaluation was carried out by the committee as per the criteria framed by it. The criteria framed by Nomination and remuneration committee were also duly adopted by the Board. The committee is also reviewed the declaration received from the independent Directors of the Company and confirmed that none of the directors become disqualified under the Companies Act, 2013, rules made thereunder and under Listing Regulations. The report on performance evaluation as prepared by the committee was submitted to the Board for adoption.

### (v) Remuneration Policy and other terms of appointment Directors:

The Company has in place of remuneration policy which is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. The Managing Directors and Whole Time Directors are the Executive Directors on the board.

The Company has not paid any sitting fees to Executive Directors for any Board/Committee Meetings attended by them. All Non-Executive Directors were paid sitting fees for the Board/Committee Meeting attended by them. Apart from sitting fees they don't have any pecuniary relationship or transactions with the Company.

Details of remuneration paid/payable to Managing Directors, Whole Time Directors and all other Non-Executive Directors of the Company for the Financial Year ended 31st March, 2022 are as under:-

(₹ in Lakh)

Sl No	Name of the Directors	Salary	Perquisites/ Benefits	Commission/ Bonus	Sitting Fee	Total (Rs.)	Service Contracts
1.	Mr. Alok Kumar	82.80	-	-	-	82.80	Appointed as Managing Director upto the AGM to be held in the year 2025
2.	Mr. Shashank Agarwal	82.80	-	-	-	82.80	Appointed as Managing Director upto the AGM to be held in the year 2026
3.	Mr. Shalabh Agarwal	58.08	-	-	-	58.08	Appointed as Whole Time Director upto the AGM to be held in the year 2026
4.	Ms. Tripti Gupta	58.08	-	-	-	58.08	Appointed as Whole Time Director upto the AGM to be held in the year 2026
5.	Mr. Sanjay Chandak	-	-	-	1.50	1.50	Appointed as Independent Director upto 18.01.2025
6.	Mr. Vijay Kumar Jain	-	-	-	1.40	1.40	Appointed as Independent Director upto 10.02.2025
7.	Mr. Mukesh Kumar Garg	-	-	-	1.70	1.70	Appointed as Independent Director upto the date of AGM held in 2023
8.	Mrs. Garima Dhamija	-	-	-	0.70	0.70	Appointed as Independent Director upto the date of AGM held in 2024

Disclosures as required under Schedule V of Companies Act, 2013 & SEBI (LODR) Regulations, 2015

- There are no benefit given to the Directors except the remuneration paid to Managerial Personnel's and Non-Executive Directors are mentioned above.
- There are no notice period and severance fees to the Directors.
- There are no performance based incentives given to the directors of the Company.
- The Company has not issued any stock options during the Financial year under review.

- Redressal of shareholders'/investors' complaints;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015."

#### (ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Stakeholders Relationship Committee:-

Sl. No.	Name	Category
1.	Mr. Sanjay Chandak	Chairman (Independent Director)
2.	Ms. Tripti Gupta	Executive Director
3.	Mr. Shalabh Agarwal	Executive Director

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company.

#### C. Stakeholder Relationship Committee:

##### (i) Terms of Reference:-

The Stakeholder Relationship Committee has been constituted pursuant to the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Terms of reference, Powers & Obligations of the committee are given below:



### (iii) Meeting and attendance:-

During the year under review, 1(One) meeting of the Stakeholders Relationship Committee were held on March 15, 2022. The attendance of the members is as follows:-

S. No.	Name	Attendance
1.	Mr. Sanjay Chandak	1
2.	Ms. Tripti Gupta	1
3.	Mr. Shalabh Agarwal	1

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

During the year 2021-22, no complaint was received from Shareholders and there were no pending complaints as on 31st March, 2022. Other details pertaining to the Stakeholders Committee are given below:

S. No.	Name	Attendance
a)	Name of Chairman heading the Committee	Mr. Sanjay Chandak (Non Executive Independent Director)
b)	Name & Designation of Compliance Officer	Mr. Rahul Rastogi (Company Secretary)
c)	Number of shareholders' complaints received so far	NIL
d)	Number not solved to the satisfaction of shareholders	NIL
e)	Number of pending complaints	NIL

## D. Corporate Social Responsibility Committee:

### (i) Terms of Reference:-

The Corporate Social Responsibility Committee has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013. Terms of reference, Powers & Obligations of the committee are given below:

- To formulate and to recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by our Company as specified in Scheduled VII;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a)
- Monitor the Corporate Social Responsibility policy of our Company from time to time.

### (ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Corporate Social Responsibility Committee:-

S. No.	Name	Category
1.	Ms. Tripti Gupta	Chairman (Executive Director)
2.	Mr. Sanjay Chandak	Independent Director
3.	Mr. Shashank Agarwal	Executive Director

### (iii) Meeting and attendance:-

During the year under review, 1(One) meeting of the Corporate Social Responsibility Committee were held on March 15, 2022. The attendance of the members is as follows:-

S. No.	Name	Attendance
1.	Ms. Tripti Gupta	1
2.	Mr. Sanjay Chandak	1
3.	Mr. Shashank Agarwal	1

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

CSR policy was adopted by the Board on the recommendation of CSR committee. As per rule 9 of Companies (CSR policy) Rules, 2014 the CSR policy is available on the website of the Company at [www.salasartechno.com](http://www.salasartechno.com) under the tab of investor.

## 4. SUBSIDIARY COMPANIES

Except one Subsidiary LLP i.e. Salasar Adorus Infra LLP as on March 31, 2022 the Company neither has any Indian nor Foreign Subsidiary Company.

## 5. GENERAL BODY MEETINGS

### a) Details of last three Annual general Meetings and Special Resolutions passed therein:

Meeting	Date	Venue of AGM	Time	Special Resolution passed
18th AGM	28th, September 2019	J. P. Hotel and Resorts, 6B, Patparganj I.P Extension, NH-24, Behind CNG Petrol Pump, New Delhi- 110092	10:30 a.m.	Continuation of the term of Shri Vijay Kumar Jain (DIN: 00281757) Non-Executive Independent Director of the Company
19th AGM	26th September 2020	through Video Conferencing/Other Audio Visual Means	11:30 a.m.	Re-appointment of Mr. Alok Kumar (DIN: 01474484), as a Managing Director
20th AGM	18th September 2021	through Video Conferencing/Other Audio Visual Means	11:30 a.m.	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Shashank Agarwal (DIN: 00316141), as a Joint Managing Director</li> <li>2. Re-appointment of Mr. Shalabh Agarwal (DIN: 00316155), as a Whole Time Director</li> <li>3. Re-appointment of Ms. Tripti Gupta (DIN: 06938805), as a Whole Time Director</li> <li>4. Re-appointment of Mr. Sanjay Chandak (DIN: 07663328), as an Independent Director</li> <li>5. Appointment of Mr. Mukesh Kumar Garg (DIN:08936325), as an Independent Director</li> <li>6. Appointment of Mrs. Garima Dhamija (DIN:02155303), as an Independent Director</li> </ol>

### b) Resolution passed through Postal Ballot

There were two special resolutions passed through Postal Ballot during the last year One Special Resolution was passed on 03.07.2021 for Issue of (1:1) Bonus shares and second Special resolution passed on 17.03.2022 for Re-appointment of Mr. Vijay Kumar Jain as Independent Director for second term.

Further, two Special Resolutions were also passed after 31st March 2022 one for Split of Equity Shares (10:1) on 07rd June, 2022 and another for Fund Raising upto Rs. 200 Crore and Borrowing upto Rs. 700 Crore on 27th July, 2022 except these no Special Resolution is proposed to be passed till forthcoming AGM.

## 6. MEANS OF COMMUNICATION

The Company from time to time and as may be required, communicates with its investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, the Annual Reports, Press Releases and uploading relevant information on its website.

The Company is publishing quarterly unaudited/ annual audited financial results, notice, advertisement and other official news in the "Business Standard" (Vernacular language) regularly. The results have also displayed/uploaded on the Company's Website: [www.salasartechno.com](http://www.salasartechno.com)

## 7. GENERAL SHAREHOLDER INFORMATIONS

a)	AGM Date, time and venue	24th September 2022, at 11:30 a.m. at through Video Conferencing / Other Audio Visual Means
b)	Financial Year	01st April, 2022- 31st March, 2023
c)	<b>Financial Calendar (Tentative Schedule):</b>	
	First Quarter Results	By Second week of August 2022
	Second Quarter Results	By Second week of November 2022
	Third Quarter Results	By Second week of February 2022
	Results for the year ending March 2023	By the end of May 2023
d)	Book Closure Date	The Register of Members and the Share Transfer Books of the Company shall remain closed from Sunday, September 18, 2022 to Saturday, September 24, 2022 (both days inclusive) for the purpose of 21st AGM and for payment of Dividend for the Financial Year 2021-22
e)	Dividend Payment Date	The Dividend if declared at Annual General Meeting shall be paid within 30 days from the date of AGM i.e. September 24, 2022
f)	Listing on Stock Exchange	<p><b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1, Bandra - Kurla Complex, Bandra(E), Mumbai- 400001</p> <p><b>BSE Limited (BSE)</b> PhirozeJeejeebhoy Towers, Dalal Street, Mumbai- 400001</p> <p>Note: your Company has already paid the Listing Fees to both the Stock Exchanges.</p>
g)	<b>Stock Code:</b>	
	National Stock Exchange India Limited	SALASAR
	BSE Limited	540642

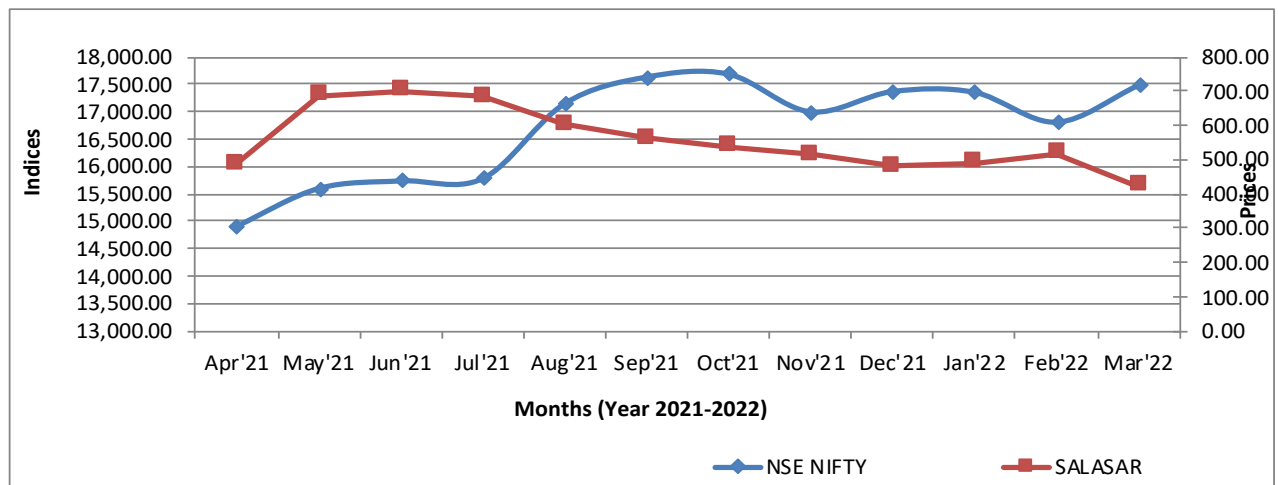
### h) Market Price Data for the year 2021-22

- Salasar Share Price versus the NSE NIFTY

Month	SALASAR NSE Price Rs.			NSE NIFTY		
	High	Low	Closing	High	Low	Closing
April 2021	492.80	363.15	486.20	15044.35	14151.40	14894.90
May 2021	697.40	476.50	687.30	15606.35	14416.25	15582.80
June 2021	722.00	615.00	700.30	15915.65	15459.85	15721.50
July 2021	366.30	305.20	342.65	15962.25	15513.45	15763.05
(Bonus Issue 1:1) Record date was: 14.08.2021						
August 2021	369.70	245.40	300.45	17153.50	15834.65	17132.20
September 2021	310.00	267.25	281.40	17947.65	17055.05	17618.15
October 2021	284.45	251.15	269.20	18604.45	17452.90	17671.65
November 2021	276.60	248.00	257.85	18210.15	16782.40	16983.20
December 2021	264.45	221.00	239.45	17543.25	16410.20	17354.05
January 2022	272.25	210.00	245.15	18350.95	16866.75	17339.85
February 2022	274.45	207.05	258.40	17794.60	16203.25	16793.90
March 2022	264.55	212.00	212.35	17559.80	15671.45	17464.75

Performance of Company's Equity Share's price in comparison to NSE NIFTY

Salasar Closing Price Vs NIFTY

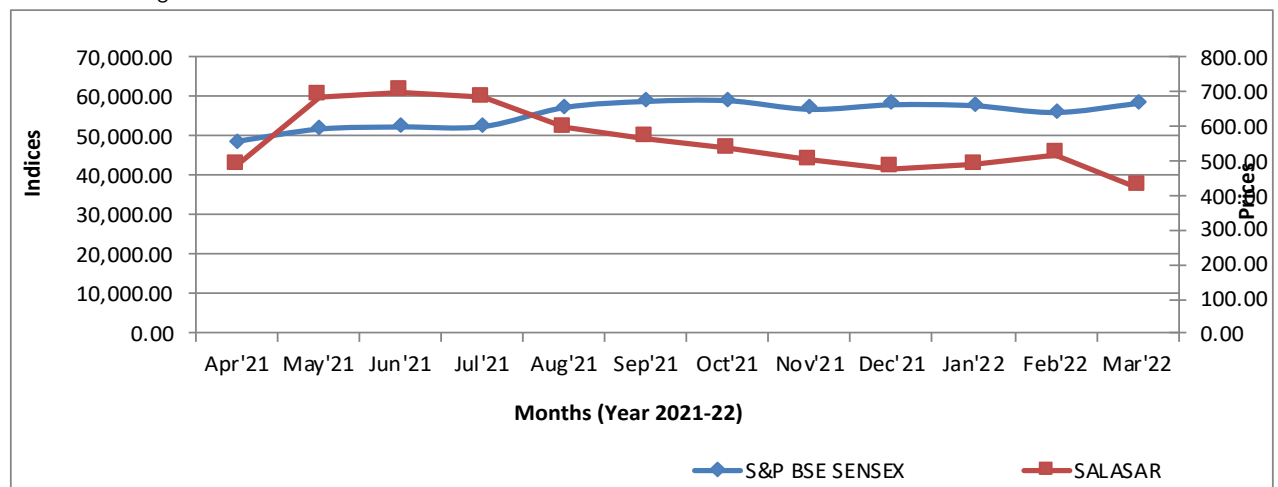


Salasar Share Price versus the BSE SENSEX

Month	SALASAR BSE Price Rs.			BSE SENSEX		
	High	Low	Closing	High	Low	Closing
April 2021	501.00	349.00	487.45	50375.77	47204.50	48782.36
May 2021	695.90	471.20	687.20	52013.22	48028.07	51937.44
June 2021	722.35	618.05	701.00	53126.73	51450.58	52482.71
July 2021	369.10	305.25	342.55	53290.81	51802.73	52586.84
(Bonus Issue 1:1) Record date was: 14.08.2021						
August 2021	370.00	245.20	297.65	57625.26	52804.08	57552.39
September 2021	309.85	267.55	282.75	60412.32	57263.90	59126.36
October 2021	286.60	251.15	268.70	62245.43	58551.14	59306.93
November 2021	280.00	233.00	251.65	61036.56	56382.93	57064.87
December 2021	270.00	221.55	239.50	59203.37	55132.68	58253.82
January 2022	275.00	213.00	244.15	61475.15	56409.63	58014.17
February 2022	274.05	202.00	258.95	59618.51	54383.20	56247.28
March 2022	268.00	211.80	212.35	58890.92	52260.82	58568.51

Performance of Company's Equity Share's price in comparison to BSE Sensex

Salasar Closing Price Vs Sensex



i) Suspension from Trading	There was no suspension of Trading of equity shares of the Company ordered by BSE & NSE
j) Registrar and Share Transfer Agents (for physical & demat shares)	BIGSHARE SERVICES PRIVATE LIMITED 302 Kaushal Bazar, 32-33, Nehru Place, New Delhi- 110019 Tel: 011-42425004 Email id: bssdelhi@bigshareonline.com Website: www.bigshareonline.com
k) Share Transfer system	Share transfer are registered and returned within a period of 15 days from the date of receipt, if the documents are complete in all respects.

#### L) Distribution of Equity Shareholding as on 31st March, 2022

i) Distribution of shares according to size of holding as on March 31, 2022

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	21576	94.9648	13,51,890	4.7318
501-1000	521	2.2931	4,12,489	1.4438
1001-2000	247	1.0871	3,71,842	1.3015
2001-3000	91	0.4005	2,26,675	0.7934
3001-4000	50	0.2201	1,80,386	0.6314
4001-5000	39	0.1717	1,81,100	0.6339
5001-10000	92	0.4049	6,85,347	2.3988
10001 & above	104	0.4577	2,51,60,799	88.0656
<b>Total</b>	<b>22720</b>	<b>100</b>	<b>2,85,70,528</b>	<b>100</b>

ii) Categories of Shareholders as on March 31, 2022

Category	No. of Shares held	% of Shareholding
Promoter and Promoter Group	1,99,12,600	69.6962
Clearing Members	79,718	0.28
Other Bodies Corporate	15,91,017	5.57
Financial Institutions/Banks	-	-
Foreign Institutional Investors	-	-
Mutual Funds	-	-
Hindu Undivided Family	3,82,957	1.34
General Public	63,29,394	22.15
Non Resident Indians	1,16,568	0.41
Trusts	-	-
Foreign Portfolio Investors	1,58,274	0.55
<b>TOTAL</b>	<b>2,85,70,528</b>	<b>100</b>

m)	Dematerialization of Shareholding and liquidity	As on March 31, 2022, 111 Equity Shares of the Company (0.000389% of total issued Equity Capital) were held in physical form and 2,85,70417 Equity Shares (99.99962% of total Equity Capital) were held in dematerialized form. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors.
n)	Dividend	The Board of Directors at their meeting held on May 30, 2022, recommend Dividend payout, subject to the approval of shareholders at the ensuing Annual General Meeting of Rs. 0.10/- per share (10%) of face value of Rs. 1/- each, on equity shares of the Company for whole of the Financial year 2021-22. The Dividend will be paid to those members whose names appear as beneficial Owners as per the details to be furnished by National Securities Depositories limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the close of business hours on September 17, 2022. The Dividend if declared at the AGM shall be paid within 30 days from the date of AGM i.e. September 24, 2022
o)	Outstanding GDRs/ADRs/Warrants or any convertible instruments	Not Applicable
p)	Commodity price risk or foreign exchange risk	Nil
q)	Plant locations	<p><b>Unit-I</b> Khasra No. 265, 281-283, Vill- Parsaun-Dasna, P.O.- Jindal Nagar, Distt Hapur- 201313 (U.P.)</p> <p><b>Unit-II</b> Khasra No. 1184, 1185, Vill-Khera, P.O. Pilkhuwa, Teshil Dhaulana, Distt. Hapur- 245304 (U.P.)</p> <p><b>Unit-III</b> Khasra No. 686/6, Vill-Khera, P.O. Pilkhuwa, Teshil Dhaulana, Distt. Hapur- 245304 (U.P.)</p>
r)	Address for correspondence	<p><b>Registrar &amp; Share Transfer Agent</b> (For Dematerialization and Share Transfer related query) BIGSHARE SERVICES PRIVATE LIMITED 302 Kaushal Bazar, 32-33, Nehru Place, New Delhi- 110019 Tel: 011-42425004 Email id: bssdelhi@bigshareonline.com Website: www.bigshareonline.com</p> <p><b>Company</b> (For Annual Report and any other related matters) Company Secretary, Salasar Techno Engineering Limited E-20, South Extension, New Delhi- 110049</p>
s)	List of Credit Ratings Obtained from Rating Agencies	The Company has been rated 'BWR A-' for Long Term Borrowing and 'BWR A2+' for Short Term Borrowing by Brickworks Ratings. During the Financial Year 2021-22 the rating of your Company has been reaffirmed by the rating agency.



## 8. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository limited (NSDL) and Central Depository Services (India) limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are listed. The Audit confirms that the total listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

## 9. INDEPENDENT DIRECTORS

The Board of the Company has been duly constituted with optimum combination of Executive Directors, Non-Executive and Independent Directors. The Board of the Company comprises of following Independent Directors:-

- i. Mr. Sanjay Chandak
- ii. Mr. Vijay Kumar Jain
- iii. Mr. Mukesh Kumar Garg
- iv. Mrs. Garima Dhamija

### Meeting of Independent Directors

As required by the code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a meeting of the Independent Directors of the Company was convened on 15th March, 2022 to overlook and review the performance of Non Independent Directors and of the Board as a whole. In the meeting members has also done performance evaluation of Managing Director of the Company.

### Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

## 10. MANAGEMENT DISCUSSION AND ANALYSIS

A separate chapter on Management Discussion and Analysis is given in this Annual report.

11. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor is Rs. 4,25,000 p.a. excluding all taxes as applicable.

## 12. Adoption of Requirements as specified in Part E of Schedule II

As specified in Part E of Schedule II of SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 following requirement has been adopted by the Company:

- i. The Internal Auditor may report directly to the Audit Committee
- ii. Submission of Financial Statements with Unmodified Audit Opinion.

## 12. CEO/CFO CERTIFICATION

Mr. Alok Kumar, Managing Director, Mr. Shashank Agarwal, Jt. Managing Director and Mr. Pramod Kumar Kala, Chief Financial Officer, have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took the same on record.

## 13. COMPLIANCE CERTIFICATION

Compliance Certificate for Corporate Governance obtained from a practicing Company Secretary is annexed herewith.

## 14. CODE OF CONDUCTS

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head "Investors" on the website of the company i.e. [www.salasartechno.com](http://www.salasartechno.com)

## 15. DISCLOSURE

### a) **Non-Compliance by the Company, penalties and strictures imposed, if any,-**

There have been no instances of non-compliance with any of the legal provisions of law made by the Company and no penalty or strictures imposed by the stock exchange or SEBI or any other statutory authority on any matter related to the capital markets during the last three years.

### b) **Vigil Mechanism/Whistle Blower Policy-**

The Company has in place of vigil mechanism and whistle blower policy under which employees can report any violations of applicable laws and regulations and the code of conduct of the Company. Vigil Mechanism of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.

### c) **Compliance with Governance framework-**

The Company has complied with all the mandatory requirements under the SEBI (LODR) Regulations, 2015 of Listing Regulations.

### d) **Disclosure of Transactions with Related Parties-**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, during the Financial Year were in the ordinary course of Business and on arm's length basis.

The Company has in place policy for Related Party Transaction and the same is place on the Company's Website i.e. [www.salasartechno.com](http://www.salasartechno.com) under the tab of Investors There are no materially significant related party transactions made by the Company that

may have potential conflict with the interests of the Company at large.

e) The Company has duly complied with all the Corporate Governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### f) **Commodity Price Risk and Commodity hedging activities-**

Presently, the Company is not dealing in commodities and commodity hedging activities. So, information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.

### g) **Disclosure with respect to demat suspense account/ unclaimed suspense account-**

The Company does not have any shares in demat suspense account/ unclaimed suspense account.

For and on behalf of the Board of Directors  
 For Salasar Techno Engineering Limited

#### **Chairman and Managing Director**

**Alok Kumar**

DIN NO. 01474484

KL-46, Kavi Nagar

Ghaziabad-201001

Uttar Pradesh

Date: 09.08.2022

Place: New Delhi

#### **Jt. Managing Director**

**ShashankAgarwal**

DIN:00316141

B-166, Sector-50

GautamBudh Nagar

Noida 201301 UP

# CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
**Salasar Techno Engineering Limited**  
E-20, South Extension  
New Delhi- 110049

We have examined the compliance of conditions of Corporate Governance by Salasar Techno Engineering Ltd. for the financial year ended on 31st March, 2022 as stipulated in Regulation 27(1) & (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of the Listing Agreement).

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

## For Deepika Madhwal & Associates

### Company Secretary

Membership No: 31234  
Place: Ghaziabad  
Date: 09th August, 2022  
UDIN: A031234D000872855

---

## DECLARATIONS

### Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the SEBI (LODR) Regulations, 2015, all Board Members and Senior Management personnel have affirmed compliance with Salasar Techno Engineering Limited code of business conduct and ethics for the year ended March 31, 2022.

### For Salasar Techno Engineering Limited

Date: 09.08.2022  
Place: New Delhi

**Alok Kumar**  
Managing Director  
DIN: 01474484

# CEO/CFO CERTIFICATION- FINANCIAL YEAR ENDED 31.03.2022

[Pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015]

We, Alok Kumar, Managing Director, Shashank Agarwal, Jt. Managing Director & Pramod Kumar Kala, Chief Financial Officer of Salasar techno Engineering Limited hereby certify that :-

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we state that:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintain internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicating to the Auditors and the Audit Committee:
- i) significant changes, if any, in internal control over financial reporting during the year.
  - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) instance of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Salasar Techno Engineering Limited

**(Alok Kumar)**  
Managing Director  
DIN: 01474484

**(Shashank Agarwal)**  
Jt. Managing Director  
DIN: 00316141

**(Pramod Kumar Kala)**  
Chief Financial Officer  
PAN: AALPK4692F

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to regulation 34(3) and Schedule V para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members of  
**Salasar Techno Engineering Limited**  
New Delhi

As required by item 10 (i) of para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, we certify that none of the directors on the board of Salasar Techno Engineering Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

**For Deepika Madhwal & Associates**

**Company Secretary**

Membership No: 31234

Place: Ghaziabad

Date: 09th August, 2022

UDIN: A031234D000872855

# ANNEXURE-C

## Details of Joint Venture as per AOC-1:

(₹ in Lakh)

1	Name of the Joint venture	Sikka-Salasar-JV	Salasar- HPL-JV	Salasar- REW-JV
2	Reporting period for the Joint Venture- Latest Audited Balance Sheet sheet date	31.03.2022	31.03.2022	31.03.2022
3	Shares of the Joint Venture held by the Company	NIL	NIL	NIL
	Number	-	-	-
	Amount	0.49	0.10	0.51
	Extent of % of holding	49%	100%	51%
4	Reserves & surplus	(194.29)	27.18	45.02
5	Total assets	1640.33	177.09	245.68
6	Total Liabilities	1640.33	177.09	245.68
7	Investments	Nil	Nil	Nil
8	Turnover	660.66	184.45	598.00
9	Profit before taxation	(185.80)	(38.23)	19.43
10	Provision for taxation	(9.98)	-	6.06
11	Profit after taxation	(175.81)	(38.23)	13.37
12	Proposed Dividend	NIL	NIL	NIL

For and on behalf of the Board of Directors  
 For Salasar Techno Engineering Limited

**Chairman and  
 Managing Director**

**Alok Kumar**

DIN NO. 01474484  
 KL-46, Kavi Nagar  
 Ghaziabad-201001  
 Uttar Pradesh

**Jt. Managing Director**

**Shashank Agarwal**

DIN:00316141  
 B-166, Sector-50  
 GautamBudh Nagar  
 Noida 201301 UP

Date: 09.08.2022

Place: New Delhi



# Details of Subsidiary LLP:

		(₹ in Lakh)
1	Name of Subsidiary LLP	Salasar Adorus Infra LLP
2	Reporting period for the Subsidiary LLP- If different from the holding's company's reporting period sheet date	-
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4	Capital Account	10.00
5	Total assets	933.44
6	Total Liabilities	933.44
7	Investments	Nil
8	Turnover	3027.15
9	Profit before taxation	(9.69)
10	Provision for taxation	1.18
11	Profit after taxation	(10.87)
12	Proposed Dividend	NIL
13	Share of Profit transferred to the Capital Accounts (51%)	(5.54)

For and on behalf of the Board of Directors  
For Salasar Techno Engineering Limited

**Chairman and  
Managing Director**

**Alok Kumar**

DIN NO. 01474484  
KL-46, Kavi Nagar  
Ghaziabad-201001  
Uttar Pradesh

**Jt. Managing Director**

**Shashank Agarwal**

DIN:00316141  
B-166, Sector-50  
Gautam Budh Nagar  
Noida 201301 UP

Date: 09.08.2022  
Place: New Delhi

# ANNEXURE-D

## FORM NO. 3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

{Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014

To,  
The Members  
**Salasar Techno Engineering Limited**  
CIN: L23201DL2001PLC174076  
E- 20, South Extension- I  
New Delhi- 110049

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practiced by **Salasar Techno Engineering Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31 March 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

#### Board processes:

We further report that:

The constitution of the Board of Directors of the Company (the Board) during the year was in compliance with the applicable provisions of the Act and LODR.

- a. As on 31st March 2022, the Board has:
  - 4 (Four) Executive Directors; and
  - 4 (Four) Non-Executive Independent Directors including a woman Independent Director.
- b. The processes relating to the following changes in the composition of the Board during the year were carried out in compliance with the provisions of the Act and LODR:
  - Re-appointment of the retiring director at the 20th Annual General Meeting (AGM) held on 18th September 2021; and
  - Re-appointment of three Executive Directors, Mr. Shashank Agarwal (DIN 0036141), Mrs. Shalabh Agarwal (DIN: 00316155) and Ms. Tripti Gupta (DIN: 06938805) for a second tenure of five consecutive years from 10th December 2022 to 09th December 2025, which was approved by the members at the 20th Annual General Meeting (AGM) held on 19th September 2021.
  - Re-appointment of one Independent Director, Mr. Sanjay Chandak (DIN 07663328) for a second tenure of three consecutive years from 19th January 2022 to 18th January 2025, which was approved by the members at the 20th Annual General Meeting (AGM) held on 19th September 2021.

- Regularization of two Independent Directors, Mr. Mukesh Kumar Garg (DIN 08936325) and Mrs. Gairma Dhamija (02155303) which was approved by the members at the 20th Annual General Meeting (AGM) held on 19th September 2021.
  - During the year under review, the term of Mr. Anil Kumar Jain and Mr. Vijay Kumar Jain as Independent Directors completed on 18.01.2022 and Mr. Anil Kumar Jain did not offer himself for re-appointment. Accordingly he left Board of the Company. Although, Mr. Vijay Kumar Jain offer himself for appointment of another term accordingly he continued in the board of the Company as Independent Director for second term of 3(three) years. The re-appointment of Mr. Vijay Kumar Jain was approved by the Board of Directors on 11.02.2022 and subsequently approved by the shareholders on 17th March, 2022 by passing Special Resolution through Postal Ballot.
- c. Adequate notice was given to all the directors to enable them to plan their schedule for the Board meetings. Notices of the Board meetings held during the year were sent to all the directors at least seven days in advance.
- d. Agenda and detailed notes on agenda were sent to the directors at least seven days before the Board meetings. Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the Board meetings and consent of the Board for such circulations was duly obtained as required under SS-1:
- Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement/ results, unaudited financial results and connected papers; and
  - Additional subjects/ information/ presentations and supplementary notes.
- e. The Company has a system which facilitates directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
- f. We are informed that, at the Board meetings held during the year:
- Majority decisions were carried through; and
  - No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as part of the minutes.

## Compliance mechanism

We further report that:

There are adequate systems and processes in the Company, commensurate with the Company's size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period ended on 31 March 2022 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period under review);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period under review);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company during the Audit Period under review);**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period under review);** and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period under review);**
- i) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ; and
- j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

Other laws applicable specifically to the Company, namely:

- a. Labour laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.
- b. Acts prescribed under Environmental Protection
- c. Acts as prescribed under Direct Tax and Indirect Tax
- d. Labour Welfare Act of respective States
- e. Laws prescribed under Trademarks, Copyright and Patent Acts
- f. Local Laws as applicable to various offices and plants
- g. Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.

- h. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
- i. Environment Protection Act, 1986 and the rules, notifications issued thereunder.
- j. Factories Act, 1948 and allied State Laws.

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;
- b. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

#### **We further report that:-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive and Independent Directors.

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

**We further report that** based on review of compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** as per the requirements of Companies Act, 2013 and applicable rules and regulations/guidelines, the Company has formulated and adopted various policies including:-

- a. Corporate Social Responsibility policy;
- b. Code of conduct for Board of Directors and senior management;
- c. Dividend Distribution Policy
- d. Criteria for making payment to Non-Executive Directors;
- e. Policy on materiality of Related party Transactions and on dealing with Related party Transactions;
- f. Policy for determining material subsidiaries;
- g. Role of Independent Directors and terms & conditions for their appointment;
- h. Vigil Mechanism/Whistle Blower policy;

and have placed them on the website of the Company wherever needed.

**We further report that** during the year under review the Company Issue Bonus Shares (1:1) which was initially approved by the Board of Directors on June 01, 2021 and subsequently approved by the Shareholders through Postal Ballot on 03rd July, 2021. Thereafter, Company hold Board Meeting on 17th

July, 2021 for allotment of Bonus shares. Accordingly, now the paid up share capital of the Company has increased from Rs. 14,28,52,640 to Rs.28,57,05,280.

Except mentioned above the Company has not taken any major activities during the year like;

- (i) Public/Right/debentures/ borrowing/sweat equity/ESOP etc.
- (ii) Redemption/ buy-back of securities
- (iii) Major decisions has not been taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Foreign technical collaborations/Joint Ventures etc.
- (v) Merger/amalgamation/reconstruction, etc

**For Deepika Madhwal & Associates**

**Company Secretary Firm**

Membership No: 31234

C. P. No. 14808

Place: Ghaziabad

Date: 09.08.2022

UDIN: A031234D000872756

## Annexure- A

[Annexure to the Secretarial Audit Report of Salasar Techno Engineering Limited  
for the Financial Year ended 31st march, 2022]

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provided a reasonable basis for our opinion.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to verification of procedure on test basis.
5. Wherever required, we have obtained the management representation about the Compliance of Laws, rules and regulations and happening of events etc.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted affairs of the Company.

### For Deepika Madhwal & Associates

#### Company Secretary Firm

Membership No: 31234

C. P. No. 14808

Place: Ghaziabad

Date: 09.08.2022

UDIN: A031234D000872756



# ANNEXURE-E

## DETAILS OF REMUENRATION

[Details pertaining to remuneration as required under section 197(12) read with rule 5(1) of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 are as under:

Sr. No.	Name of Director/KMP	Designation	Remuneration of Director/KMP for the Financial Year 2021-22 (Rs. In Lakh)	% increase in Remuneration in the Financial Year 2021-22	Ratio of Remuneration of each Director to median remuneration
A	B	C	D	E	F
1.	Mr. Alok Kumar	Managing Director	82.80	3.7%	63.75
2.	Mr. Shashank Agarwal	Jt. Managing Director	82.80	14.00%	63.75
3.	Mr. Shalabh Agarwal	Whole Time Director	58.08	Nil	44.72
4.	Ms. Tripti Gupta	Whole Time Director	58.08	14.30	44.72
5.	Mr. Sanjay Chandak	Independent Director	*1.50	NA	NA
6.	Mr. Vijay Kumar Jain	Independent Director	*1.40	NA	NA
7.	Mr. Mukesh Kumar Garg	Independent Director	*1.70	NA	NA
8.	Mrs. Garima Dhamija	Independent Director	*0.70	NA	NA
9.	Mr. Pramod Kumar Kala	Chief Financial Officer	36.82	7%	28.35
10.	Mr. Rahul Rastogi	Company Secretary	7.92	10%	6.09

\* All the Independent Directors in the Board take only sitting fees for attending meeting.

### 1. The ratio of remuneration of each director to the median remuneration of the employees of the company for the Financial Year:

The median remuneration of employees of the Company during the Financial Year was Rs. 1.2986 Lakh per annum and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the column F of table I given above.

Independent Directors were paid only sitting fees during the financial year under review. Hence, their ratio to Median Remuneration has been shown as Not Applicable. The percentage increase in their remuneration is based on their attendance in the Board and Committee Meetings held during the financial year.

### 2. Percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year:

Details provided in the column E of table I given above.

### 3. The percentage increase in the median remuneration of Employees in the Financial Year 2021-22:

The median remuneration of employees of the Company during the Financial Year was Rs. 1.2986 Lakh per annum as compare to previous year where the median remuneration of employee was 1.0017 Lakh per annum.

Hence there is 29% increase in the median remuneration of employees as compared to previous financial year 2021-22

### 4. The number of permanent Employees on the rolls of the Company as on March 31, 2022:

The number of permanent Employees on the rolls of the Company as on March 31, 2022 was 2110.

### 5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is increase of 9.87% in average salary of employees other than the managerial personnel during the financial year as compared to previous year. Increase in average salary of managerial personnel during the financial year as compared to previous year was 8.8%. The increase in the remuneration of Managerial Remuneration was keeping in view the limits as laid down in the Companies Act, 2013 read with relevant rules.

### 6. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

Particulars of employees

[Statement as per provisions of sec 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.]

#### a) Name of top ten employees in terms of salary drawn are mentioned below:

Sr. No.	Employee Name	Designation, Nature of employment	Educational Qualification	Age (in Years)	Experience (in years) Experience (in years)	Date of Joining	Remuneration p.a. (Rs. In Lakh)	Previous Employer	Equity Shares Held
1.	Mr. Alok Kumar	Managing Director	B.Sc from Punjab University, Chandigarh	67	47	Since 2006	82.80	-	17880000
2.	Mr. Shashank Agarwal	Jt. Managing Director	B.E. (Mech.) from MIT, Manipal	54	32	Since 2006	82.80	-	14211840
3.	Mr. Shalabh Agarwal	Whole Time Director	B.tech from MIT, Manipal	49	27	Since 2006	58.08	-	25611840
4.	Ms. Tripti Gupta	Whole Time Director	Commerce Graduate from Shri Ram College of Commerce, Delhi and MBA in Finance from IMT, Nagpur	38	8	Since 2014	58.08	-	8000000



Sr. No.	Employee Name	Designation, Nature of employment	Educational Qualification	Age (in Years)	Experience (in years) Experience (in years)	Date of Joining	Remuneration p.a. (Rs. In Lakh)	Previous Employer	Equity Shares Held
5.	Mr. Pramod Kumar Kala	CFO	Chartered Accountant	51	27	Since 2019	36.82	M/s Jagatjit Industries Limited From 1995 to 2015 and in PMV group from October 2015 to 2018	-
6.	*Mr. Shikhar Gupta	Vice President	B.B.A from Amity University and Marketing and Environmental Economics from LSE	33	10	Since 2016	36.00		5520000
7.	Mr. Thota Pradeep Kumar Swamy	CEO of Unit-III	ME (Mechanical)	57	35	Since 2020	34.00	M/s Atmastco Ltd. Bilhai	-
8.	Mr. Dyanand Swamy Kuna	VP of Transmission Project	Bachelor of Engineering from Osmania University	22	47	Since 2021	31.42	Skipper Limited	-
9.	Mr. Pankaj Sharma	GM	MBA from Sikkim Manipal University	17	38	Since 2021	24.80	Jaguar Overseas Limited	-
10.	Pushkar Gupta	GM of Transmission Project	Bachelor of Technology from Lucknow	11	35	Since 2021	18.60	KEI Industries Limited	-

\* Mr. Shikhar Gupta is son of Mr. Alok Kumar

**b) Employees employed for part of the year and in receipt of Rs. 8.5 Lakhs or more a month:**

None of the employee was in receipt of remuneration amounting to Rs. 8.5 Lakhs per month or more for part of the year.

- c) There are no Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and who holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

# ANNEXURE-F

## NOMINATION AND REMUNERATION POLICY

SalasarTechno Engineering Limited considers human resources as its invaluable assets. The Nomination and Remuneration Committee of the Company formulated “Nomination and Remuneration Policy” of Directors, Key Managerial Personnel (KMPs) and other employees as per the provisions of the Companies Act, 2013 and the listing agreement.

### NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company constituted the committee to be known as the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an independent Director.

### OBJECTIVE

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013. The objective of this policy is to lay down a framework

in relation to remuneration of directors, KMP's, and other employees. The Key objectives of the Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, executive directors key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in one level below the key managerial personnel in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
5. Analyzing, monitoring and reviewing various human resource and compensation matters;
6. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
7. Determining compensation levels payable to the key managerial personnel and other staff (as deemed necessary) which shall be market-related, usually consisting of a fixed and variable component;
8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
9. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2014; or
  - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
10. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

### DEFINITIONS

**“Act”** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

**“Board”** means Board of Directors of the Company.

**“Directors”** mean Directors of the Company.

**“Key Managerial Personnel”** means

- i. Chief Executive Officer or the Managing Director or the Manager;
- ii. Whole-time director;

- iii. Chief Financial Officer;
- iv. Company Secretary; and
- v. such other officer as may be prescribed.

**“Senior Management”** means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

## **POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMP'S AND SENIOR MANAGEMENT**

### **1. General**

- a) Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Director of Salasar Techno Engineering Limited.

### **2. TERM / TENURE**

#### **a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director

for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

#### **b) Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a Listed company or such other number as may be prescribed under the Act.

### **3. Evaluation of performance**

The Committee will make recommendations to the Board on appropriate performance criteria for the Directors. Also it will formulate the criteria and framework for evaluation of performance of every director on the Board of the Company, Senior Management Personnel at regular intervals (yearly).

### **4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

## 5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## POLICY ON REMUNERATION OF DIRECTORS, KMP'S AND SENIOR MANAGEMENT

### 1. Remuneration of Managing Director/Whole-time Director, KMP and Senior Managerial Personnel

The Remuneration/ Compensation/ Commission etc. to Directors will be determined by the committee and recommended to the Board for approval. The Remuneration/ Compensation/

Commission etc. to be paid to Director /Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

### 2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

## DUTIES OF COMMITTEE RELATING TO NOMINATION

The duties of the Committee in relation to nomination matters include:

- i. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- ii. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

- iii. Identifying and recommending Directors who are to be put forward for retirement by rotation.
- iv. Determining the appropriate size, diversity and composition of the Board;
- v. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- vi. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- vii. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- viii. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service Contract.
- ix. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- x. Recommend any necessary changes to the Board; and
- xi. Considering any other matters, as may be requested by the Board.

## DUTIES OF COMMITTEE RELATING TO REMUNERATION

Duties of the Committee in relation to remuneration matters include:

- i. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- ii. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.



- iii. to delegate any of its powers to one or more of its members or the Secretary of the Committee.
  - iv. to consider any other matters as may be requested by the Board.
  - v. Professional indemnity and liability insurance for Directors and senior management.
- ii. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
  - iii. This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

## REVIEW

- i. The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.

# ANNEXURE-G

## Annual Report on CSR Activities for Financial Year 2021-22

### 1. Brief outline on CSR policy of the Company:

The company has framed the corporate social responsibility (CSR) policy which encompasses its philosophy for delivering its responsibility as citizen and laid down process, guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.

#### Role of CSR Committee:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;
- To monitor the Corporate Social Responsibility of the Company from time to time;
- Any matter/ thing may be considered expedient by the members in furtherance of and to comply with the CSR policy of the Company.

#### The CSR Activities covered the following area as per CSR policy of the Company:

- Promoting preventive health care;
- Promotion of Education.
- Empowering Women, and works with communities to prevent everyday violence.
- Eradicating hunger, poverty and malnutrition Livelihood enhancement

### 2. Composition of CSR Committee:

Sl. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Tripti Gupta, Chairperson	Whole Time Director	1	1
2.	Mr. Shashank Agarwal, Member	Managing Director	1	1
3.	Mr. Sanjay Chandak, Member	Independent Director	1	1

### 3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:

<https://www.salasartechno.com/csr.php>

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable.

## 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
NIL			

6. Average net profit of the company as per section 135(5): 3943 Lakhs
7. (a) Two percent of average net profit of the company as per section 135(5): 78.86 Lakhs
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year, if any: Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c): 78.86 Lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. In Lakhs)	Amount Unspent (in Rs.)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Total Amount transferred to Unspent CSR Account as per section 135(6). Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
62.98 Lakhs	15.89	30/04/2022	Ammucare Charitable Trust (Livelihood and Food Distribution – COVID Response)	3.5 Lakhs	12/05/2022
			Ammucare Charitable Trust (Livelihood and Food Distribution – COVID Response)	3.5 Lakhs	06/08/2022

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the Project		(6) Project Duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial Year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Healthy people from families of Leprosy colony prepare food for 200 poor people and in return earn their livelihood and support 55 families.	Eradicating hunger, poverty and malnutrition Livelihood enhancement	Yes	Delhi		3 Years	15,89,000	7,00,000	15,89,000	No	Ammucare Charitable Trust	CSR00003485

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

(1) Sl. No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration number
1.	Counseling and Legal Aid for survivors of Domestic violence	Empowering Women	Yes	Delhi	Delhi	19,80,580	No	Shakti Shalini	CSR00012640
2.	Purchase of Apheresis machine	Promoting Healthcare	Yes	U.P.	Noida	5,00,000	Yes	Rotary Noida Research and Social Welfare Trust (Blood Bank)	CSR00007793
3.	Providing bicycles to girls to ensure their independence	Empowering Women	Yes	U.P.	Noida	15,75,000	No	ROTARY FOUNDATION (INDIA)	CSR00007793
4.	Education for 200 students from LKG-Std. 8th	Promoting Education	Yes	U.P.	Ghaziabad	5,63,600	No	Sewa Samarpan Kalyan Samiti	CSR00012803
5.	Desk and chairs for 200 students	Promoting Education	Yes	U.P.	Hapur	5,00,000	No	Aanchal Nyas	CSR00012750
6.	Accessible toilets for people with disabilities and senior citizens	Accessibility for PwDs and Senior Citizens	Yes	New Delhi, Haryana, U.P.	Noida, Delhi, Gurugram	4,00,000	No	Sangati Foundation	CSR00012049
7.	Healthy people from families of Leprosy colony prepare food for 200 poor people and in return earn their livelihood and support 55 families.	Eradicating hunger, poverty and malnutrition Livelihood enhancement	Yes	Delhi	Central Delhi	5,00,000	No	Ammucare Charitable Trust	CSR00003485
8.	Livelihood Enhancement Project	Upliftment of the Disabled	Yes	Delhi	Delhi	1,77,000	No	Planet Abled India Foundation	CSR00000898
<b>TOTAL</b>						<b>61,96,180</b>			

d) Amount spent in Administrative Overheads: 102,000

e) Amount spent on Impact Assessment, if applicable: Not Applicable

f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 62,98,180

g) Excess amount for set off, if any:

Sl. No	Particulars	Amount (Rs. In Lakh)
i.	Two percent of average net profit of the company as per section 135(5)	78.86
ii.	Total amount spent for the Financial Year	62.98
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	

NOT APPLICABLE

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The amount remain unspent because the balance was on account of ongoing projects and therefore the balance amount has been transferred to separate account on 30.04.2022

**Tripti Gupta**

DIN: 06938805

Chairperson of CSR Committee

**Shashank Agarwal**

DIN: 00316141

Joint Managing Director

# MANAGEMENT DISCUSSION & ANALYSIS

## Global Economy

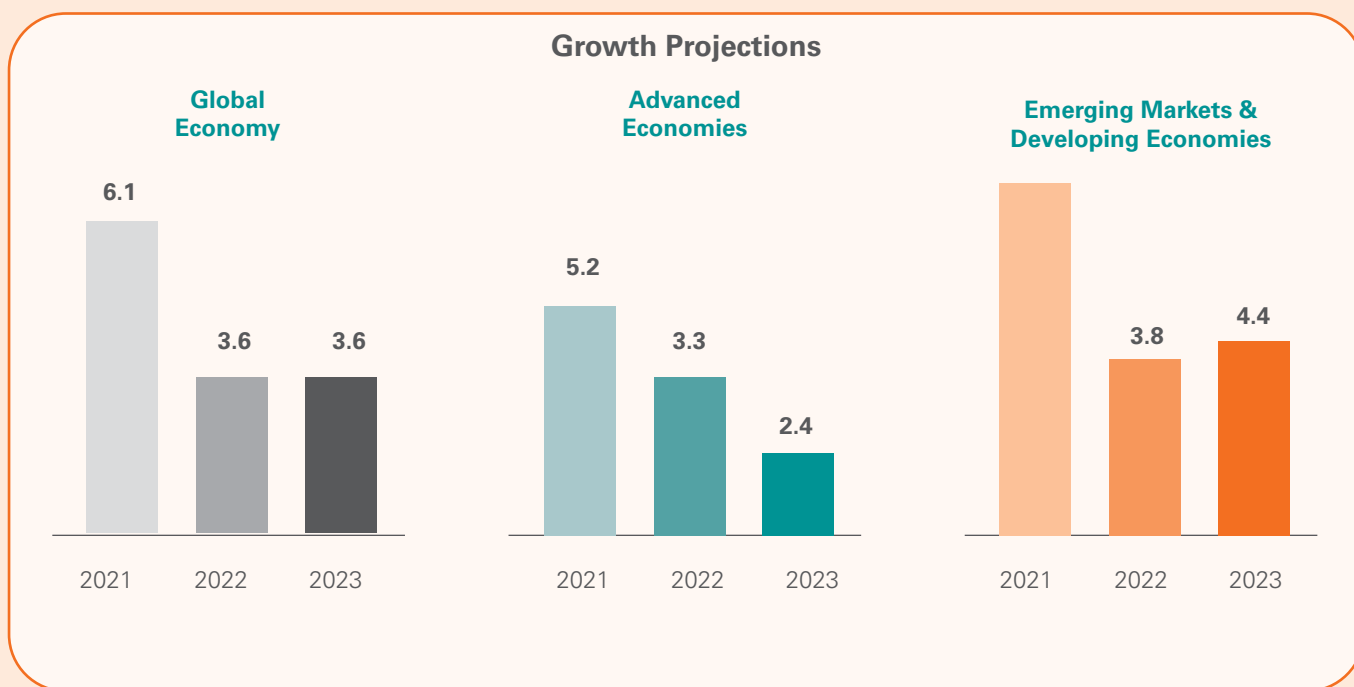
The world economy increased by 6.1 percent in CY2021, according to the International Monetary Fund. The slow recovery is due to the pandemic's long-term consequences as well as insufficient economic measures as a result of supply-chain disruptions.

The advanced economies are beginning to show signs of improvement. This is due to increased economic activity and investments, which are expected to return to pre-pandemic

levels. EMDEs, on the other hand, are growing at a slower pace as a result of lower output levels. The difference in growth is exacerbated by slow vaccination rollouts, strict economic policies, high unemployment, and high inflation.

The crisis in Ukraine has wreaked havoc on the country's humanitarian situation, which must be addressed peacefully. The economic ramifications of the battle led in a significant slowdown in world growth in 2022. Higher, broader, and more persistent price pressures spurred monetary policy tightening in several nations. Overall economic risks have skyrocketed, making policy trade-offs difficult.

### World Economic Outlook April 2022



International Monetary Fund

IMF.org #WEO

## OUTLOOK

Global growth is predicted to drop to 3.6 percent in 2022 and 2023. Inflation is predicted to reach 5.7 percent in advanced countries and 8.7 percent in emerging market and developing economies as a result of war-related commodity price increases and rising pricing pressures. In the medium run, when pent-up demand is depleted, growth is anticipated to dip to 3.3 percent. Despite the slowdown, the predicted growth rate will be adequate to restore aggregate advanced-economy production to pre-pandemic levels in CY23, completing the cyclical recovery. Investment is expected to revive strongly, due to strong aggregate demand and favourable financing circumstances.<sup>1</sup>

## Indian Economy

The second wave had a considerable influence on health but not on the economy; in FY 2021-22, the economy recovered in a K shape. India's GDP increased by 8.7% in real terms in FY 2021-22, after declining by 7.3 percent in FY 2020-21. The services industry has been hit the hardest by the pandemic, especially those that need human connection.

In FY 2021-22, total consumption increased by 7.2 percent, with considerable contributions from government expenditure. As a result of increased public infrastructure spending, Gross Fixed Capital Formation had also reached pre-pandemic levels. Both goods and service exports have been robust so far in 2021-22, while imports have substantially climbed as a result of growing local demand and higher international commodity costs.

Inflation has been steadily rising since September 2021, reaching 6.1 percent in February 2022 as a result of rising oil prices, higher input costs, and supply chain disruptions. The growth of the industrial sector is also limited by a lack of

semi-conductor chips and high commodity prices. Despite these challenges, the economy is expected to grow at a strong rate. The RBI's monetary policies and government programmes such as Product Linked Incentives (PLI), the National Monetisation Plan (NMP), and PM Gati Shakti - National Master Plan are expected to propel the country's economic development.

## OUTLOOK

In FY2022-23, India's GDP is predicted to grow by 7.2 percent. Growth is expected to increase up in the second quarter of FY2022-23 as uncertainties recede. Early geopolitical issues might lead to capital outflows and a fast depreciation of the currency, although both are likely to recover by the end of 2022. Overall, macroeconomic stability indicators show that India's economy would be well-prepared to face its difficulties in 2022-23.<sup>2</sup>

## Industry Overview

### INDIAN TELECOM SECTOR

The Indian telecom industry's has witnessed a skyrocketed growth. This may be seen in the fact that India's overall telephone subscriber base has grown from 933.02 million in March 2014 to 1.17 billion as of April 2022. The country's internet penetration is continuously expanding, with internet users increased by 34 million between 2021 and 2022<sup>3</sup> which was a growth of 5.4 percent from the previous year. Over the last seven years, the Indian Telecom Tower industry has grown significantly by 65%. The number of mobile towers has also expanded significantly, reaching 6.93 lakhs in December 2021, indicating that telecom operators have recognised the sector's potential and taken the chance to create infrastructure that would be critical in supporting the government's Digital India mission.

<sup>1</sup>IMF Outlook April 2022

<sup>2</sup>RBI Annual Report 2022

<sup>3</sup>[https://datareportal.com/reports/digital-2022-india#:~:text=There%20were%20658.0%20million%20internet,percent\)%%20between%202021%20and%202022.](https://datareportal.com/reports/digital-2022-india#:~:text=There%20were%20658.0%20million%20internet,percent)%%20between%202021%20and%202022.)



## OUTLOOK

The industry is expected to grow with the expansion in 5G technology. It is predicted to add \$450 billion to the Indian economy between 2023 and 2040. 5G Spectrum Trials are now underway in India to assure the spread of 5G technology across the country. By December 2022, the Department of Telecommunications (DoT) expects to have 100 percent broadband access in villages, 55% fiberisation of mobile towers, average broadband speeds of 25 mbps, and 30 lakh kilometres of optic fibre rollouts. By December 2024, it expects to have fiberized 70% of its towers, average internet speeds of 50 Mbps, and 50 lakh kilometres of optic fibre rollouts across India.

The telecom industry is the third biggest in terms of Foreign Direct Investment (FDI) inflows, accounting for 7% of overall FDI inflows. It directly employs 2.2 million people and indirectly employs 1.8 million people. Between 2014 and 2021, FDI inflows into the telecom sector increased by 150 percent to \$20.72 billion, up from \$8.32 billion between 2002 and 2014.<sup>4</sup>

The government has also come with initiatives to boost the sector. Additionally, the Digital India programme will enable sectors like as healthcare, retail, etc to be connected through internet. The production linked initiative has triggered the entry of global players to manufacture devices and components.

## Indian Renewable Energy Sector

During the previous 7.5 years, India has had the greatest rate of increase in renewable energy capacity addition among all big economies, with renewable energy capacity increasing by 2.9 times and solar energy rising by more than 18 times. Renewable energy (excluding big hydro) accounts for more than 24.71 % of the country's installed power capacity and about 10.7 % of electrical energy output in 2020-21. India's total renewable

energy installed capacity (excluding hydropower over 25 MW) had surpassed 103.05 GW as of October 31, 2021.

The Green Energy Corridor (GEC) initiatives have been launched in order to ease renewable electricity evacuation and reshape the system for future needs. The GEC Project attempts to synchronise electricity generated by renewable sources such as solar and wind with traditional power plants in the grid. The Indian government has set targets to reduce India's total projected carbon emissions by 1 billion tonnes by 2030, to reduce the carbon intensity of the nation's economy by less than 45 percent by the end of the decade, to achieve net-zero carbon emissions by 2070, and to increase India's renewable energy installed capacity to 500 GW by 2030.

## Transmission Power Sector

India has witnessed a huge transformation from a country with serious electricity shortages to one where demand is completely fulfilled. India has also made considerable efforts to ensure that all households have access to electricity. The total installed power capacity and captive power plant (industries with a requirement of 1MW or more) was 459.15 GW as of March 31, 2021.

As per the National Infrastructure Pipeline, 2019-25, energy sector projects accounted for the highest share (24%) out of the total expected capital expenditure of INR111 lakh crore. The greatest increase in electricity generation occurred between 2020-21 and 2019-20 in diesel-based thermal energy for utilities and RES for captive plants.

There is an estimated INR6-8 trillion market opportunity in transmission till FY2029. The expansion in industrial activity, growing urban and rural population are key growth drivers of the company. Besides, the increasing per-capita power usage and upcoming ambitious projects across the value chain is also accelerating the growth of the industry.

<sup>4</sup><https://www.investindia.gov.in/sector/telecom>

## Indian Railway Electrification Sector

The Railway Electrification had been progressing normally before to 2014. However, substantial progress has been made now. The global energy industry has also advanced significantly during this time, particularly in light of the efforts undertaken by all parties involved to fortify the laws designed to combat the threat of climate change. More and more nations are pledging to have net-zero emissions.

In line with this the railway sector of India is also anticipating to electrify the entire network by 2023. The railway sector in India aspires to contribute around

1.5% of the country's GDP by constructing infrastructure to accommodate 45% of the economy's modal freight share. With the railway electrifying, there would be annual energy savings of \$1.55 billion. The network of broad gauge railways totals 64,689 route kilometres, with electrification accounting for 71% of the total. Railway electrification operations on a total of 1,924 route kilometres were completed in 2021.<sup>5</sup>

The electrification would not only result in a better fuel energy usage resulting in increased throughput, reduced fuel expenditure but also savings in precious foreign exchange.

### OUTLOOK

The Government is giving new growth prospects to the industry. It is planning to fully electrify the balance 42% network till 2024. Around 30 billion units of electricity will be required for railway electrification on annual basis by 2024 leading opportunities for IPPs of conventional power. With more solar & wind power installations coming up, direct power purchase agreements are also likely to go up thereby supplying directly for railways.

## Company Overview

Salasar Techno Engineering Limited, was founded in 2007, it is an Indian provider of specialised steel fabrication and infrastructure solutions for Telecommunication Towers, Transmission Towers & Substation Structures, and Solar Module Mounting Structures. We provide complete solutions by engineering, designing, fabricating, galvanising, and deploying. Telecommunication Towers, Power Transmission Line Towers, Smart Lighting Poles, Monopoles, Guard Rails, Substation Structures, Solar Module Mounting Structures, and Customized Galvanized & Non-galvanized Steel Structures are among Company Products. Salasar offer comprehensive engineering, procurement, and control services for projects such as rural electrification, power transmission lines, and solar power plants.

The company has three world-class production facilities totaling 1,50,000 square yards in Hapur District (UP), with a total capacity of 1,00,000 MT comprising Steel Galvanizing equipped with cutting-edge technology and 15,000 MT of Pre fabricated of Heavy Structure Division.

### Heavy Steel Structure :

Due to reasons like increased manufacturing sector demand, growing preference for pre-engineered structures and components, and government initiatives for infrastructure development activities, significant growth is anticipated. Between FY22 and FY25, demand from the building and construction (B&C) segment, which accounts for 35–40% of steel demand, is anticipated to increase by 6%.

## Business Segments

Their business is divided in two major segments i.e Steel structure segment and Engineering procurement & construction segment.

<sup>5</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=1786819>

## 1. Steel structure segment

Under this segment it mainly operates in following business verticals:

- Telecommunication Tower - Telecommunication towers are the initial point of contact for any means of telecommunication, and having the appropriate information is critical for organisations to make the right moves toward success. The Company properly understand this reality, having been in the industry for over ten years, and hence provide the greatest telecommunication towers with globally accredited designs. It also provides monopoles, smart city solutions, portable towers, and other accessories. It has been assisting businesses in growing with their Telecommunication Products and Services since their start.

The Company supplied more than 50000 telecom towers for the year under review.

- Transmission and rail towers -The Company's transmission and railway tower business involves the production of transmission towers for its own EPC company, turnkey projects, and the supply of structures to other EPC contractors.
- Solar Towers -The Company is aiming to come up with essential ideas in order to establish a green and sustainable future. It provides comprehensive solutions for all aspects of wind and solar energy projects. It has been able to develop deep ties with its clients and contribute to building a greener and more sustainable tomorrow as a result of its devotion to offering the best products and services.

It has evolved as one of the most trustworthy partners for power companies and utilities, supplying every component and service available to construct the strongest infrastructure for seamless power generation, transmission, and distribution of the same in the most distant of places. It has already

supplied Solar Module Mounting Structures for over 1,000 MW of Solar Projects across the country.

- Poles -The Company is one of the few manufacturers in India with cutting-edge Bending Machines capable of precisely bending mild steel plates with thicknesses up to 30 mm. It creates high-quality customized poles outfitted with technology such as LED lights, CCTV cameras, pollution sensors, and Wi-Fi routers. Steel Utility Poles are incredibly important for infrastructure development since they are more cost-effective, more durable, better for the environment, and easier to use than other choices. Salasar is also heavily involved in fulfilling India's Smart City Mission, and has made substantial contributions to the creation of Smart Cities in Visakhapatnam, Agartala, Indore, Bhopal, and NCR in conjunction with Ramboll.
- Heavy Steel Structure -The Company had started in FY 2020-21 a new vertical to manufacture heavy Structural steel fabrication for bridges, power plants, airport hangers, metro stations, stadiums etc. The company is approved by Research Designs and Standards Organization and are continuously working towards advancements in infrastructure development. It has state of art facility for design and developments projects with high tech software's for the study and design of project.
- Smart City Solutions -The company has contributed to India's mission of making Smart Cities, where cost optimization and better connectivity has helped nation to build sustainable development and necessary infrastructure.

## 2. EPC Segment

The Company's EPC business primarily consists of the manufacture and deployment of transmission towers and railway electrification towers for its own EPC and Turnkey Projects. It has completed around 568 kilometres of power transmission lines and 367 kilometres of railway track.

## Key Developments During The Year

The export of the Company has increased from Rs 35 Crlore in FY 21 to Rs. 75 Crore in FY 22.

The Pre Fabricated Heavy Steel Structure Division is fully booked for production for next one year.

### FINANCIAL PERFORMANCE

(₹ in Crores)

PARTICULARS	STANDALONE		CONSOLIDATED	
	FY 2022	FY 2021	FY 2022	FY 2021
Income from Operations	690.90	583.31	718.90	596.59
EBITDA	68.07	56.09	68.90	56.98
EBITDA Margin	9.80%	9.62%	9.60	9.55%
Interest	20.60	17.59	21.80	17.65
PAT	31.80	29.34	31.50	29.90
PAT Margin	4.60%	5.03%	4.40	5.01%
ROE	11.00%	11.65%	11.00	11.83%
ROCE	16.00%	23.85%	16.00	23.98%
EPS	11.01	21.92	11.00	22.15

## Growth Strategy

The Company aims to build new business of manufacturing of heavy structures such as ROB, Pre-Engineered Buildings etc. It also aims to expand tower designs and leverage on its tie-ups with Ramboll to provide value to the clients and innovate differentiated products like camouflaged towers, monopoles, etc. in order to evolve infrastructural needs of the society. It plans to tap industry opportunities by expanding product portfolio and optimal utilization of existing capacity. It also strives to focus on the export market to increase its share in the foreign and domestic market by targeting new customers and building better relationships with existing ones.

Innovating and manufacturing differentiated products like camouflaged towers, monopoles, etc. to provide for the evolving infrastructural needs of the society

## Risk Management

### Commodity Risk

Steel and zinc are among the commodities that the company works with. If input costs rise without suitable hedging methods, fixed pricing contracts can have a detrimental influence on the company's earnings.

Mitigation: The Company believes that its commodities and currency exposures should be hedged to the maximum extent possible, and it measures and manages these risks centrally. It conducts frequent risk assessments at suitable levels. Price escalations under the Contracts help the Company manage input commodity price risk.

### Execution Risk

In the recent year, the company has completed a number of

projects, with several more in planning. The success of a project is primarily determined by the project manager's abilities and the equipment suppliers' ability to deliver on schedule. Any delay in the implementation of a project might have an impact on revenue and profit for that time period.

Mitigation: The Company's schedules for implementation are in accordance with the plans. To avoid or minimise company interruptions, emergency and contingency plans are in place. As a result, it does not expect this risk to have a major impact on it in the future.

## Financial Risk

Interest rates, currency exchange rates, liquidity risk, and commodity price risk all represent major threats to profit margins. Any negative change in these measures might jeopardise the Company's value generation concept and following growth objectives.

Mitigation: The Company manages its liquidity by judiciously combining short and long term finance while minimising interest costs. In addition to the final price contract, the Company controls input commodity price risk through contract price escalations in the event of variable contracts and commodity future contracts in the case of fixed price contracts.

## Human Capital Risk

The capacity to retain and attract qualified employees is critical to the company's success. The inability to keep them or hire new competent employees may make it difficult to effectively develop the business.

Mitigation: Employees enjoy a positive working environment at the company. It follows robust HR policies to hire, retain, and develop the best people.

# Human Resource

Human resource management is widely considered as the most valuable resource and a vital part of a company's success. To increase employee productivity, the Company seeks to provide a safe, transparent, healthy, progressive, and productive work environment. It has rigorous HR procedures in place to recruit, retain, and develop the finest employees. Its goal is to provide its employees the exposure they need to progress their careers and enhance their talents. Industrial relations were positive throughout the year under review, with a total number of 2110 employees.

# CSR

As a social enterprise, the Company seeks to incorporate sustainability into every step, yielding profits while making the world a better place to live. The Company has continuously contributed to empowering women through Shakti Shalini organisation in Delhi against domestic violence and mental health service. The CSR partner has now expanded its services to the country's north-east owing to the Company's unwavering support. During the fiscal year, this initiative evolved to include a response mechanism for children of domestic abuse survivors as well. It is also working towards improving accessibility to amenities for the people with disabilities. The Company has also undertaken a twofold initiative to support the people afflicted with leprosy while also ensuring nutritious food supply to the underprivileged.

The Company has also prioritised girl child empowerment in rural regions by distributing free bicycles to help them commute to schools and hence contributes towards their education. By collaborating with a partner organisation, it has strived to minimise the learning loss caused by the pandemic among the students. It has distributed classroom supplies and furniture for the same.



## Internal Control And Their Adequacy

The Company has taken adequate measures to strengthen its internal control systems such as fraud risk assessment, strengthening background verification process of new joiners, whistle blower policy and strengthening the process of risk management. The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations. The organization is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations. The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported. The Company also has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis. Recognizing the important role of internal scrutiny, the Company has an internal audit function which is empowered to examine the adequacy of, and compliance with, policies, plans and statutory requirements. It is also responsible

for assessing and improving the effectiveness of risk management, control and governance process. Periodical audit and verification of the systems enables the various business segments to plug any shortcomings in time. As stated earlier the Company has improved effectiveness of the risk management process wherein it evaluates the Company's risk management system and suggests improvement in strengthening risk mitigation measures for all key operations, controls and governance process. In addition, the top management and the Audit committee of the Board periodically review the findings and ensure corrective measures are taken.

## Cautionary Statement

The Management Discussion and Analysis Report containing your Company's objectives, projections, estimates and expectations may incorporate certain statements, which are forward-looking within the meaning of applicable laws and regulations. The statements in this Management Discussion and Analysis Report could differ materially from those expressed or implied elsewhere. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in governmental regulations, tax regimes, forex markets, economic developments within India and the countries within which the Company conducts business besides other incidental factors.

# ANNEXURE-I

## BUSINESS RESPONSIBILITY REPORT 2021-22

The Company's Business Responsibility Report for the Financial Year 2021-22 has been prepared in accordance with the requirements of SEBI (LODR) Regulations, 2015 and is based on the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVGs) released by Ministry of Corporate Affairs, Government of India.

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L23201DL2001PLC174076
2	Name of the Company	SALASAR TECHNO ENGINEERING LIMITED
3	Registered address	Salasar Techno Engineering Limited, E-20, South Extension-I New Delhi- 110049
4	Website	www.salasartechno.com
5	E-mail id	compliance@salasartechno.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code wise)	Manufacturing and Trading in steel items NIC Code: 25112 Turnkey Projects (excluding steel structures) NIC Code: 42202
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	a) Steel Structures b) EPC Projects
9	Total number of locations where business activity is undertaken by the Company	
	(a) No. of National Locations	a) The Company carries out its operation through its registered/ corporate office situated in New Delhi and several marketing/ site offices across India. The Company has three manufacturing units at Uttar Pradesh, Pilkhuwa District Hapur. Details of the Plant Locations of the Company are provided in the Corporate Governance Report forming part of the Annual Report.
	(b) No. of International Locations	b) The Company does not have any office or manufacturing facilities outside India.
10	Markets served by the Company - Local/State/ National/International	The Company has Pan India market presence and also exports its product to several international geographies which includes West Africa, East Africa, Central Africa, Philippines, Saudi Arab, Nepal, Myanmar.



## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital ( )	28,57,05,280/-
2	Total Turnover ( )	71,886.18 Lakhs
3	Total profit after taxes ( )	3,145.68 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Amount required to be spent by the Company during the year on CSR 78.86 Lakhs and the Company spent 62.98 Lakhs on CSR activities during the financial year 2021-22. As on March 31, 2022 Rs. 15.89 Lakhs Unspent amount and the Company transferred the same into separate bank account for ongoing projects of CSR.
5	List of activities in which expenditure in 4 above has been incurred:	Please refer Annexure G to Directors Report for details on CSR initiatives undertaken by the Company

## SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	No, the Company does not have any Subsidiary Company as on 31st March 2022. However, the Company has three Joint Venture Entities namely "Sikka- Salasar JV", "Salasar- HPL JV", "Salasar- REW JV" and the Company has one subsidiary LLP namely Salasar Adorus Infra LLP.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

## SECTION D: BUSINESS RESPONSIBILITY INFORMATION

### 1. Details of Director/Directors responsible for BR

#### a) Details of the Director / Directors responsible for implementation of the BR policy / policies

DIN	Name	Designation
01474484	Mr. Alok Kumar	Chairman & Managing Director
00316141	Mr. Shashank Agarwal	Joint Managing Director
00316155	Mr. Shalabh Agarwal	Whole-time Director
06938805	Ms. Tripti Gupta	Whole-time Director

#### b) Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN (if applicable)	01474484
2.	Name	Mr. Alok Kumar
3.	Designation	Chairman & Managing Director
4.	Telephone number	9810003009
5.	e-mail id	alok.agarwal@salasartechno.com

## 2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3	Businesses should promote the well-being of all employees.
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Businesses should respect, protect, and make efforts to restore the environment.
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

### a) Details of Compliance (Reply in Y/N)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify?	Yes, the policies are in line with respective principles of National Voluntary Guidelines on Social, Environmental and Economical Responsibilities of Business as issued by Ministry of Corporate Affairs, Government of India, in July 2011.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	All the policies are approved by the Board/Management Committee. All the policies are signed by the concerned Director.								
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	All Policies which are statutorily required to be placed on the Company's website can be accessed through the following link: <a href="https://salasartechno.com">https://salasartechno.com</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to employees through the Intranet and to external stakeholders through the Company's website: <a href="http://www.salasartechno.com">www.salasartechno.com</a>								
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Whistle Blower Mechanism provides Employees, Customers, Vendors, Contractors, and other Stakeholders to report any concerns or grievances pertaining to any potential or actual violation of Company's Code of Conduct or any unethical behavior.  The Company has dedicated complaints section on its website wherein the concerned stakeholders can raise their concerns.								
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N
		The policies are evaluated internally from time to time and updated whenever required.								

**b) If answer to the question at serial number 1 against any principle, is 'NO', please explain why: (Tick up to 2 options):**

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles.									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3.	The company does not have financial or manpower resources available for the task.									NOT APPLICABLE
4.	It is planned to be done within next 6 months.									
5.	It is planned to be done within the next 1 year.									
6.	Any other reason (please specify).									

### 3. Governance related to BR

S. No.	Particulars	Details
a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company (Within 3 months, 3-6 months, Annually, More than 1 year).	The formulation of Business Responsibility Report has become applicable to the Company for the first time at the end of March 31, 2021. The Management shall periodically monitor the BR initiatives and BR performance of the Company to be compiled in the BR report, which shall form part of Annual Report and shall be placed before the Board for their approval, every year.
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The formulation of Business Responsibility Report has become applicable to the Company for the first time at the end of March 31, 2021. Business Responsibility Report is made part of the Annual Report from FY 2020- 21 onwards. The same is available on website of the Company at: <a href="http://salasartechno.com">http://salasartechno.com</a> after approval from the Board of Directors.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

<p>1. Does the policy relating to ethics, bribery and corruption cover only the Company?</p> <p>Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?</p>	<p>The Company has defined the Code of Conduct for its Directors and employees that cover issues related to ethics, workplace responsibilities and conflict of interest. It also covers dealings with suppliers, customers and other business associates. The Company has also put in place a Whistle Blower Policy in order to enable employees and others to bring to the notice of Board and management, any wrongdoing or unethical practices observed in the Company. The suppliers / contractors / business associates dealing with the Company are also encouraged to maintain ethical standards in all their practices.</p>
<p>2. How many Stakeholders Complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.</p>	<p>During the financial year 2021-22, the Company has not received any complaints in relation to ethics, bribery and corruption.</p>

### Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle

<p>1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities</p>	<p>The Company is engaged in manufacturing/service of the following:</p> <p>a) Steel Structures</p> <p>b) EPC Projects</p> <p>The plants of the Company are ISO 9001:2005, ISO 14001:2015, ISO 45001:2018 certified. The Company endeavours to provide products and services, which are sustainable throughout their life cycle and tries to ensure that no damage is caused to the environment.</p> <p>The Company uses designed technologies to optimize the weight and size of telecom and transmission towers manufactured. The designs and project planning teams tries to ensure that no adverse impact is caused to the environment and that designs are optimized to cause minimum deforestation and reduce impact on standing crops. The Company also proactively promotes usage of Monopoles which require less installation space.</p>
<p>2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):</p> <p><b>a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?</b></p> <p><b>b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?</b></p>	<p><b>a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?</b></p> <p>There has been overall improvement in yield (steel &amp; zinc), scrap reduction, reduction in energy (power &amp; fuel), water, consumables, packaging material, and so on across all its manufacturing units. By reusing the treated water in different places we have minimized the operation of water.</p> <p><b>(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?</b></p> <p>There are no specific standards to ascertain the same.</p>

**Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

<p>3. Does the Company have procedures in place for sustainable sourcing, including transportation? a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.</p>	<p>Yes, the Company focuses on sustainable procurement practice. The aim and challenge of sustainable procurement is to integrate environmental and social considerations into the procurement process, with the goal of reducing adverse impacts upon social conditions and the environment, thereby saving valuable costs, making efficient and effective use of natural resources, encouraging innovation etc. The Company considers aspects of safety and environment in addition to commercial considerations while selecting its suppliers. Preference is given to local suppliers to reduce transportation costs and bring sustainable sourcing. Most of the raw materials are sourced from these suppliers.</p>
<p>4. Has the Company taken any steps to procure goods and services from local &amp; small producers, including communities surrounding their place of work? a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>The major raw materials used by the Company in its manufacturing process are of such nature, which are generally not produced by small producers. However, for all other products the Company tries to procure from local supply chain partners which include small scale industries who meet our quality, delivery, cost and technology expectations. Efforts are made to use local service providers for availing various support services at our various plants.</p> <p>Steps taken by Company to improve their capacity and capability of local and small vendors are:-</p> <ul style="list-style-type: none"> <li>i) Providing continuous order for keeping their order book full according to their material delivery schedule.</li> <li>ii) Releasing on time payment for supporting them financially to continue the circle throughout the year.</li> <li>iii) Periodical meeting is being held with vendors for discussing about the matter like material quality, delivery schedule, minimization of rejection etc.</li> </ul>
<p>5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as &lt;5%, 5-10%, &gt; 10%). Also, provide details thereof.</p>	<p>The Company has always strived to reduce wastes associated with its products. Most of the metal wastes generated in production are sold to recycling units through direct/indirect channels.</p> <p>The Company complies with all applicable regulatory requirements pertaining to waste disposal as prescribed by the regulatory agencies.</p>

**Principle 3: Businesses should promote the wellbeing of all employees**

<p>1. Please indicate the Total number of employees.</p>	<p>2110</p>
<p>2. Please indicate the Total number of employees hired on temporary/ contractual/ causal basis.</p>	<p>368</p>
<p>3. Please indicate the number of permanent women employees.</p>	<p>5</p>
<p>4. Please indicate the Number of permanent employees with disabilities</p>	<p>Nil</p>

**Principle 3: Businesses should promote the wellbeing of all employees**

5.	Do you have an employee association that is recognized by management	No																
6.	What percentage of your permanent employees is member of this recognised employee association?	Not Applicable																
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	<p>The Company does not engage in any form of child labour/ forced labour/ involuntary labour and does not adopt any discriminatory employment practices.</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Category</th> <th>No. of Complaints filed during the financial year</th> <th>No. of complaints pending as on end of the financial year</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Child labour/forced labour/involuntary labour</td> <td>0</td> <td>0</td> </tr> <tr> <td>2</td> <td>Sexual Harassment</td> <td>0</td> <td>0</td> </tr> <tr> <td>3</td> <td>Discriminatory employment</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	S. No.	Category	No. of Complaints filed during the financial year	No. of complaints pending as on end of the financial year	1	Child labour/forced labour/involuntary labour	0	0	2	Sexual Harassment	0	0	3	Discriminatory employment	0	0
S. No.	Category	No. of Complaints filed during the financial year	No. of complaints pending as on end of the financial year															
1	Child labour/forced labour/involuntary labour	0	0															
2	Sexual Harassment	0	0															
3	Discriminatory employment	0	0															
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?																	
	Particulars	Safety	Skill															
	a) Permanent Employees	100%	100%															
	b) Permanent Women Employees	100%	100%															
	c) Casual/Temporary/Contractual Employees	100%	100%															
	d) Employees with Disabilities	N.A.	N.A.															

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

1.	Has the company mapped its internal and external stakeholders? Yes/ No	Yes, the Company builds trust through productive relationships, fosters working partnerships and considers both internal and external stakeholders as integral to its business. For the Company, maintaining relationship with stakeholders is a business imperative.
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	Yes, we try to identify underprivileged communities around our business location and try to serve their needs through our CSR Programs.
5.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof.	Yes. Salasar Techno Engineering Limited believes that it has an important role to play in the society and community in which it operates. The Company has several programs designed to benefit marginalized stakeholders. The Company provides healthcare facilities to underprivileged in and around its factory premises and also takes up projects for provision of safe drinking water, sanitation facilities, health and hygiene, education, animal welfare and rural development.

**Principle 5: Businesses should respect and promote human rights**

<p>1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?</p>	<p>The Company complies with applicable laws and regulation governing occupational health and safety and holds ISO 45001:2018 certification for Occupational Health and Safety Standards. The Company applies principles of equal opportunity, fair treatment and zero tolerance for any form of unlawful discrimination or harassment of employees. The Company promotes awareness of the importance of respecting human rights within its value chain and discourages instances of abuse. The Company ensures conformance to the fundamental labour principles including the prohibition of child labour, forced labour, freedom of association and protection from discrimination in all its operations. The suppliers, contractors etc. dealing with the Company are always encouraged to maintain ethical standards in all their practices.</p>
<p>2. How many stakeholders' complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?</p>	<p>The Company has not received any complaint in respect of human rights.</p>

**Principle 6: Businesses should respect, protect, and make efforts to restore the environment**

<p>1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others</p>	<p>The Company is committed to safeguard the interest of environment with a view of sustainable development and holds ISO14001:2015 certification for Environment Management Standards. The Company has taken many environmental friendly initiatives and has also carried out process modification to protect environment. The Company's Environmental policy is applicable to all its business places. The Company encourages the suppliers, vendors and contractors associated with it to follow the principles as envisaged in the aforesaid policy.</p>
<p>2. Does the Company have strategies/Initiatives to address global warming issues such as climate change, global warming, etc.? Yes/No. If yes, please give hyperlink for webpage etc.</p>	<p>The Company understands and recognizes that climate change and global warming are real threat to the global community and each and every person has a role &amp; responsibility to address such alarming issue. In line with the Company's commitment towards conservation of energy, all its units continue with their efforts to reduce wastage, optimize consumption and also to improve energy efficiency through innovative measures. The Company has taken the following initiatives to address these environmental issues:</p> <ul style="list-style-type: none"> <li>• Usage of LPG in place of furnace oil in Galvanized Plant</li> <li>• Installation of LED Lights;</li> <li>• Reduction in usage of generators;</li> <li>• Energy efficiency-key criteria for purchase of new machinery.</li> <li>• Usage of Solar Energy</li> </ul>



**Principle 6: Businesses should respect, protect, and make efforts to restore the environment**

3. Does the Company identify and assess potential environment risks? Yes/No	Yes. The Company tries to identify, assess and address potential environmental risks related to its operations.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if yes, whether any environmental compliance report is filed?	Company has installed solar panel of 550 KVA capacities in its Unit-III which will reduce the electricity consumption significantly.
5. Has the Company undertaken any initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	<ul style="list-style-type: none"> <li>The Company has substituted the use of furnace oil with LPG in the zinc melting furnace of galvanizing plant at all the three Units. LPG is a more sustainable fuel than furnace oil and minimizes environmental pollution and also leads to more efficiency.</li> <li>Company has installed solar panel of 550 KVA capacity in its Unit-III which will reduce the electricity consumption significantly.</li> </ul>
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/ SPCB for the financial year being reported?	All the plants of the Company comply with the prescribed emission norms of various Central/State Pollution Control Boards. All the emission and waste generated by the Company is well within the permissible limits given by SPCB/CPCB for the financial year reported.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	One Notice is pending as on 31.03.2021. The Company has replied to the same

**Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with.	The Company is member of Indian Electrical & Electronics Manufacturers Association
2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	The Company actively participating in the policy advocacy through above association.

**Principle 8: Businesses should support inclusive growth and equitable development**

<p>1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.</p>	<p>The Company is committed to fulfill its responsibility towards people, society and the environment for inclusive growth of the society. The Company has several socio-economic projects running in various areas and is taken as per the CSR policy of the Company which includes:</p> <ul style="list-style-type: none"> <li>• Promoting healthcare including preventing healthcare.</li> <li>• Promoting education and special education.</li> <li>• Environmental Sustainability</li> </ul> <p>The details of specific CSR projects are given in Annexure-G to the Director's Report.</p>
<p>2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organisation?</p>	<p>The aforesaid projects have been carried out by the Company directly and/or through implementing agencies.</p>
<p>3. Have you done any impact assessment of your initiative?</p>	<p>Efforts are made to make a general assessment of impact of some of the initiatives. The CSR Committee internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the programs and to gain insight for improving the design and delivery of future initiatives. However, no structural impact assessment is put in place at present.</p>
<p>4. What is your company's direct contribution to community development projects- Amount in and the details of the projects undertaken?</p>	<p>During the year, the Company has spent Rs. 78.86 Lakhs towards various CSR initiatives and projects. The details of the same are given in Annexure-G to the Director's Report.</p>
<p>5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain.</p>	<p>All CSR projects and initiatives are planned with the objective of sustainable community development. The project is identified and developed as a facilitator within the CSR policy framework and presented to the CSR committee for its review, guidance and approval and then the initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community. The Company works directly and through implementing agencies of the project to ensure proper and meaningful adoption of these initiatives among the target community.</p>

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

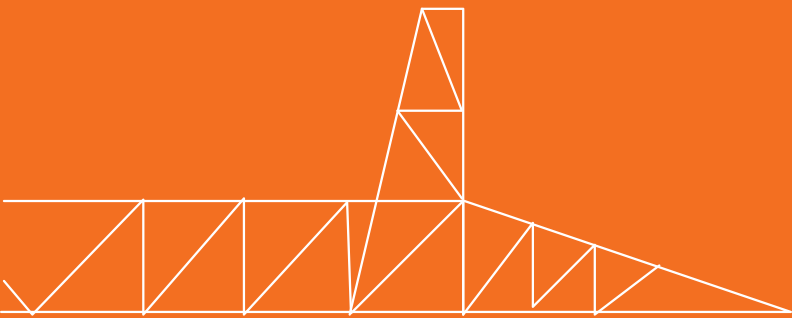
1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?	No complaints are pending as at the end of Financial Year 2021-22
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks	Yes, the Company adheres to all legal statutes with respect to product labeling and display of product information. The Company also displays all the requisite information and safety guidance which are specific to its product.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof.	No cases were filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years.
4. Did your company carry out any consumer survey/ consumer satisfaction trends?	Salasar believes in providing best services to its customers. Time to time meeting(s) with customers are organized to understand their expectation and essentially to gauge our competitiveness in the business. Salasar leverages its presence across the country to remain consistently in touch with the customers through its business unit and mitigate their issues promptly. Feedbacks received from customers are implemented to further enhance quality of service.

On behalf of the Board  
 For Salasar Techno Engineering Limited

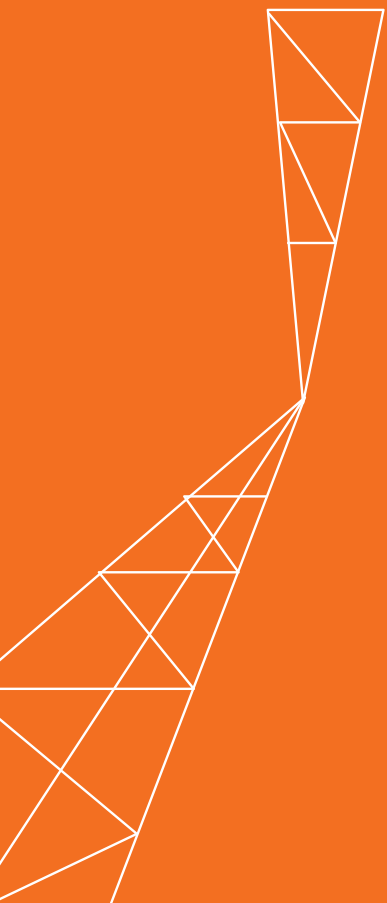
Place: New Delhi  
 Date: 09.08.2022

**Alok Kumar**  
 (Chairman & Managing Director)  
 DIN: 01474484

**Shashank Agarwal**  
 (Joint Managing Director)  
 DIN: 00316141



# Standalone **Financial Statements**



# INDEPENDENT AUDITOR’S REPORT

To  
**The Members of**  
**SALASAR TECHNO ENGINEERING LIMITED**

## Report on the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone Financial Statements of **SALASAR TECHNO ENGINEERING LIMITED** (“the Company”), which comprise the balance sheet as at March 31, 2022, 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Standalone Financial Statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profits, 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 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 (“ICAI”) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the 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	Auditor’s Response
<p><b>1. Recognition of contract revenue, margin and related receivables</b></p> <p>The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods. The accounting standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity’s performance in transferring goods or services or if a contract is onerous, present obligations are recognized and measured as provisions.</p>	<p><i>Our procedures included the following:</i></p> <ul style="list-style-type: none"> <li>• <i>We selected a sample of contracts to test, using a risk based criteria which included individual contracts with:</i> <ul style="list-style-type: none"> <li>- <i>significant revenue recognised during the year;</i></li> <li>- <i>significant unbilled work in progress (WIP) balances held at the year end; or</i></li> <li>- <i>low profit margins.</i></li> </ul> </li> </ul>

Key Audit Matter	Auditor's Response
<p>The Company is recognizing contract revenue and margin for these contracts based on input method, in accordance with the requirement of the standard which relies on management's estimates of the final outcome of each contract, and involves the exercise of significant management judgment, particularly in forecasting the cost to complete a contract, in valuing contract variations, claims and liquidated damages. We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period.</p>	<ul style="list-style-type: none"> <li>• Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments.</li> <li>• Evaluating the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, re-performance and inspection of evidence in respect of operations of these controls.</li> <li>• Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation.</li> <li>• Evaluating the outturn of previous estimates and agreeing the actual cost after the year end to the forecasted costs for the period.</li> <li>• Evaluating the status of each of the material trade receivables past due as at year end, the Company's on-going business relationship with customer and past payment history of the customers through discussion with management.</li> </ul>
<p><b>2. Related Party Transactions</b></p> <p>The Company has entered into several transactions with related parties during the year 2021-22. We identified related party transactions as a key audit matter because of risks with respect to completeness of disclosures made in the consolidated financial statements including recoverability thereof; compliance with statutory regulations governing relate party relationships such as the Companies Act, 2013 and SEBI Regulations and the judgement involved in assessing whether transactions with related parties are undertaken at arms' length.</p> <p>Refer Note 43 to the financial statements.</p>	<p><i>Our audit procedures on related party transactions included:</i></p> <ul style="list-style-type: none"> <li>• Assessed the key controls to identify and disclose related party relationships and transactions in accordance with the relevant accounting standard.</li> <li>• Assessed compliances with the listing regulations and the regulations under Companies Act, 2013 including checking of approvals/scrutiny as specified in Sections 177 and 188 of the Companies Act, 2013 with respect to the related party transactions.</li> <li>• Considered the adequacy and appropriateness of the disclosures in the consolidated financial statements, including recoverability thereof, relating to the related party transactions.</li> <li>• Inspected relevant ledgers, agreements and other information that may indicate the existence of related party relationships or transactions. Further, we also tested completeness of related parties with reference to the various registers maintained by the company statutorily.</li> <li>• On a sample basis, tested Company's assessment of related party transactions for arms' length pricing.</li> </ul>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon which is expected to be made available to us after that date.

Our opinion on the Standalone Financial Statements does not cover the other information and we will 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 identified above when it becomes available 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.

When we read the other information and if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance and take necessary action as per applicable laws and regulations.

## 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, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India.

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

In preparing the 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

- (a) 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.
- (b) As part of an audit in accordance with SAs, we exercise professional judgement 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 financial controls 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 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.
- (c) Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable users of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
- (d) 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.
- (e) 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.
- (f) 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 period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would be reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its director during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements (See Note 44 of the Standalone Financial Statements).
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (d) (A) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (B) No interim dividend has been declared and paid by the Company during the year and until the date of this report.
- (C) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **ARUN NARESH & COMPANY**

Chartered Accountants

ICAI Firm Registration Number: 007127N

**Arun Kumar Jain**

Partner

Membership Number: 084598

UDIN: 22084598AJWUEA1088

Place: Hapur

Date: May 30, 2022

# ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Salasar Techno Engineering Limited of even date)

## Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **SALASAR TECHNO ENGINEERING LIMITED** (“the Company”) as of March 31, 2022 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 Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 obtained by us are sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

### Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ARUN NARESH & COMPANY**

Chartered Accountants

ICAI Firm Registration Number: 007127N

**Arun Kumar Jain**

Partner

Membership Number: 084598

UDIN: 22084598AJWUEA1088

Place: Hapur

Date: May 30, 2022

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SALASAR TECHNO ENGINEERING LIMITED of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
    - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the Standalone Financial Statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date except the following:

Particulars of the Land and Building	Gross Block as at March 31, 2022(Rs/Cr)	Net Block as at March 31,2022 (Rs/Cr)	Remarks
Khasra No 688, 686/6, 1202, 1202/1, 1240, 1254, 1253, 687, 1231, 1231, 1241,1241, 1247, 1248, 1249, 1250, & 1252 Village – Khera Pilkhua, Tehsil Dhaulana, Distt – Hapur – 245304 (UP)	6.22	6.22	The conveyance deed is in the name of Salasar Stainless Ltd, erstwhile Company that was merged with the Company under Section 230 and Section 232 of the Companies Act, 2013 in terms of the approval of the Honorable National Company Law Tribunal, Special bench, New Delhi

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) According to the information, available to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies have been noticed on physical verification.

- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts.
- iii. In respect of investments made in, companies, firms, Limited Liability Partnerships, and unsecured loans granted to other parties:
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(c) of the Order is not applicable.
- (d) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(d) of the Order is not applicable.
- (e) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There are no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

<b>Nature of the Statute</b>	<b>Nature of dues</b>	<b>Forum where Dispute is Pending</b>	<b>Period to which the Amount Relates</b>	<b>Amount (₹ in crores)</b>
UP VAT Act, 2008	Value Added tax	High Court of Allahabad	Financial Year 2012-13	0.01



- viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 .
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any bank. Further, there were no dues payable to financial institution or Government or debenture holders as at Balance Sheet date
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanation given to us, the term loans obtained by the Company have been applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no amount remaining unspent in respect of other than ongoing projects, requiring transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act to the Companies Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

For **ARUN NARESH & COMPANY**

Chartered Accountants

ICAI Firm Registration Number: 007127N

**Arun Kumar Jain**

Partner

Membership Number: 084598

UDIN: 22084598AJWUEA1088

Place: Hapur

Date: May 30, 2022

# BALANCE SHEET

AS AT 31ST MARCH 2022

(₹ in Lakh)

Particular	Note No.	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	2	12,491.52	11,226.31
Capital Work-in-Progress	3	551.91	8.59
Right of Use Assets	4	88.26	-
Intangible Assets	5	35.61	27.58
Financial Assets			
(a) Investments	6	6.20	6.20
(b) Other Financial Asset	7	2,232.11	1,505.77
Other Non-current Assets	8	1,045.08	408.49
<b>Current Assets</b>			
Inventories	9	15,182.15	11,818.34
Financial Assets			
(a) Investments	10	5.42	1,019.05
(b) Trade Receivables	11	29,032.93	23,491.72
(c) Cash and Cash Equivalent	12	12.38	21.40
(d) Bank balances other than (c) above	13	1,026.19	479.07
(e) Other Financial Assets	14	2,531.83	1,401.43
Other Current Assets	15	3,034.05	2,888.48
<b>TOTAL ASSETS</b>		<b>67,275.63</b>	<b>54,302.42</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	16	2,857.05	1,428.53
Other Equity	17	25,288.89	23,749.05
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
(a) Borrowings	18	3,790.82	3,059.16
(b) Lease Liabilities	19	13.48	-
(c) Other Financial Liabilities	20	9.22	9.99
Provisions	21	324.34	312.88
Deferred Tax Liabilities (net)	22	498.33	497.79
<b>Current Liabilities</b>			
Financial Liabilities			
(a) Borrowings	23	20,523.34	16,437.50
(b) Trade Payables	24		
(i) Dues of micro and small enterprises (MSME)		270.83	17.28
(ii) Dues of creditors other than MSME		4,733.11	2,710.09
(c) Other Financial Liabilities	25	2.44	1.71
Provisions	26	29.42	42.39
Other Current Liabilities	27	8,934.23	5,781.57
Current Tax Liability (Net)	28	0.12	254.46
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>67,275.63</b>	<b>54,302.42</b>

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

For **ARUN NARESH & CO.**

Firm Registration No. 007127N

Chartered Accountants

**CA. Arun Kumar Jain**

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 30-May-2022

UDIN: 22084598AJWUEA1088

For and on behalf of the Board of Directors

**Alok Kumar**

Managing Director

DIN : 01474484

**Pramod Kr. Kala**

(Chief Financial Officer)

**Shashank Agarwal**

Jt. Managing Director

DIN: 00316141

**Rahul Rastogi**

(Company Secretary)

# STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED ON 31ST MARCH, 2022

(₹ in Lakh)

Particular	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
<b>REVENUES</b>			
Revenue from operations	29	69,089.98	58,331.18
Other Income	30	218.75	1,015.04
<b>Total Revenue</b>		<b>69,308.73</b>	<b>59,346.22</b>
<b>EXPENSES</b>			
Cost of revenue operations	31	57,149.60	47,553.72
Changes in inventories of finished goods, work-in-progress and others	32	(2,245.63)	(1,365.16)
Employee benefits expenses	33	3,801.01	3,057.36
Finance Costs	34	2,061.76	1,759.27
Depreciation and amortization expenses	35	709.68	560.68
Other Expenses	36	3,578.63	3,476.42
<b>Total Expenses</b>		<b>65,055.05</b>	<b>55,042.30</b>
Profit before Exceptional Items & Taxes		4,253.68	4,303.92
Exceptional Items		-	-
<b>Profit before Tax</b>		<b>4,253.68</b>	<b>4,303.92</b>
<b>Tax Expenses</b>	37		
(a) Current Tax		1,096.16	1,184.10
(b) Deferred Tax		(23.90)	186.09
<b>Profit for the year</b>		<b>3,181.42</b>	<b>2,933.74</b>
<b>Other Comprehensive Income (OCI)</b>			
(A) Items that will not be classified to profit or loss			
Remeasurements of the defined benefit plans		97.08	16.32
Income tax relating to items that will not be classified to profit or loss		(24.43)	(4.11)
(B) Items that will be classified to profit or loss			
		-	-
<b>Total Comprehensive Income for the year</b>		<b>3,254.06</b>	<b>2,945.95</b>
<b>Earning per Equity share of ₹ 10 each</b>			
(1) Basic (in ₹)		11.14	10.60
(2) Diluted (in ₹)		11.14	10.60

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

For **ARUN NARESH & CO.**

Firm Registration No. 007127N

Chartered Accountants

**CA. Arun Kumar Jain**

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 30-May-2022

UDIN: 22084598AJWUEA1088

For and on behalf of the Board of Directors

**Alok Kumar**

Managing Director

DIN : 01474484

**Pramod Kr. Kala**

(Chief Financial Officer)

**Shashank Agarwal**

Jt. Managing Director

DIN: 00316141

**Rahul Rastogi**

(Company Secretary)

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakh)

Particular	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash Flow from Operating Activities</b>		
Profit Before Tax	4,253.68	4,303.92
<b>Adjustment for:</b>		
Depreciation and amortisation expenses	709.68	560.68
Finance costs	2,061.76	1,759.27
Dividend income	(0.94)	(1.16)
Interest income	(132.20)	(134.77)
(Gain)/ loss on property, plant and equipment	(0.62)	-
Bad debts written off	2.31	334.84
Provision for doubtful debts	-	63.49
Electricity duty refundable	1.25	(21.54)
Provision for employee benefits expense	95.56	105.36
(Gain)/ loss on fair valuation of assets	(0.16)	(877.45)
Gain on sale of current investment	(84.83)	(1.66)
<b>Operating profit before working capital changes</b>	<b>6,905.49</b>	<b>6,090.98</b>
<b>Adjustments for working capital</b>		
<b>Adjustment for (increase)/ decrease in operating assets</b>		
Inventories	(3,363.82)	(2,464.41)
Trade receivables	(5,543.52)	(2,365.62)
Other financial assets	(1,116.17)	(202.32)
Other non-current assets	(636.59)	-
Other current assets	(145.57)	(1,633.39)
<b>Adjustment for increase/ (decrease) in operating liabilities</b>		
Trade payables	2,276.57	582.54
Other current liabilities	2,898.32	616.32
Other financial liabilities	(0.04)	114.75
Other non-current liabilities	-	-
<b>Cash generated from operations</b>	<b>1,274.67</b>	<b>738.86</b>
Income Tax Paid	1,096.16	1,184.10
<b>Net cash generated from operating activities (A)</b>	<b>178.52</b>	<b>(445.24)</b>
<b>Cash Flow from Investing Activities</b>		
Sale (purchase) of current investments	1,098.63	0.09
Interest Income	117.96	112.60
Dividend income	0.94	1.16
Investment in Joint Ventures	-	(0.51)
Investment in LLP	-	(5.10)
Purchase of property, plant and equipment	(2,582.21)	(2,680.70)
Payment for acquiring right -of-use assets	(76.67)	-
Bank balance (not consider as cash and cash equivalents)	(547.12)	370.04
Proceeds from sale of property, plant and equipment	57.49	-
Net Cash Flow from other financial assets	(727.59)	(101.30)
<b>Net cash used in investing activities (B)</b>	<b>(2,658.57)</b>	<b>(2,303.72)</b>



# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakh)

Particular	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of share capital	-	1,710.00
Proceeds from non-current borrowings	731.65	2,537.56
Proceeds from current borrowings	4,085.85	358.19
Dividend paid	(285.71)	(132.85)
Finance costs	(2,060.76)	(1,759.27)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>2,471.04</b>	<b>2,713.62</b>
<b>Net Changes in Cash &amp; Cash Equivalents (A + B + C)</b>	<b>(9.02)</b>	<b>(35.34)</b>
Add : Opening Cash & Cash Equivalents	21.40	56.73
<b>Closing Cash &amp; Cash Equivalents</b>	<b>12.38</b>	<b>21.40</b>

*This is the Cash Flow Statement referred to in our Report of even date.*

For **ARUN NARESH & CO.**

Firm Registration No. 007127N

Chartered Accountants

**CA. Arun Kumar Jain**

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 30-May-2022

UDIN: 22084598AJWUEA1088

**For and on behalf of the Board of Directors**

**Alok Kumar**

Managing Director

DIN : 01474484

**Pramod Kr. Kala**

(Chief Financial Officer)

**Shashank Agarwal**

Jt. Managing Director

DIN: 00316141

**Rahul Rastogi**

(Company Secretary)

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2022

## A. Equity Share Capital ( Refer Note -16)

(₹ in Lakh)

Particulars	Balance as at 1st April, 2020	Changes during the year ended 31st March, 2021	Balance as at 31st March, 2021	Changes during the year ended 31st March, 2022	Balance as at 31st March, 2022
Equity Share Capital	1,328.53	100.00	1,428.53	1,428.53	2,857.05

## B. Other Equity (Refer Note - 17)

(₹ in Lakh)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium Reserve	Surplus		
<b>Balance as at March 31, 2021</b>	<b>7,098.89</b>	<b>16,657.42</b>	<b>(7.26)</b>	<b>23,749.05</b>
Profit for the period		3,181.42		3,181.42
Other comprehensive income (loss) for the year, net of tax			72.64	72.64
<b>Total Comprehensive Income for the year</b>	-	3,181.42	72.64	3,254.06
Money Received against Share Warrants	-			-
Transfer on conversion of Warrants	-			-
Issue of Bonus Shares	(1,428.53)			(1,428.53)
Dividend paid		(285.71)		(285.71)
<b>Balance as at 31 March, 2022</b>	<b>5,670.37</b>	<b>19,553.13</b>	<b>65.38</b>	<b>25,288.89</b>

**Securities Premium Account:** This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013

**Retained Earnings:** This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For **ARUN NARESH & CO.**

Firm Registration No. 007127N

Chartered Accountants

**CA. Arun Kumar Jain**

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 30-May-2022

UDIN: 22084598AJWUEA1088

**For and on behalf of the Board of Directors**

**Alok Kumar**

Managing Director

DIN : 01474484

**Pramod Kr. Kala**

(Chief Financial Officer)

**Shashank Agarwal**

Jt. Managing Director

DIN: 00316141

**Rahul Rastogi**

(Company Secretary)





# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note -1 : Significant Accounting Policies

### A. CORPORATE INFORMATION

Salasar Techno Engineering Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India viz, the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company has three manufacturing facilities one at Jindal Nagar, Hapur (UP) and two at Khera Dehat, Hapur (UP).

The Company is engaged in the business of manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels.

The Company is also engaged in execution of Engineering, Procurement and Construction projects (EPC) for survey, supply of materials, design, erection, testing & commissioning on a turnkey basis.

### B. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES

#### (i) Basis of compliance

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

#### (ii) Basis of Preparation of Financial Statement

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below.

All 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 2013 Act.

#### (iii) Critical accounting estimates, assumptions and judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below :

#### (i) Useful life of Property, Plant and Equipment

The cost of property, plant and equipment is depreciated over the useful life, which is based on expected usage of the assets, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and residual value

#### (ii) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (iii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

## (iv) Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

## (iv) Use of estimates

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period/year.

The difference between the actual results and estimates are recognised in the year in which the results are known/ materialise.

All 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. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities

## (v) Global health pandemic on COVID-19

The Company has evaluated the impact of COVID pandemic on the operations of the Company, revenue, inventories, investments, property, plant & equipment, current borrowings and trade payables. The management

has considered the possible effects, if any, on the carrying amounts of these assets and liabilities up to the date of approval of these results. As per the management's current assessment, no significant impact on carrying amounts of inventories, tangible assets, trade receivables, investments and other financial assets is expected, and management continue to monitor changes in future economic conditions.

## (vi) Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

## (vii) Property, Plant & Equipment

On transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently, Property, Plant and Equipment, other than land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values,

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

over their estimated useful lives. However, vehicles, being part of PPE are depreciated on a straight-line method over the shorter of their respective useful lives as prescribed in Schedule -II to the Companies Act, 2013. Freehold land is not depreciated.

Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of fixed assets are as given below:

Assets	Useful Life
Lease hold Land	Over the lease period
Plant & Machinery	15 years
Factory Buidings	30 years
Furniture and Fittings and Office Equipment	3-10 years
Vehicle	8 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the Statement of Profit and Loss.

Leasehold land is amortised on a straight line basis over the period of lease.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Intangible Asset under development includes cost of development of new intangible assets to complete the assets as at the balance sheet date.

Capital Expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

## (viii) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses (if any). Costs include expenditure that is directly attributable to the acquisition of the intangible assets.

### Subsequent Expenditure:

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

### Amortization of intangible assets with finite useful lives:

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Computer Softwares are amortised on stright line basis over the estimated useful lives of 6 years.

## (ix) Impairment of Non Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment and additionally whenever there is a triggering event for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount of cash generating units exceeds its recoverable amount.

## (x) Inventories

### (1) Inventories are valued at the lower of cost or net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: are valued at cost on FIFO basis or net realisable value, whichever is lower.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

- Finished goods and work in progress and stores, spare parts and packing materials: are valued at cost or net realisable value, whichever is lower. In the case of finished goods and work in process cost comprises of material, direct labour and applicable overhead expenses.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. These are valued at cost or net realisable value, whichever is lower.

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

## (2) Cost of Inventory of services being provided by the company

The company measures its inventory of services at the costs of their production. These costs consist primarily of the labour and other costs of personnel directly engaged in providing the service, including supervisory personnel, and attributable overheads. Labour and other costs relating to sales and general administrative personnel are not included but are recognized as expenses in the period in which they are incurred. The cost of inventories of a service does not include profit margins or non-attributable overheads that are often factored into prices charged by service providers.

## (xi) 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

#### (a) Initial recognition and measurement:

All financial assets are recognised initially at fair value and, 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.

#### (b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

#### (c) Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

#### (d) Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

#### (e) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

#### (f) Financial assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (g) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

## (h) Derecognition of Financial assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

## (i) Impairment of Financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

## Financial Liabilities

### (a) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and

payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### (b) Classification & Subsequent measurement:

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

### (c) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

### (d) Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (e) Financial guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial Guarantee contracts issued by a company are initially measured at their fair values and, if not designated as FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 'Financial Instruments'; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 'Revenue'

### Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

## (xii) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## (xiii) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

## (xiv) Borrowing Costs

Borrowing costs directly attributable to the acquisition, production or construction of qualifying assets is capitalized as part of the cost of such qualifying assets till the date of being ready for intended use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

## (xv) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the Reporting Date, are classified as Current Investments. All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair value. Non Current Investments are valued at cost, except in the case of other than temporary decline in value, in which case necessary provision is made.

## (xvi) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at exchange rate ruling at transaction date. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.





# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (xvii) Provisions , Contingent Liabilities, Contigent Assets and Commitments

### (a) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation. Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

### (b) Contingencies

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

## (xviii) Share capital and Share Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

## (xix) Revenue Recognition

### (a) Sale of goods and Services

Revenue from sale of manufactured goods is recognised on stisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products.

Revenue from rendering of services (other than EPC business) is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

Contract revenue, i.e. revenue from EPC business, is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs

Unbilled revenue represents value of goods and services performed in accordance with the contract terms but not billed.

The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset termed as "Security Deposits" and is reclassified as trade receivables when it becomes due for payment.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (b) Other Income

### - Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

### - Dividends

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

## Taxation

### Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively

### Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to

set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

### Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when it relates to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities simultaneously.

During the year ended 31 March, 2020, the Government of India vide taxation Laws (Amendment) Tax Ordinance, 2019 has allowed



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

an option to the domestic companies to switch to a lower tax rate structure of 22 % (25.168 % including surcharge and cess) from the earlier 30 % (34.944 % including surcharge and cess) subject to the condition that the Company will not avail any of the specified deductions/ incentives under the Income Tax Act, 1961. The Company has opted for this new rate structure and made current tax/deferred tax Provision with the new rates.

## (xxi) Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate

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

## (xxii) Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion

of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

## (xxii) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

### Provident Fund:

The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

### Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

## (xxiii) Disclosure in respect of operating leases as per IND AS 116 'Leases'

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot

be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term

## (xxiv) Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under IND AS 24 "Related Party Disclosure" issued by the Institute Chartered Accountants of India.

## (xxv) Dividend

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

## (xxvi) Segment Reporting

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's Chief Operating Decision Maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (xxvi) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

The figures appearing in the Financial Statements is rounded off to the nearest lakh or decimals thereof.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note -2 : Property, Plant and Equipment

(₹ in Lakh)

Particulars	Freehold Land	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Total
<b>Gross Carrying Value</b>							
As at March 31, 2021	3,678.81	7,046.78	1,886.43	75.28	268.04	467.39	13,422.74
Add : Addition	682.16	895.68	312.99	33.64	73.39	27.54	2,025.41
Less : Dipsosals	-	177.33	-	-	-	6.27	183.60
As at March 31, 2022	<b>4,360.97</b>	<b>7,765.12</b>	<b>2,199.42</b>	<b>108.92</b>	<b>341.44</b>	<b>488.66</b>	<b>15,264.54</b>
<b>Accumulated Depreciation</b>							
As at March 31, 2021	-	1,736.22	191.98	17.82	97.23	153.17	2,196.43
Add : Charge For the year	-	534.62	67.38	8.94	40.01	52.36	703.32
Less : Disposals	-	120.77	-	-	-	5.96	126.73
As at March 31, 2022	-	<b>2,150.07</b>	<b>259.36</b>	<b>26.77</b>	<b>137.25</b>	<b>199.57</b>	<b>2,773.01</b>
<b>Net Carrying Value</b>							
As at March 31, 2021	<b>3,678.81</b>	<b>5,310.56</b>	<b>1,694.45</b>	<b>57.46</b>	<b>170.81</b>	<b>314.22</b>	<b>11,226.31</b>
As at March 31, 2022	<b>4,360.97</b>	<b>5,615.05</b>	<b>1,940.06</b>	<b>82.16</b>	<b>204.19</b>	<b>289.09</b>	<b>12,491.52</b>

## Note -3 : Capital Work-in-Progress:

(₹ in Lakh)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at March 31, 2021	8.59	-	-	-	8.59
As at March 31, 2022	551.91	-	-	-	551.91

## Note -4 : Right of Use Assets:

(₹ in Lakh)

Particulars	Lease hold Land
<b>Gross Carrying Value</b>	
As at March 31, 2021	-
Add : Addition	89.16
Less : Dipsosals	-
As at March 31, 2022	<b>89.16</b>
<b>Accumulated Amortization</b>	
As at March 31, 2021	-
Add : Amortization for the year	0.90
Less : Disposals	-
As at March 31, 2022	<b>0.90</b>
<b>Net Carrying Value</b>	
As at March 31, 2021	-
As at March 31, 2022	<b>88.26</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note -5 : Intangible Assets

(₹ in Lakh)

Particulars	Computer Software
<b>Gross Carrying Value</b>	
As at March 31, 2021	27.65
Add : Addition	13.49
Less : Disposals	-
As at March 31, 2022	<b>41.14</b>
<b>Accumulated Amortization</b>	
As at March 31, 2021	0.07
Add : Amortization for the year	5.46
Less : Disposals	-
As at March 31, 2022	<b>5.53</b>
<b>Net Carrying Value</b>	
As at March 31, 2021	<b>27.58</b>
As at March 31, 2022	<b>35.61</b>

## Note 6: Investments

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Other Investment (at Cost):</b>		
<b>Investment in Joint Venture</b>		
Sikka-Salasar-JV	0.49	0.49
<b>Investment in Subsidiaries</b>		
Salasar - HPL JV	0.10	0.10
Salasar -REW -JV	0.51	0.51
Salasar Adorus Infra LLP	5.10	5.10
<b>Total</b>	<b>6.20</b>	<b>6.20</b>

Investments in subsidiaries are as under:

Particulars	Country of incorporation	Portion of ownership interest as at		Method used to account for the investment
		31 March, 2022	31 March, 2021	
Salasar - HPL JV	India	100.00%	100.00%	Cost
Salasar -REW -JV	India	51.00%	51.00%	Cost
Salasar Adorus Infra LLP	India	51.00%	51.00%	Cost

Investment in Joint Venture is as under:

Particulars	Country of incorporation	Portion of ownership interest as at		Method used to account for the investment
		31 March, 2022	31 March, 2021	
Sikka-Salasar-JV	India	49.00%	49.00%	Cost

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 7: Other Financial Assets

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Security Deposits</b>		
Unsecured, considered good*	510.06	103.35
Balances with banks to the extent held as margin money with more than 12 months maturity	1,722.05	1,402.42
<b>Total</b>	<b>2,232.11</b>	<b>1,505.77</b>

\*Security Deposit includes Retention money with EPC customers which will receive on completion of the project .

## Note 8: Other Non-current Assets

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Capital Advances	952.31	374.05
Deferred EPC Expenses	57.08	-
Electricity Duty Refundable	35.69	34.44
<b>Total</b>	<b>1,045.08</b>	<b>408.49</b>

## Note 9: Inventories

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Raw Materials	4,740.02	3,641.19
Work in Progress:		
Goods	4,231.05	4,281.79
Project	314.30	557.89
Finished Goods	5,463.36	2,902.66
Scrap	112.06	132.81
Stores, Spare Parts and Packing Materials	321.37	302.02
<b>Total</b>	<b>15,182.15</b>	<b>11,818.34</b>
<b>(i) Inventories include goods in transit:</b>		
Finished Goods	201.86	390.19
	<b>201.86</b>	<b>390.19</b>
<b>(ii) Details of Raw Materials</b>		
Shape & Section	2,018.32	1,739.66
Zinc	749.87	712.11
Nut & Bolt	296.18	550.34
Others	1,675.65	639.08
	<b>4,740.02</b>	<b>3,641.19</b>
<b>(iii) Details of Finished Goods</b>		
Galvanised and Non-galvanised M.S. Steel Structures	5,463.36	2,902.66
	<b>5,463.36</b>	<b>2,902.66</b>

(iv) Inventories have been offered as security against the working capital loans provided by the banks.

(v) Raw materials are valued at cost on FIFO basis or net realisable value, whichever is lower.

Finished goods and work in progress are valued at cost or net realisable value, whichever is lower.





# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 10: Investments

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Investments measured at FVTPL</b>		
<b>Quoted :</b>		
<b>Investment in Equity Shares :</b>		
200 ( Previous Year 4,000 ) Equity Shares of Fourth Dimension solutions Ltd. of ₹ 10 each fully paid up.	0.01	0.29
Nil (Previous Year 5,01,000) Equity Shares of Rudrabhishek Enterprises Ltd. of ₹ 10 each fully paid up.	-	1,013.52
41,000 (Previous Year 41000 ) Equity Shares of Vodafone Idea Ltd. of ₹ 10 each fully paid up.	3.96	3.79
<b>Investment in Bonds:</b>		
Gold Bond	1.45	1.45
<b>Total</b>	<b>5.42</b>	<b>1,019.05</b>
Aggregate book value of unquoted investments	1.45	1.45
Aggregate amount of quoted investments		
Cost	4.27	218.88
Market Value	3.97	1,017.60

## Note 11: Trade Receivables

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>(a) Unsecured, considered good</b>		
(i) Related parties	1,461.88	2,806
(ii) Other than related parties	27,571.05	20,685.87
	<b>29,032.93</b>	<b>23,491.72</b>
<b>(b) Considered doubtful</b>		
(i) Related parties	-	-
(ii) Other than related parties	63.49	63.49
	<b>63.49</b>	<b>63.49</b>
Less : Allowance for expected credit loss (ECL)	(63.49)	(63.49)
	-	-
<b>Total</b>	<b>29,032.93</b>	<b>23,491.72</b>

- (i) Retention money, with EPC Customers which will receive on completion of the project, has been shown under other financial assets as "Security Deposit" (Refer Note -7 & 14)
- (ii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 11: Trade Receivables (Contd..)

### (iii) Movement in allowance for expected credit loss

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Balance at the beginning of the period / year</b>	<b>63.49</b>	<b>186.01</b>
Utilized during the year	-	186.01
Expected credit loss (ECL) recognized	-	63.49
Expected credit loss (ECL) reversal	-	-
<b>Balance at the end of the period / year</b>	<b>63.49</b>	<b>63.49</b>

### (iv) Ageing of trade receivables is as below :

Particulars	As at March 31, 2022									
	Outstanding for following periods from due date of payment							Gross Credits	Allowance for ECL	Net Credits
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years					
(i) Undisputed Trade receivables – considered good	18,897.97	3,067.84	3,341.94	162.77	7.06	25,477.58	-	25,477.58		
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	-	63.49	63.49	63.49	-		
(iii) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-		
(iv) Disputed Trade receivables – considered doubtful	-	-	-	-	-	-	-	-		
(v) Unbilled dues	3,555.35	-	-	-	-	3,555.35	-	3,555.35		
<b>Total</b>	<b>22,453.32</b>	<b>3,067.84</b>	<b>3,341.94</b>	<b>162.77</b>	<b>70.55</b>	<b>29,096.42</b>	<b>63.49</b>	<b>29,032.93</b>		

(v) Trade receivables have been offered as security against the working capital loans provided by the banks.

## Note 12: Cash & Cash Equivalents

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Cash in hand	7.00	11.25
Balances with Banks		
Current Accounts	5.38	10.15
<b>Total</b>	<b>12.38</b>	<b>21.40</b>

## Note 13: Other Bank Balances

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with banks to the extent held as margin money*	1,023.74	477.36
Earmarked balance with bank - unpaid dividend account	2.44	1.71
<b>Total</b>	<b>1,026.19</b>	<b>479.07</b>

\* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 14: Other Financial Assets

(₹ in Lakh)

Particulars	As at	
	31 March, 2022	31 March, 2021
Payment under protest:		
Sales Tax	25.18	25.18
Goods and Service Tax	8.56	5.61
Earnest Money Deposit	83.32	123.96
Interest Accrued on FDR	185.64	171.41
Security deposit*	2,229.13	1,075.27
<b>Total</b>	<b>2,531.83</b>	<b>1,401.43</b>

\*Security Deposit includes Retention money with EPC customers which will receive on completion of the project .

## Note 15: Other Current Assets

(₹ in Lakh)

Particulars	As at	
	31 March, 2022	31 March, 2021
Advances to suppliers	920.43	1,907.20
Balance with tax authorities	1,798.30	754.06
Prepaid expenses	193.16	119.26
Gold Coin - Bullion (market value - 9.25 Lakh)	8.56	8.56
Other receivables	113.60	99.40
<b>Total</b>	<b>3,034.05</b>	<b>2,888.48</b>

## Note 16: Equity Share Capital

(₹ in Lakh)

Particulars	As at	
	31 March, 2022	31 March, 2021
<b>Authorised Capital</b>		
3,15,00,000 (2,05,00,000 previous year) Equity Shares of ₹ 10/- each	3,150.00	2,050.00
	<b>3,150.00</b>	<b>2,050.00</b>
<b>Issued, Subscribed and Paid up Capital</b>		
2,85,70,528 (1,42,85,264 previous year) Equity Shares of ₹ 10/- each fully paid up in cash	2,857.05	1,428.53
<b>Total</b>	<b>2,857.05</b>	<b>1,428.53</b>

### A. Reconciliation of Shares outstanding at the beginning and at the end of year:

(₹ in Lakh)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Numbers	₹ In lakh	Numbers	₹ In lakh
Equity Shares outstanding at the beginning of the year	1,42,85,264	1,429	1,32,85,264	1,328.53
Add: Equity Shares Issued on conversion of convertible Warrants during the year	-	-	10,00,000	100.00
Add: Issue of Bonus Shares	1,42,85,264	1,428.53	-	-
Equity Shares outstanding at the end of the year	2,85,70,528	2,857.05	1,42,85,264	1,428.53

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 16: Equity Share Capital (Contd..)

### B. Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Hill View Infrabuild Ltd	57,48,600	20.12%	28,74,300	20.12%
Sh. Shalabh Agarwal	25,61,184	8.96%	12,80,592	8.96%
M/s Shikhar Febtech (P) Ltd.	19,70,000	6.90%	9,85,000	6.90%
Sh. Alok Kumar	17,88,000	6.26%	8,94,000	6.26%
Sh. Shashank Agarwal	14,21,184	4.97%	7,10,592	4.97%

### C. Shareholding of Promoters are as under

Name of Promoter	As at 31st March 2022			As at 31st March 2021		
	No. of shares	% of total Shares	% Change during the period	No. of shares	% of total Shares	% Change during the period
Sh. Gyanendra Kumrar Agarwal	5,87,632	2.06%	-	2,93,816	2.06%	-
Sh. Alok Kumar	17,88,000	6.26%	-	8,94,000	6.26%	-
Sh. Shalabh Agarwal	25,61,184	8.96%	-	12,80,592	8.96%	-
Ms. Tripti Gupta	8,00,000	2.80%	-	4,00,000	2.80%	-
Sh. Shashank Agarwal	14,21,184	4.97%	-	7,10,592	4.97%	-
Smt. Anshu Agarwal	11,56,000	4.05%	-	5,78,000	4.05%	-
Smt. Mithilesh Agarwal	4,08,000	1.43%	-	2,04,000	1.43%	-
Smt. Kamlesh Gupta	10,00,000	3.50%	-	5,00,000	3.50%	-
Smt. Taru Agarwal	16,000	0.06%	-	8,000	0.06%	-
Sh. Shikhar Gupta	5,52,000	1.93%	-	2,76,000	1.93%	-
Hill View Infrabuild Limited	57,48,600	20.12%	-	28,74,300	20.12%	-
Shikhar Fabtech Private Limited	19,70,000	6.90%	-	9,85,000	6.90%	-
Base Engineering LLP	9,32,000	3.26%	-	4,66,000	3.26%	-
More Engineering Private Limited	9,32,000	3.26%	-	4,66,000	3.26%	-
<b>Total</b>	<b>1,98,72,600</b>	<b>69.56%</b>	<b>-</b>	<b>99,36,300</b>	<b>69.56%</b>	<b>-</b>

### D. Equity Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31 March, 2022

(₹ in Lakh)

Particulars	No. of Shares
Bonus Shares issued in FY 2016-17	49,78,150
Bonus Shares issued in FY 2021-22	1,42,85,264

### E. Rights, Preferences and restrictions attached to shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

F. The Company has issued 33,28,964 Equity Shares at a premium of ₹ 98 per share in pursuant to IPO dated 25-July-2017 .

G. The Company has issued 10,00,000 Equity Shares at a premium of ₹ 161 per share on conversion of convertible Warrants allotted on 27-Aug-2020 on preferential basis.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 16: Equity Share Capital (Contd..)

H. The Company has allotted 1,42,85,264 Bonus Equity Shares of ₹ 10/- in ratio of one Equity Share for one Equity Share (1:1). Consequently, the subscribed and paid up Equity Share Capital increased to ₹ 2857.05 Lakh divided into 2,85,70,528 Equity Shares of ₹ 10/- each.

## Note 17: Other Equity

(₹ in Lakh)

Particulars	As at	As at
	31 March, 2022	31 March, 2021
Securities Premium Account	5,670.37	7,098.89
Retained Earning*	19,618.52	16,650.16
<b>Total</b>	<b>25,288.89</b>	<b>23,749.05</b>

For movement during the year in Other Equity, refer 'Statement of Changes in Equity'.

\* Retained Earning includes Other Comprehensive Income.

## Note 18: Borrowings

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-Current	Current	Non-Current	Current
<b>Secured</b>				
Vehicle Loans - from Banks	75.21	40.23	98.18	54.83
Term Loans - from Banks	3,687.11	754.51	2,868.14	118.73
<b>Total (A)</b>	<b>3,762.32</b>	<b>794.74</b>	<b>2,966.32</b>	<b>173.56</b>
<b>Unsecured</b>				
Loans & advances from related parties	28.49	-	92.84	-
<b>Total (B)</b>	<b>28.49</b>	<b>-</b>	<b>92.84</b>	<b>-</b>
	<b>3,790.82</b>	<b>794.74</b>	<b>3,059.16</b>	<b>173.56</b>

### A. Nature of Security and terms of repayment for Non-current Secured Borrowings :-

(₹ in Lakh)

Nature of Security	Repayment Terms	Nominal Interest Rate	As at	As at
			31 March, 2022	31 March, 2021
Secured Term Loan from Bank	Repayable in 60 monthly installments after moratorium of 12 months	Floating 6 months MCLR + 100 bps	1,299.37	1,385.97
Secured Term Loan from Bank	Repayable in 60 equal monthly installments after moratorium of 12 months	Floating 3 months MCLR + 0.80% p.a.	1,265.65	1,288.40
Secured Term Loan from Bank	Repayable in 60 monthly installments after moratorium of 12 months	Floating 12 months MCLR	312.50	312.50
Secured Term Loan from Bank	Repayable in 60 monthly installments after moratorium of 12 months	Floating 12 months MCLR + 0.50% p.a.	196.00	-
Secured Term Loan from Bank	Repayable in 48 monthly installments after moratorium of 24 months	Floating 6 months MCLR + 1.00% p.a.	693.00	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 18: Borrowings (Contd..)

(₹ in Lakh)

Nature of Security	Repayment Terms	Nominal Interest Rate	As at 31 March, 2022	As at 31 March, 2021
Secured Term Loan from Bank	Repayable in 60 equal monthly installments after moratorium of 24 months	Floating 3 months MCLR + 0.80% p.a.	675.10	-
<b>Total</b>			<b>4,441.62</b>	<b>2,986.87</b>
Less : Current Maturity of Long Term Borrowings (Note No. 23)			754.51	118.73
<b>Non -Current Borrowings</b>			<b>3,687.11</b>	<b>2,868.14</b>

- B.** Term Loans facilities are secured by second charge on the entire present and future current assets and charges over the fixed assets. Credit facilities are further secured by personal guarantee of the Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal, Mr. Shashank Agarwal and Mr. Shalabh Agarwal and corporate guarantee of M/s. Shikhar Fabtech Pvt Ltd.
- C.** Vehicle Loans are from Banks and are secured by way of hypothecation of vehicles. Repayable in 36-84 monthly installments commencing from various dates.
- D.** Installment falling due in respect of all the above Loans upto 31.03.2023 have been grouped under " Current Maturities of long term debt" (Refer Note No. 23).

### E. Long Term Borrowings from related parties:

(₹ in Lakh)

Name of the Party	Nature of Borrowings	Relationship	As at 31 March, 2022	As at 31 March, 2021
Mrs. Taru Agarwal	Unsecured Loans	Relative of KMP	18.15	18.15
Mr. Shalabh Agarwal	Unsecured Loans	Director	10.34	-
Salasar New Age Technologies Ltd	Unsecured Loans	Associate	-	9.00
Hill View Infrabuild Ltd	Unsecured Loans	Associate	-	65.69
<b>Total</b>			<b>28.49</b>	<b>92.84</b>

## Note 19: Lease Liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Lease Liabilities	13.48	-
<b>Total</b>	<b>13.48</b>	<b>-</b>

## Note 20: Other Financial Liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred Income - EPCG Licence	9.22	9.99
<b>Total</b>	<b>9.22</b>	<b>9.99</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 21: Provisions

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for Gratuity	288.02	289.80
Provision for Compensated Absences	36.32	23.09
<b>Total</b>	<b>324.34</b>	<b>312.88</b>

## Note 22: Deferred Tax Liabilities (net)

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Deferred Tax Liabilities :</b>		
Opening Balance	611.77	449.74
Increase / (decrease) on account of Property, Plant and equipment	63.64	57.54
Increase / (decrease) on account of Fair Valuation of Investments	(91.59)	100.38
Increase / (decrease) on account of IND AS adjustments	24.43	4.11
<b>Total (a)</b>	<b>608.26</b>	<b>611.77</b>
<b>Deferred Tax Assets :</b>		
Opening Balance	113.98	142.14
Increase / (decrease) on account of Fair Valuation of Investment	-	-
Increase / (decrease) on account of Provisions	(4.04)	(28.16)
<b>Total (b)</b>	<b>109.94</b>	<b>113.98</b>
<b>Total (a-b)</b>	<b>498.33</b>	<b>497.79</b>

### Deferred Tax Assets Comprises :

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
(i) Provisions		
Opening Balance	113.98	142.14
Increase / (decrease) during the year	(4.04)	(28.16)
<b>Total Deferred Tax Assets</b>	<b>109.94</b>	<b>113.98</b>

## Note 23: Borrowings

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Secured Loans		
Loan repayable on demand from banks	19,728.60	16,263.94
Current maturities of long term borrowings	794.74	173.56
<b>Total</b>	<b>20,523.34</b>	<b>16,437.50</b>

Secured by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, pledge of cash margin money in the form of FDR and exclusive charges over the fixed assets. Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal, Mr. Shashank Agarwal and Mr. Shalabh Agarwal have given the personal guarantees and corporate guarantee of M/s. Shikhar Fabtech Pvt Ltd to the Banks for Working Capital facilities.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 24: Trade Payables

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Payable to Raw Materials Suppliers :		
Total outstanding dues of micro enterprises and small enterprises	270.83	17.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,733.11	2,710.09
<b>Total</b>	<b>5,003.94</b>	<b>2,727.37</b>

Ageing of trade payables is as below :

Particulars	As at March 31, 2022					Total
	Outstanding for following periods from due date of payment					
	Less than 1 Year	1-2 years	1-2 years	More than 3 years	More than 3 years	
MSME	270.83	-	-	-	-	270.83
Others	4,733.11	-	-	-	-	4,733.11
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - others	-	-	-	-	-	-
<b>Total</b>	<b>5,003.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,003.94</b>

## Note 25: Other Financial Liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unpaid/ unclaimed dividend	2.44	1.71
<b>Total</b>	<b>2.44</b>	<b>1.71</b>

## Note 26: Provisions

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for Gratuity	24.53	-
Provision for Compensated Absences	4.88	3.57
<b>Total</b>	<b>29.42</b>	<b>42.39</b>

### 1. Movement of Provisions (Current and Non-Current)

(₹ in Lakh)

Particulars	Gratuity	Compensated Absences
As at 1st April, 2021	328.62	26.65
Credited during the year	97.26	42.33
Paid during the year	113.32	27.78
<b>As at 31st March, 2022</b>	<b>312.55</b>	<b>41.21</b>

#### Provision for Gratuity

Company provides gratuity for employees as per the Payment of Gratuity Act 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The Company has an unfunded gratuity plan.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 26: Provisions (Contd..)

### Provision for Compensated Absences:

Compensated Absences is a terminal employee benefit, which covers Company's liability towards earned leaves of employees of the Company

## 2. Disclosure pursuant to Ind AS 19 "Employee Benefits"

### (i) Defined Contribution Plans:

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 166.82 Lakh (previous year ₹ 141.78 Lakh) for Provident Fund contributions, and ₹ 45.60 Lakh (previous year ₹ 42.08 Lakh) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

### (ii) Defined Benefit Plans (Unfunded):

(a) **Gratuity:** The Company has an unfunded defined benefit gratuity plan which entitles every employee who departs after the completion of 5 or more years of service to a gratuity calculated at fifteen days salary (last drawn salary) for each completed year of service, in accordance with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The amounts recognised in Balance Sheet are as follows:

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Present value of obligation as at the end of the period	312.55	328.62
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(312.55)	(328.62)
<b>Net Asset/(Liability) recognised in Balance Sheet</b>	<b>(312.55)</b>	<b>(328.62)</b>
<b>Recognised Under :</b>		
Non-current Provision	288.02	289.80
Current Provision	24.53	38.82
<b>Total</b>	<b>312.55</b>	<b>328.62</b>

Expenses recognised in Statement of Profit and Loss are as follows:

Particulars	(₹ in Lakh)	
	Year ended 31 March, 2022	Year ended 31 March, 2021
Total service cost	74.95	72.56
Interest cost	22.31	17.73
<b>Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>97.26</b>	<b>90.29</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 26: Provisions (Contd..)

Expenses recognised in Other Comprehensive Income (OCI) are as follows :

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Actuarial gain/ (loss) for the year on Defined Benefit Obligation	97.08	16.32
<b>Actuarial Gain/(Loss) recognized in Other Comprehensive Income</b>	<b>97.08</b>	<b>16.32</b>

Changes in the present value of Defined Benefit Obligations :

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening balance of the present value of Defined Benefit Obligations	328.62	261.17
Acquisition adjustment	-	-
Interest cost	22.31	17.73
Past service cost	-	-
Current service cost	74.95	72.56
Benefits paid	(16.25)	(6.52)
Actuarial (gain)/loss on obligation	(97.08)	(16.32)
<b>Closing balance of the present value of Defined Benefit Obligations</b>	<b>312.55</b>	<b>328.62</b>

Principal Actuarial assumptions

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Discount Rate per annum	7.18%	6.79%
Salary growth rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2012-14)	IALM (2012-14)
<b>AGE</b>	<b>Withdrawal Rate (%)</b>	<b>Withdrawal Rate (%)</b>
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Estimate of amount of contribution in the immediate next year	116.14	110.48

Maturity Profile of Defined Benefit Obligation is as follows:

Duration (years)	Year ended 31 March, 2022	Year ended 31 March, 2021
1	24.53	38.82
2	8.15	10.22
3	8.73	8.09
4	10.36	10.25
5	13.82	8.47
6	12.43	11.39
Above 6	234.53	241.37



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 26: Provisions (Contd..)

Summary of Membership Data:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Number of Employees	1,362	1288
Total Monthly Salary for Gratuity (₹ in Lakh)	204.47	186.81
Average Past Service (Years)	3.57	3.36
Average Age (Years)	35.37	35.03
Average Remaining Working Life (Years)	22.63	22.97

Sensitivity Analysis is as follows:

Impact of the Change in Discount Rate:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Impact due to Increase of 0.50%	(19.48)	(19.55)
Impact due to Decrease of 0.50%	21.52	21.60

Impact of the Change in Salary:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Impact due to Increase of 0.50%	21.45	21.77
Impact due to Decrease of 0.50%	(19.58)	(19.87)

- (b) **Compensated Absences** : The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.

The amounts recognised in Balance Sheet are as follows:

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Present value of obligation as at the end of the period	41.21	26.65
Funded status / Difference	(41.21)	(26.65)
<b>Net Asset/(Liability) recognised in Balance Sheet</b>	<b>(41.21)</b>	<b>(26.65)</b>
<b>Recognised Under :</b>		
Non-current Provision	36.32	23.09
Current Provision	4.88	3.57
<b>Total</b>	<b>41.21</b>	<b>26.65</b>

Expenses recognised in Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Current service cost	19.89	9.39
Past service cost	-	-
Interest cost	1.81	0.34
Net actuarial (gain)/ loss recognized in the period	20.64	16.92
<b>Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>42.33</b>	<b>26.65</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 26: Provisions (Contd..)

Changes in the present value of Defined Benefit Obligations :

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Present value of obligation as at the beginning of the period	26.65	5.07
Acquisition adjustment	-	-
Interest cost	1.81	0.34
Past service cost	-	-
Current service cost	19.89	9.39
Benefits paid	(27.78)	(5.07)
Actuarial (gain)/loss on obligation	20.64	16.92
<b>Present value of obligation as at the end of period</b>	<b>41.21</b>	<b>26.65</b>

Principal Actuarial assumptions

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Discount Rate per annum	7.18%	6.79%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2012-14)	IALM (2012-14)
Employee Turnover/Attrition Rate		
Upto 30 Years	3%	3%
From 31 to 44 Years	2%	2%
Above 44 Years	1%	1%

## Note 27: Other Current Liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Other Payables:		
Total outstanding dues of micro enterprises and small enterprises	46.37	161.23
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,756.32	4,736.41
Advance from Customers	2,278.98	248.50
Due to Employees	530.39	414.54
Statutory Dues	274.79	166.35
Expenses Payables	47.38	54.55
<b>Total</b>	<b>8,934.23</b>	<b>5,781.57</b>

### Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 27: Other Current Liabilities (Contd..)

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) The principal amount remaining unpaid to any supplier at the end of the year (Refer Note No. 24 and Note No. 27)	317.20	178.51
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made to these suppliers.

## Note 28: Current Tax Liability (Net)

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current Tax Liability (Net of Advance Tax and TDS)	0.12	254.46
<b>Total</b>	<b>0.12</b>	<b>254.46</b>

## Note 29- Revenue from operations

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>Sale of Products</b>		
Within India	38,253.48	37,276.51
Outside India	7,558.76	3,547.19
<b>Sale of Services</b>		
Income from EPC Projects	15,699.34	11,466.86
Job Work	282.54	196.93
Other Services	5,165.69	4,291.69
<b>Other Operating Revenues</b>		
Sale of Scrap	1,802.96	1,420.31
Export Incentives	118.01	104.76
Others	209.20	26.94
<b>Total</b>	<b>69,089.98</b>	<b>58,331.18</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 30 - Other Income

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest on Bank Deposits	116.13	121.55
Interest on other financial assets	16.06	13.22
Dividend Income	0.94	1.16
Profit on sale of Property, Plant and Equipment	0.62	-
Profit on sale of Shares	84.83	1.66
Gain on fair valuation of investments	0.16	877.45
<b>Total</b>	<b>218.75</b>	<b>1,015.04</b>

## Note 31 - Cost of Revenue Operations

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>(a) Cost of Raw Material Consumed</b>		
Opening Stock	3,641.19	2,710.23
Add : Purchases	47,568.74	37,195.55
	<b>51,209.92</b>	<b>39,905.78</b>
Less :- Closing Stock	4,740.02	3,641.19
<b>Total (a)</b>	<b>46,469.91</b>	<b>36,264.59</b>
<b>(b) Cost of Other Revenue from Operations</b>		
Consumption of Stores and spare parts	1,005.45	1,185.94
Power & Fuel	1,136.12	1,077.66
Labour Processing, Testing and Machinery Hire Charges	1,618.31	655.79
Installation and Erection Charges	6,818.95	8,326.92
Job Work Charges	100.86	42.82
<b>Total (b)</b>	<b>10,679.70</b>	<b>11,289.13</b>
<b>Total</b>	<b>57,149.60</b>	<b>47,553.72</b>

## Details of Raw Material Consumed

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Shape and Section	27,874.41	24,440.81
Zinc	5,951.32	5,663.25
Nuts & Bolts	1,383.87	1,330.71
Other Material	11,260.31	4,829.82
<b>Total</b>	<b>46,469.91</b>	<b>36,264.59</b>

## Note 32 - Changes in Inventories of Finished goods, Work-in-progress and others

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>Opening Stock</b>		
Finished Goods	2,902.66	1,423.33
Work in Progress:		
Goods	4,281.79	4,639.70



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 32 - Changes in Inventories of Finished goods, Work-in-progress and others (Contd..)

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Project	557.89	362.46
Scrap	132.81	84.49
<b>Total (a)</b>	<b>7,875.14</b>	<b>6,509.98</b>
<b>Closing Stock</b>		
Finished Goods	5,463.36	2,902.66
Work in Progress:		
Goods	4,231.05	4,281.79
Project	314.30	557.89
Scrap	112.06	132.81
<b>Total (b)</b>	<b>10,120.77</b>	<b>7,875.14</b>
<b>(Increase) / Decrease in Stock (a-b)</b>	<b>(2,245.63)</b>	<b>(1,365.16)</b>

## Note 33: Employee benefits expenses

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Salary and Wages	3,504.08	2,821.35
Contribution to Provident Fund & ESI	219.34	190.09
Staff Welfare	77.60	45.92
<b>Total</b>	<b>3,801.01</b>	<b>3,057.36</b>

## Note 34: Finance Costs

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Bank Interest	1,608.36	1,362.03
Bank Charges	294.39	306.29
Interest to Others	158.02	90.95
Interest on Lease Liability	1.00	-
<b>Total</b>	<b>2,061.76</b>	<b>1,759.27</b>

## Note 35: Depreciation and Amortization Expenses

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Depreciation on Property, Plant and Equipment (Note -2)	703.32	560.61
Amortization on Right of Use Assets (Note-4)	0.90	-
Amortization on Intangible Assets (Note -5)	5.46	0.07
<b>Total</b>	<b>709.68</b>	<b>560.68</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 36 : Other Expenses

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Repairs to Building	7.88	2.91
Repairs to Machinery	195.33	222.73
Insurance	131.45	90.13
Legal & Professional Charges	1,255.71	1,121.02
Security Expenses	262.96	224.75
Printing & Stationery	33.17	28.62
Conveyance & Travelling Exp	189.82	85.21
Repair & Maintenance others	154.34	125.51
Rent, Rates & Taxes	366.80	196.24
Corporate Social Responsibility Expenses	62.98	112.36
Postage & Telephone	24.66	21.42
Auditors' Remuneration	4.25	3.75
Freight & Forwarding (net)	416.54	552.88
Commission	30.78	20.51
Business Promotion	90.73	57.92
Packing Expenses	280.22	152.39
Advertisement	48.91	57.20
Miscellaneous Expenses	19.78	2.53
Bad Debts Written off	2.31	334.84
Provision for doubtful Debts		63.49
<b>Total</b>	<b>3,578.63</b>	<b>3,476.42</b>

### (i) Details of payments to auditors:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
a. Statutory Audit Fees	4.25	3.75
	<b>4.25</b>	<b>3.75</b>

### (ii) Corporate Social Responsibility (CSR):

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years, calculated as per section 198 of the Companies Act, 2013, on Corporate Social Responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which were specified in schedule VII of the Companies Act, 2013 :

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
1. Amount required to be spent by the Company during the year	78.87	77.96
2. Amount of expenditure incurred on :		
(i) Construction/acquisition of assets	-	-
(ii) On purposes other than (i) above	62.98	77.96
3. Shortfall at the end of the year	15.89	-
4. Total of previous years shortfall	-	-



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 36 : Other Expenses (Contd..)

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
5. Reason for shortfall	Delay in execution of projects due to Covid -19	NA
6. Nature of CSR activities	Health, Education, Sanitation and Hygiene, Livelihood and Wellness	Pandemic Relief, Health, Education, Sanitation and Hygiene, Livelihood and Wellness
7. Details of related party transactions in relation to CSR expenditure	None	None

Pursuant to the Companies (Corporate Social Responsibility Policy) Amended Rules, 2021 ("the rules"), the Company has, subsequent to balance sheet date, deposited amount of ₹ 15.89 Lakh to a separate bank account.

## Note 37 : Tax Expenses

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
In respect of the current year	1,114.42	853.65
In respect of the prior year	(18.27)	330.45
	<b>1,096.16</b>	<b>1,184.10</b>
<b>Deferred Tax</b>		
Incremental/ (Decremental) Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	63.64	57.54
Incremental/ (Decremental) Deferred Tax Liability on account of fair valuation of investments/security deposits	(91.59)	100.38
(Incremental)/ Decremental Deferred Tax Assets on account of Provisions	4.04	28.16
	<b>(23.90)</b>	<b>186.09</b>
<b>Total</b>	<b>1,072.26</b>	<b>1,370.19</b>

### Disclosure pursuant to Ind AS 12 "Income Taxes"

#### Reconciliation of Income Tax Expenses and the Accounting Profit

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
(1) Profit before tax	4,253.68	4,303.92
(2) Corporate tax rate as per Income Tax Act, 1961	25.168%	25.168%
(3) Tax on accounting profit (3)=(1)*(2)	1,070.57	1,083.21
(4) (i) Effect of tax on non- deductible expenses	53.78	32.03
(ii) Effect of Tax on other allowed deductions	(22.59)	
(iii) Effect on fair valuation of investment	0.42	(75.50)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 37 : Tax Expenses (Contd..)

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
(iv) Effect of tax on income at different rates	(11.65)	-
(v) Effect of current tax related to earlier years	(18.27)	330.45
<b>Total effect of tax adjustments</b>	1.69	286.98
(5) Tax expenses recognised during the year (5)=(3)+(4)	<b>1,072.26</b>	<b>1,370.19</b>
(6) Effective Tax Rate (6)=(5)/(1)	25.21%	31.84%

The Company has opted to pay tax under section 115BAA of the Income Tax Act, 1961.

## Note 38 : Earnings per Share

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Profit for the period	3,181.42	2,933.74
Weighted average number of Equity Shares outstanding	2,85,70,528	2,76,69,377
Weighted average number of Diluted Shares outstanding	2,85,70,528	2,76,69,377
Face Value per share (₹)	10.00	10.00
Basic EPS (₹)	11.14	10.60
Diluted EPS (₹)	11.14	10.60

## Note 39 : Disclosure pursuant to Ind AS 108 "Operating Segment"

### (a) Information about Operating segment:

#### Basis of identifying Operating segments:

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components; (b) whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment; and (c) for which discrete financial information is available.

The company has two reportable segments as described under "Reportable Segments" below. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements.

#### Reportable Segments :

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

Reportable Segments are as under:

- **Steel Structure** : comprises manufacturing and sale of Galvanized and Non-galvanized Steel Structures including Telecom Towers, Transmission Line Towers and Solar Panels.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 39 : Disclosure pursuant to Ind AS 108 "Operating Segment" (Contd..)

- **Engineering, Procurement and Construction (EPC) Projects** : comprises of survey, supply of materials, design, erection, testing and commissioning on a turnkey basis.

### Segment Revenue, Expenditure and Profit:

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the CODM.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment or manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

### Segment Asset, Liabilities and Capital Expenditure:

The assets of the Company directly managed by segments are reported under each segment and exclude deferred tax assets, income tax recoverable and derivative financial assets.

Segment liabilities comprise operating liabilities and exclude borrowings, provisions, deferred tax liabilities and derivative financial liabilities.

Segment capital expenditure comprises additions to property, plant and equipment (including capital work in progress), Right of Use Asset and intangible assets.

## 1. Segment Revenue

Year ended 31 March, 2022

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter - Segment Elimination	Total
External	50,158.43	18,931.55	-	69,089.98
Inter-Segment Revenue	3,232.21		(3,232.21)	-
<b>Total Revenue from Operations</b>	<b>53,390.64</b>	<b>18,931.55</b>	<b>(3,232.21)</b>	<b>69,089.98</b>

Year ended 31 March, 2021

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter - Segment Elimination	Total
External	41,194.51	17,136.67	-	58,331.18
Inter-Segment Revenue	5,669.81		(5,669.81)	-
<b>Total Revenue from Operations</b>	<b>46,864.32</b>	<b>17,136.67</b>	<b>(5,669.81)</b>	<b>58,331.18</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 39 : Disclosure pursuant to Ind AS 108 “Operating Segment” (Contd..)

### 2. Segment Results

(₹ in Lakh)

Particulars	Year ended	
	31 March, 2022	31 March, 2021
a. Steel Structures	4,933.29	5,013.27
b. EPC Projects	2,826.96	1,399.50
<b>Total Segment Results</b>	<b>7,760.25</b>	<b>6,412.77</b>
Less:		
(i) Finance costs	2,061.76	1,759.27
(ii) Net unallocated expenditure/(income)	1,444.82	349.58
<b>Profit Before Tax</b>	<b>4,253.68</b>	<b>4,303.92</b>
Current Tax	1,096.16	1,184.10
Deferred Tax	(23.90)	186.09
<b>Profit for the year</b>	<b>3,181.42</b>	<b>2,933.74</b>

### 3. Segment Assets and Liabilities

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities
a. Steel Structures	44,304.82	8,929.66	32,596.02	4,744.14
b. EPC Projects	19,547.82	4,453.44	18,195.11	3,305.71
Total Segment Assets/Liabilities	63,852.64	13,383.11	50,791.13	8,049.86
Add: Unallocated Assets/Liabilities	3,422.99	25,746.58	3,511.29	21,074.99
<b>Total Assets/Liabilities</b>	<b>67,275.63</b>	<b>39,129.69</b>	<b>54,302.42</b>	<b>29,124.84</b>

### 4. Other Information

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Capital Expenditure	Depreciation and Amortisation	Capital Expenditure	Depreciation and Amortisation
a. Steel Structures	2,671.37	709.68	2,680.70	560.68
b. EPC Projects	-	-	-	-
	2,671.37	709.68	2,680.70	560.68
Unallocated	-	-	-	-
<b>Total</b>	<b>2,671.37</b>	<b>709.68</b>	<b>2,680.70</b>	<b>560.68</b>

### (b) Information about geographical areas

Geographical revenue is allocated based on the location of the customers.

Information regarding geographical revenue is as follows:

(₹ in Lakh)

Particulars	Year ended	
	31 March, 2022	31 March, 2021
Within India	61,531.22	54,784.00
Outside India	7,558.76	3,547.19
<b>Total</b>	<b>69,089.98</b>	<b>58,331.18</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 39 : Disclosure pursuant to Ind AS 108 "Operating Segment" (Contd..)

All non-current assets in the nature of property, plant and equipment (including capital work in progress) and intangible assets (including those under development) are domiciled in India.

### (c) Major customer

The Company has two (2021 : three) customers whose revenue represents 25.24% (2021: 40.22%) of the Company's total revenue and trade receivable represents 3.30% (2021 : 15.94%) the Company's total trade receivables.

## Note 40 : Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

### (a) Disaggregation of revenue into Operating Segments

Year ended 31 March, 2022

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter Segment Elimination	Total
Sale of Products	45,812.24	3,232.21	(3,232.21)	45,812.24
Income from EPC Projects	-	15,699.34	-	15,699.34
Job Work	282.54	-	-	282.54
Other Services	5,165.69	-	-	5,165.69
Sale of Scrap	1,802.96	-	-	1,802.96
Export Incentives	118.01	-	-	118.01
Others	209.20	-	-	209.20
<b>Total</b>	<b>53,390.64</b>	<b>18,931.55</b>	<b>(3,232.21)</b>	<b>69,089.98</b>

Year ended 31 March, 2021

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter Segment Elimination	Total
Sale of Products	40,823.69	5,669.81	(5,669.81)	40,823.69
Income from EPC Projects	-	11,466.86	-	11,466.86
Job Work	196.93	-	-	196.93
Other Services	4,291.69	-	-	4,291.69
Sale of Scrap	1,420.31	-	-	1,420.31
Export Incentives	104.76	-	-	104.76
Others	26.94	-	-	26.94
<b>Total</b>	<b>46,864.32</b>	<b>17,136.67</b>	<b>(5,669.81)</b>	<b>58,331.18</b>

### (b) Based on timing of revenue

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
At a Point in Time	65,534.63	57,000.28
Over the Time	3,555.35	1,330.91
<b>Total</b>	<b>69,089.98</b>	<b>58,331.18</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 40 : Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers" (Contd..)

### (c) Disaggregation of revenue into Geographical areas

Year ended 31 March, 2022

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter - Segment Elimination	Total
Within India	45,831.88	18,931.55	(3,232.21)	61,531.22
Outside India	7,558.76	-	-	7,558.76
<b>Total</b>	<b>53,390.64</b>	<b>18,931.55</b>	<b>(3,232.21)</b>	<b>69,089.98</b>

Year ended 31 March, 2021

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter - Segment Elimination	Total
Within India	43,317.14	17,136.67	(5,669.81)	54,784.00
Outside India	3,547.19	-	-	3,547.19
<b>Total</b>	<b>46,864.32</b>	<b>17,136.67</b>	<b>(5,669.81)</b>	<b>58,331.18</b>

### (d) Cost to obtain the contract:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
i. Amortisation in Statement of Profit and Loss	Nil	Nil
ii. Recognised as contract assets	Nil	Nil

### (e) Reconciliation of contracted price with revenue during the year:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening contracted price of orders at the start of the year#	48,951.30	37,064.20
<b>Add:</b>		
Fresh orders/change orders received (net)	65,041.62	10,365.07
Increase due to additional consideration recognised as per contractual terms/ (decrease) due to scope reduction-net	4,633.68	1,522.03
<b>Less:</b>		
Orders completed during the year	6,217.33	-
Closing contracted price of orders on hand at the end of the year#	<b>1,12,409.27</b>	<b>48,951.30</b>
Total Revenue recognised during the year:		
a. Revenue out of orders completed during the year	(186.98)	-
b. Revenue out of orders under execution at the end of the year (I)	19,118.54	17,136.67
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	18,890.36	7,782.65
Balance revenue to be recognised in future viz. Order book (III)	74,587.35	24,031.98
Closing contracted price of orders on hand at the end of the year# (I+II+III)	<b>1,12,409.27</b>	<b>48,951.30</b>

# including full value of partially executed contracts



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 40 : Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers" (Contd..)

### (f) Remaining performance obligations and its expected conversion into revenue:

(₹ in Lakh)

Remaining performance obligation	Total	Expected conversion in revenue		
		Upto 1 Year	From 1 to 2 years	
As at 31st March, 2022	74,587.35	35,087.35	35,000.00	4,500.00
As at 31st March, 2021	24,031.98	19,104.73	4,285.75	641.50

## Note 41 : Disclosure pursuant to Ind AS 116 "Leases" :

### (a) Maturity Analysis:

(₹ in Lakh)

Particulars	As at	As at
	31 March, 2022	31 March, 2021
<b>Contractual undiscounted cash flows</b>		
Less than one year	-	-
One to five years	2.72	-
More than five years	126.46	-
<b>Total undiscounted lease liabilities</b>	<b>129.18</b>	<b>-</b>
<b>Discounted cash flows</b>		
Current	-	-
Non-current	12.49	-
<b>Lease Liabilities</b>	<b>12.49</b>	<b>-</b>

Expenses relating to short-term leases and low value assets have been disclosed under rent, rates and taxes in note 36. The incremental borrowing rate of 8.00% per annum has been applied to lease liabilities recognised in the Standalone Balance Sheet.

### (b) Amounts recognised in Statement of profit and loss:

(₹ in Lakh)

Particulars	Year ended	Year ended
	31 March, 2022	31 March, 2021
Interest on lease liabilities in Finance Cost	1.00	-

### (c) Amounts recognised in the statement of cash flows:

(₹ in Lakh)

Particulars	Year ended	Year ended
	31 March, 2022	31 March, 2021
Cash outflow for leases	76.67	-

### (d) Future Lease Commitments:

The Future cash out flow for leases that had not yet commenced: ₹ Nil (previous year: ₹ Nil)

## Note 42 : Disclosure pursuant to Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance"

The Company's exports qualify for various export benefits offered in the form of duty credit scrips under foreign trade policy framed by Department General of Foreign Trade India (DGFT). Income accounted towards such export incentives and duty drawback amounts to ₹ 118.01 Lakh (previous year: ₹ 104.76 Lakh)



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 43 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 “ Related Party Disclosures”

### A. Name of Related Parties and Nature of Relationship :

Particulars	
<b>Where control exists</b>	
Jonit Venture	Sikka-Salasar-JV
Subsidiary	Salasar -HPL JV
	Salasar -REW- JV
	Salasar Adorus Infra LLP
<b>Other Related Parties with whom transactions have taken place during the year :</b>	
Associates :	Hill View Infrabuild Ltd.
	Salasar New Age Technologies Ltd.
	Base Engineering LLP
	Shikhar Fabtech Pvt Ltd
	More Engineering Pvt Ltd
	Alok Kumar (HUF)
Key Management Personnels:	Sh. Alok Kumar (Chairman and Managing Director)
	Sh.. Shashank Agrawal (Joint Managing Director)
	Sh. Shalabh Agrawal (Director)
	Ms. Tripti Gupta (Director)
	Mr. Pramod Kr. Kala (Chief Financial Officer)
	Mr. Rahul Rastogi (Company Secretary)
Relatives of Key Management Personnels	Smt. Kamlesh Gupta (Wife of Sh. Alok Kumar)
	Sh. Shikhar Gupta (Son of Sh. Alok Kumar)
	Sh. G. K. Agarwal (Father of Sh. Shashank Agarwal)
	Smt. Mithilesh Aggarwal (Mother of Sh. Shashank Agarwal)
	Smt. Anshu Agrawal (Wife of Sh. Shashank Agarwal)
	Sh. Raghav Agarwal (Son of Sh. Shashank Agarwal)
	Sh. Bharat Agarwal (Son of Sh. Shashank Agarwal)
	Smt. Taru Agrawal (Wife of Sh. Shalabh Agrawal)

### B. Transaction Carried out with related parties referred to in (A) above, in ordinary course of business:

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>1 Sale of Goods</b>		
<b>Joint Ventures</b>		
Sikka-Salasar -JV	431.56	483.48
<b>Subsidiary</b>		
Salasar - HPL JV	-	1,124.77
Salasar Adorus Infra LLP	839.18	216.40
<b>2 Sale of Services</b>		
<b>Joint Ventures</b>		
Salasar - HPL JV	-	351.29
<b>3 Purchase of Services</b>		
<b>Joint Ventures</b>		
Salasar - HPL JV	170.17	-



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 43 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 " Related Party Disclosures" (Contd..)

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>4 Managerial Remuneration</b>		
<b>Key Managerial Personnel</b>		
Sh. Alok Kumar	82.80	75.87
Sh. Shashank Agarwal	82.80	68.97
Sh. Shalabh Agarwal	58.08	55.18
Ms. Tripti gupta	58.08	48.28
<b>5 Employee Benefits Expenses</b>		
<b>Key Managerial Personnel</b>		
Mr. Pramod Kumar Kala	36.22	30.70
Mr. Rahul Rastogi	7.75	6.65
Relatives of Key Managerial Personnel		
Sh. Shikhar Gupta	36.00	34.20
Sh. Bharat Agarwal	12.00	4.50
Sh. Raghav Agarwal	2.41	-
<b>6 Loan Received</b>		
<b>Associates</b>		
Salasar New Age Technologies Ltd	-	9.00
<b>Key Managerial Personnel</b>		
Sh. Shalabh Agarwal	10.34	-
<b>7 Repayment of Loan and Advances</b>		
<b>Associates</b>		
Hill View Infrabuild Ltd	65.69	344.08
Salasar New Age Technologies Ltd	9.00	-
<b>8 Investment made</b>		
<b>Subsidiary</b>		
Salasar -REW- JV	-	0.51
Salasar Adorus Infra LLP	-	5.10
<b>9 Dividend Paid</b>		
<b>Associates</b>		
Hill View Infrabuild Ltd	57.49	28.74
Base Engineering LLP	9.32	4.66
Shikhar Fabtech Pvt Ltd	19.70	9.85
More Engineering Pvt Ltd	9.32	4.66
Alok Kumar (HUF)	0.40	0.20
<b>Key Managerial Personnel</b>		
Sh. Alok Kumar	17.88	8.94
Sh. Shashank Agarwal	14.21	7.11
Sh. Shalabh Agarwal	25.61	12.81
Ms. Tripti gupta	8.00	4.00
<b>Relatives of Key Managerial Personnel</b>		
Smt. Kamlesh Gupta	10.00	5.00
Sh. Shikhar Gupta	5.52	2.76
Sh. G. K. Agarwal	5.88	2.94
Smt. Mithilesh Aggarwal	4.08	2.04
Smt. Anshu Agarwal	11.56	5.78
Smt. Taru Agarwal	0.16	0.08

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 43 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 " Related Party Disclosures" (Contd..)

### C. Balance outstanding at the end of the year

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>Loan/ Advances Payables</b>		
Hillview Infrabuild Ltd.	-	65.69
Salasar New Age Technologies Ltd	-	9.00
Mrs. Taru Agarwal	18.15	18.15
Mr. Shalabh Agarwal	10.34	-
<b>Trade Receivables</b>		
Salasar - HPL JV	97.94	1,540.69
Salasar Adorus Infra LLP	126.88	258.62
Sikka- Salasar-JV	1,237.06	1,006.54

## Note 44 : Contingent Liabilities and commitments:

### 1. Contingent Liabilities

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
(a) Claims not acknowledged by the Company relating to the cases contested by the Company:		
UPGST , for the FY 2019-20 (Petition is pending with High Court of Allahabad)	-	4.34
SGST , for the FY 2020-21 (Petition is pending with Appellate Authority SGST, Ghaziabad)	-	3.78
UPVAT, for the FY 2012-13 (Petition is pending with High Court of Allahabad)	1.15	-
(b) Bank Guarantees and LCs for which FDR margin has been given to the bank as security	17,740.94	12,380.88

The company does not expect any outflow of resources in respect of the above.

## Note : 45

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March, 2022.

## Note 46 : Capital Management:

### (a) Risk Management

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 46 : Capital Management: (Contd..)

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents.

(₹ in Lakh)

Particulars	As at	
	31 March, 2022	31 March, 2021
Non current borrowings	3,762.32	2,966.32
Current maturities of non current borrowings	794.74	173.56
Current borrowings	19,728.60	16,263.94
Less: Cash and cash equivalents	12.38	21.40
Less: Bank balances other than cash and cash equivalents	1,026.19	479.07
<b>Total Debts</b>	<b>23,247.11</b>	<b>18,903.36</b>
<b>Total Equity</b>	<b>28,145.94</b>	<b>25,177.58</b>
<b>Gearing Ratio</b>	<b>0.83</b>	<b>0.75</b>

Equity includes all capital and reserves of the Company that are managed as capital.

### (b) Dividends

During the year ended March 31, 2020, the Company paid the final dividend of ₹ 1.50 per equity share for the year ended March 31, 2019 amounting to ₹ 199.28 lakh and dividend distribution tax of ₹ 40.67 lakh.

During the year ended March 31, 2020, the Company paid the Interim dividend of ₹ 1.00 per equity share for the year ended March 31, 2020 amounting to ₹ 132.85 lakh and dividend distribution tax of ₹ 27.11 lakh.

During the year ended March 31, 2021, the Company paid the final dividend of ₹ 1.00 per equity share for the year ended March 31, 2020 amounting to ₹ 132.85 Lakh.

During the year ended March 31, 2022, the Company paid the final dividend of ₹ 1.00 per equity share for the year ended March 31, 2021 amounting to ₹ 285.71 Lakh.

## Note 47 : Fair Value Measurements

### (a) Financial instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities:

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	FVTL	Amortised Cost	FVTL	Amortised Cost
<b>Financial Assets</b>				
Investments - current				
- Equity Instruments	3.97	-	1,017.60	-
- Gold Bond	-	1.45	-	1.45
Other financial assets - non current	-	2,232.11	-	1,505.77
Trade receivables	-	29,032.93	-	23,491.72
Cash and cash equivalent	-	12.38	-	21.40
Other bank balances	-	1,026.19	-	479.07
Other receivables	-	113.60	-	99.40
Other financial assets - current	-	2,531.83	-	1,401.43
<b>Total Financial Assets</b>	<b>3.97</b>	<b>34,950.49</b>	<b>1,017.60</b>	<b>27,000.22</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 47 : Fair Value Measurements (Contd..)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	FVTL	Amortised Cost	FVTL	Amortised Cost
<b>Financial Liabilities</b>				
Borrowings - non-current	-	3,790.82	-	3,059.16
Borrowings - current	-	20,523.34	-	16,437.50
Trade payables	-	5,003.94	-	2,727.37
Other payables	-	6,380.46	-	5,366.72
Other financial liabilities - non current	-	9.22	-	9.99
Other financial liabilities - current	-	2.44	-	1.71
<b>Total Financial Liabilities</b>	<b>-</b>	<b>35,710.23</b>	<b>-</b>	<b>27,602.46</b>

The carrying amounts of trade and other receivables, cash and cash equivalents, trade and other payables are considered to be the same as their fair values due to their short term nature.

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

Investment in Subsidiaries, Joint Ventures which are measured at cost in accordance with Ind AS 27 "Separate Financial Statements". Accordingly these items have not been included in the above table.

### (b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard, described as follows:

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

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3**- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required.

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Level 1	Level 2	Level 1	Level 2
<b>Financial Assets</b>				
Investments - current				
- Equity Instruments	3.97	-	1,017.60	-
- Gold Bond	-	1.45	-	1.45
<b>Total Financial Assets</b>	<b>3.97</b>	<b>1.45</b>	<b>1,017.60</b>	<b>1.45</b>

There have been no transfers between levels during the period.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 47 : Fair Value Measurements (Contd..)

### (c) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

## Note 48 : Financial risk management

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance

The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors. Company Treasury Department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as hedging of foreign currency transactions foreign exchange risk.

### 1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

#### (i) Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set a policy wherein exposure is identified, a benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. The policy also includes mandatory initial hedging requirements for exposure above a threshold.

#### Derivative financial instruments and hedging activity

The Company has entered into hedging contracts by way of foreign exchange forward contracts. As at March 31, 2022, the notional amount of outstanding contracts aggregated to ₹ 1701.99 lakh (USD 22.00 lakh).

Amount receivable in foreign currency on account of the following:

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Amount in Foreign Currency	₹ In lakh	Amount in Foreign Currency	₹ In lakh
Export of Goods				
<b>Currency - USD</b>	<b>46,87,193.26</b>	<b>3,558.06</b>	<b>32,58,733.22</b>	<b>2,347.10</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 48 : Financial risk management (Contd..)

### Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. Foreign currency exposures recognized by Company that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	Impact on profit before tax on increase		Impact on profit before tax on decrease	
	As at 31 March, 2022	As at 31 March, 2021	As at 31 March, 2022	As at 31 March, 2021
USD - increase/decrease by 3%	0.75	0.98	(1.41)	(0.98)

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

The Company's foreign currency exposure arises mainly from foreign exchange imports and exports , primarily with respect to USD.

### (ii) Interest rate risk management

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

Company has fixed deposits as margin money for a period between 3 months to 4 years. All fixed deposits are with banks, accordingly there is no significant interest rate risk pertaining to these deposits.

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

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Floating rate borrowings	24,285.67	19,403.82
Fixed rate borrowings	-	-
<b>Total Borrowings</b>	<b>24,285.67</b>	<b>19,403.82</b>

### Interest rate sensitivity

Profit is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. For floating rate liabilities, analysis is prepared assuming amount of liability outstanding at end of reporting period was outstanding for whole year.

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Interest rates – increase by 50 basis points (50 bps)	(121.43)	(97.02)
Interest rates – decrease by 50 basis points (50 bps)	121.43	97.02



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 48 : Financial risk management (Contd..)

### 2. Credit risk management

The Company's customer profile include public sector enterprises, state owned companies and large private corporates.

Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 18 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases, retentions are substituted with bank/ corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation.

Further, Company has an ongoing credit evaluation process in respect of customers who are allowed credit period.

#### (i) The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Opening Balance	63.49	186.01
Changes in allowance for expected credit loss:		
Provision/(reversal) of allowance for expected credit loss	-	63.49
Additional provision (net) towards credit impaired receivables		
Write off as bad debts	-	186.01
<b>Closing Balance</b>	<b>63.49</b>	<b>63.49</b>

(ii) Trade receivable written off during the year but still enforceable for recovery amounts to Nil (previous year: Nil)

### 3. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Company's Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Maturities of financial liabilities:

The tables below provide details regarding the contractual maturities of non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 48 : Financial risk management (Contd..)

As at March 31, 2022

(₹ in Lakh)

Non-derivative liabilities	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Total
Borrowings	20,523.34	3,790.82	-	24,314.16
Trade Payables	5,003.94	-	-	5,003.94
Lease Liabilities	-	2.72	126.46	129.18
Unpaid Dividend	2.44	-	-	2.44
Other current liabilities	6,380.46	-	-	6,380.46
<b>Total</b>	<b>31,910.19</b>	<b>3,793.54</b>	<b>126.46</b>	<b>35,830.19</b>

As at March 31, 2021

(₹ in Lakh)

Non-derivative liabilities	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Total
Borrowings	16,437.50	3,059.16	-	19,496.66
Trade Payables	2,727.37	-	-	2,727.37
Lease Liabilities	-	-	-	-
Unpaid Dividend	1.71	-	-	1.71
Other current liabilities	5,366.72	-	-	5,366.72
<b>Total</b>	<b>24,533.31</b>	<b>3,059.16</b>	<b>-</b>	<b>27,592.47</b>

## Note 49 : Reconciliation of liabilities arising from financing activities:

As at March 31, 2022

(₹ in Lakh)

Particulars	Balance as at April 1, 2021	Net Cash Flows	Non-cash changes -foreign exchange movement	Balance as at March 31, 2022
Non-current Borrowings	3,059.16	731.65	-	3,790.82
Current Borrowings	16,437.50	-	-	16,437.50
<b>Total</b>	<b>19,496.66</b>	<b>731.65</b>	<b>-</b>	<b>20,228.31</b>

As at March 31, 2021

(₹ in Lakh)

Particulars	Balance as at April 1, 2020	Net Cash Flows	Non-cash changes -foreign exchange movement	Balance as at March 31, 2021
Non-current Borrowings	521.60	2,537.56	-	3,059.16
Current Borrowings	15,952.16	485.34	-	16,437.50
<b>Total</b>	<b>16,473.76</b>	<b>3,022.90</b>	<b>-</b>	<b>19,496.66</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 50 : Disclosure pursuant to section 186 of the Companies Act 2013:

### Details of Loan/Investment made:

(₹ in Lakh)

Particulars	As at 31 March, 2022		
	Investment Made	Loan Given	Outstanding Balance
Salasar -Rew JV	0.51	-	0.51
Salasar Adorus Infra LLP	5.10	-	5.10

(₹ in Lakh)

Particulars	As at 31 March, 2021		
	Investment Made	Loan Given	Outstanding Balance
Salasar -Rew JV	0.51	-	0.51
Salasar Adorus Infra LLP	5.10	-	5.10
Sikka - Salasar JV	-	-	-

#Loan received back during the year ended March 31, 2021 ₹ 151.81 lakh.

## Note 51 : Key Financial Ratios pursuant to Schedule III to the Companies Act, 2013

(₹ in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	Changes	Reasons for changes more than 25%
(i) Current Ratio (Current Assets/Current Liabilities)	1.47	1.63	-9.54%	-
(ii) Debt -Equity Ratio (Net Debt/Net Worth)	0.83	0.75	9.61%	-
(iii) Debt Service Coverage Ratio (EBIT/Net Debt)	0.21	0.26	-16.73%	-
(iv) Return on Equity Ratio (PAT/Avg. Net Worth*100)	11.93%	12.80%	-6.79%	-
(v) Inventory Turnover Ratio (Closing inventory/ Net Sales*365)	80.21	73.95	8.46%	-
(vi) Trade Receivables Turnover Ratio (Trade receivable/ Net Sales*365)	153.38	147.00	4.34%	-
(vii) Net Capital Turnover Ratio (Net Sales/Net Worth)	2.45	2.32	5.95%	-
(viii) Net Profit Ratio (PAT/Total Revenue*100)	4.59%	4.94%	-7.15%	-
(ix) Return on Capital Employed (EBIT/Average Capital Employed*100)	10.5%	11.70%	-14.16%	-

Net debt includes Long term borrowing and Short term borrowing minus Cash and cash equivalents and bank balances.

Net worth includes Shareholder capital and reserve and surplus

EBIT includes Profit before tax plus depreciation

Net sales means revenue from operations

Capital employed includes Total assets minus total current liability plus Short term borrowing

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 52: Additional Regulatory Information:

(a) Below is the title deed of Immovable Property not held in the name of the Company:

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Property, plant and equipment	Property, plant and equipment	Property, plant and equipment
Description of item property	Land	Land
Gross carrying value (Rupees in lakh)	622.47	622.47
Title deeds held in the name of	Salasar Stainless Ltd	Salasar Stainless Ltd
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	09-Jan-19	09-Jan-19
Reason for not being held in the name of the Company	Under Progress	Under Progress

(b) Details of transaction with companies struck off under section 248 of the Companies Act, 2013

The company does not have any relationship with companies struck off (as defined by Companies Act, 2013) and did not enter into transactions with any such company for the years ended March 31, 2022 and March 31, 2021 .

(c) The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting years.

(d) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(f) The Company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting years.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 52: Additional Regulatory Information: (Contd..)

- (g) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (h) The Company do not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (i) All the quarterly statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

## Note 53:

Figures for the previous year have been regrouped/reclassified to confirm to the figures of the current year.

### As per our Report of even date attached

For **ARUN NARESH & CO.**  
Firm Registration No. 007127N  
Chartered Accountants

**CA. Arun Kumar Jain**  
Partner  
M. No. 084598

Place : Hapur (U.P.)  
Date : 30-May-2022  
UDIN: 22084598AJWUEA1088

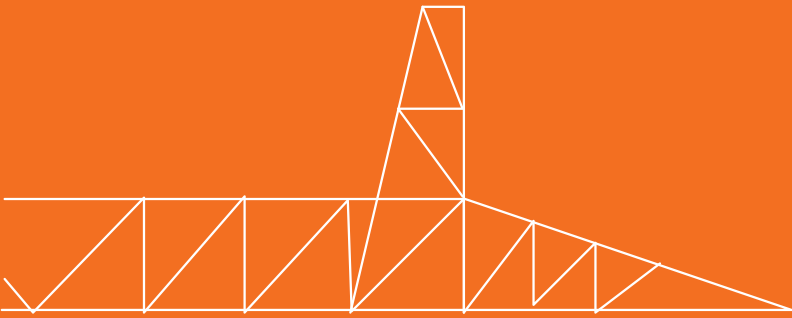
### For and on behalf of the Board of Directors

**Alok Kumar**  
Managing Director  
DIN : 01474484

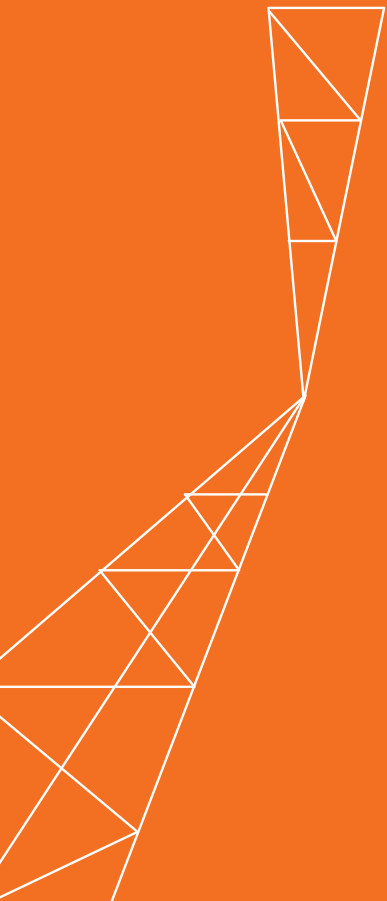
**Pramod Kr. Kala**  
(Chief Financial Officer)

**Shashank Agarwal**  
Jt. Managing Director  
DIN: 00316141

**Rahul Rastogi**  
(Company Secretary)



# Consolidated **Financial Statements**





# INDEPENDENT AUDITOR'S REPORT

To  
**The Members of**  
**SALASAR TECHNO ENGINEERING LIMITED**

## Report on the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of **SALASAR TECHNO ENGINEERING LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and Joint ventures which comprise the Consolidated balance sheet as at March 31, 2022, and the consolidated statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and Consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2022, and consolidated profits, consolidated changes in equity and its consolidated cash flows for the year ended then 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 consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures 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 consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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**
**Auditor's Response**
**1. Recognition of contract revenue, margin and related receivables**

The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods. The accounting standard requires an entity to select a single measurement method for the relevant performance obligation that depicts the entity's performance in transferring goods or services or if a contract is onerous, present obligations are recognized and measured as provisions.

The Company is recognizing contract revenue and margin for these contracts based on input method, in accordance with the requirement of the standard which relies on management's estimates of the final outcome of each contract, and involves the exercise of significant management judgment, particularly in forecasting the cost to complete a contract, in valuing contract variations, claims and liquidated damages. We identified contract accounting as a key audit matter because the estimation, of the total revenue and total cost to complete the contract, prepared based on the prevailing circumstances, is inherently subjective, complex and require significant management judgment and forecast of contract revenue and/or contract cost may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations or any other factor, and could result in material variance in the revenue and profit or loss from contract for the reporting period.

*Our procedures included the following:*

- We selected a sample of contracts to test, using a risk based criteria which included individual contracts with:
  - significant revenue recognised during the year;
  - significant unbilled work in progress (WIP) balances held at the year end; or
  - low profit margins.
- Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments.
- Evaluating the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry and observations, re-performance and inspection of evidence in respect of operations of these controls.
- Verified underlying documents such as original contract, and its amendments, if any, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation.
- Evaluating the outturn of previous estimates and agreeing the actual cost after the year end to the forecasted costs for the period.
- Evaluating the status of each of the material trade receivables past due as at year end, the Company's on-going business relationship with customer and past payment history of the customers through discussion with management.

**2. Related Party Transactions**

The Company has entered into several transactions with related parties during the year 2021-22. We identified related party transactions as a key audit matter because of risks with respect to completeness of disclosures made in the consolidated financial statements including recoverability thereof; compliance with statutory regulations governing relate party relationships such as the Companies Act,2013 and SEBI Regulations and the judgement involved in assessing whether transactions with related parties are undertaken at arms' length.

Refer Note 44 to the financial statements.

Our audit procedures on related party transactions included:

- Assessed the key controls to identify and disclose related party relationships and transactions in accordance with the relevant accounting standard.
- Assessed compliances with the listing regulations and the regulations under Companies Act,2013 including checking of approvals/scrutiny as specified in Sections 177 and 188 of the Companies Act,2013 with respect to the related party transactions.
- Considered the adequacy and appropriateness of the disclosures in the consolidated financial statements, including recoverability thereof, relating to the related party transactions.

Key Audit Matter	Auditor's Response
	<ul style="list-style-type: none"> <li>Inspected relevant ledgers, agreements and other information that may indicate the existence of related party relationships or transactions. Further, we also tested completeness of related parties with reference to the various registers maintained by the company statutorily.</li> <li>On a sample basis, tested Company's assessment of related party transactions for arms' length pricing.</li> </ul>

## Information other than the Financial Statements and Auditor's Report thereon

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon, which is expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information and if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance and take necessary action as per applicable laws and regulations.

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

The respective management and Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the Group'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 or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.



## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 financial controls 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 Group has adequate 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 and Board of Directors.
- 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 Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

## Other Matters

We did not audit the financial statements of the entities: M/s Salasar HPL JV, M/s Salasar REW JV, M/s Salasar Adorus Infra LLP and Sikka Salasar JV included in the consolidated financial results, whose financial statements reflect total assets of INR 1006.40 lacs, total revenues of INR 2800.25 lacs and total net profit after tax of INR (35.74) lacs for the year ended 31.03.2022 as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entity is based solely on the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditor.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including other consolidated comprehensive income), Consolidated Statement of Changes in Equity and the consolidated statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies are disqualified as on March 31, 2022 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 over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A."
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements at Note No. 45.
  - ii. The Group is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
  - iii) The Group is not required to transfer any amount to the Investor Education and Protection Fund.
  - iv) (a) The respective Managements of the Company and its subsidiaries its associates and Joint ventures, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective Managements of the Company and its subsidiaries its associates and Joint ventures, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries its associates and Joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) As stated in consolidated financial statements,
  - a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - b. No interim dividend was declared and paid by the Company during the year and until the date of this report.
  - c. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- 2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries its associates and Joint ventures included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports

For **ARUN NARESH & COMPANY**  
Chartered Accountants  
ICAI Firm Registration Number: 007127N

**Arun Kumar Jain**

Partner

Membership Number: 084598  
UDIN – 22084598AJWTL16324

Place: Hapu  
Date: May 30, 2022

# ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Salasar Techno Engineering Limited of even date)

## Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

### Opinion

In conjunction with our audit of the consolidated financial statements of Salasar Techno Engineering Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended March 31 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such other companies which are its subsidiary companies, as of that date.

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and such other companies which are its subsidiary companies, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Management’s Responsibility for Internal Financial Controls

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

### Auditor’s Responsibility

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Limitations of Internal Financial Controls Over Financial Reporting

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

For **ARUN NARESH & COMPANY**  
Chartered Accountants  
ICAI Firm Registration Number: 007127N

**Arun Kumar Jain**

Partner

Membership Number: 084598

UDIN – 22084598AJWTL16324

Place: Hapu

Date: May 30, 2022

# CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH, 2022

(₹ in Lakh)

Particular	Note No.	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	2	12,491.52	11,237.61
Capital Work-in-Progress	3	551.91	8.59
Right of Use Assets	4	88.26	-
Intangible Assets	5	35.61	27.58
Financial Assets			
(a) Investments	6	-	-
(b) Other Financial Asset	7	2,320.67	1,505.89
Other Non-current Assets	8	1,045.08	408.49
<b>Current Assets</b>			
Inventories	9	15,236.35	12,002.22
Financial Assets			
(a) Investments	10	5.42	1,019.05
(b) Trade Receivables	11	29,270.08	24,009.74
(c) Cash and Cash Equivalent	12	27.70	42.33
(d) Bank Balances other than (c) above	13	1,026.19	479.07
(e) Other Financial Assets	14	2,531.83	1,466.93
Other Current Assets	15	3,521.26	3,134.68
Current Tax Assets (net)	16	109.60	-
<b>TOTAL ASSETS</b>		<b>68,261.47</b>	<b>55,342.16</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	17	2,857.05	1,428.53
Other Equity	18	25,343.12	23,840.24
Non-Controlling Interest		31.85	30.63
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
(a) Borrowings	19	4,334.34	3,389.16
(b) Lease Liabilities	20	13.48	-
(c) Other Financial Liabilities	21	9.22	9.99
Provisions	22	324.34	312.88
Deferred Tax Liabilities (net)	23	498.33	497.79
<b>Current Liabilities</b>			
Financial Liabilities			
(a) Borrowings	24	20,523.34	16,437.50
(b) Trade Payables	25		
(i) Dues of micro and small enterprises (MSME)		270.83	17.28
(ii) Dues of creditors other than MSME		4,814.30	3,109.83
(c) Other Financial Liabilities	26	2.44	1.71
Provisions	27	29.42	42.39
Other Current Liabilities	28	9,209.39	6,069.32
Current Tax Liability (Net)	29	-	154.89
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>68,261.47</b>	<b>55,342.16</b>

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

For **ARUN NARESH & CO.**  
Firm Registration No. 007127N  
Chartered Accountants

**CA. Arun Kumar Jain**  
Partner  
M. No. 084598

Place : Hapur (U.P.)  
Date : 30-May-2022  
UDIN: 22084598AJWTL16324

For and on behalf of the Board of Directors

**Alok Kumar**  
Managing Director  
DIN : 01474484

**Pramod Kr. Kala**  
(Chief Financial Officer)

**Shashank Agarwal**  
Jt. Managing Director  
DIN: 00316141

**Rahul Rastogi**  
(Company Secretary)

# CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED ON 31 MARCH, 2022

(₹ in Lakh)

Particular	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
<b>REVENUES</b>			
Revenue from operations	30	71,886.18	59,658.77
Other Income	31	222.81	1,015.04
<b>Total Revenue</b>		<b>72,108.98</b>	<b>60,673.80</b>
<b>EXPENSES</b>			
Cost of revenue operations	32	59,328.31	48,665.12
Changes in inventories of finished goods, work-in-progress and others	33	(2,245.63)	(1,365.16)
Employee benefits expenses	34	3,995.79	3,090.12
Finance Costs	35	2,181.01	1,764.53
Depreciation and amortization expenses	36	709.68	562.28
Other Expenses	37	3,914.65	3,570.83
<b>Total Expenses</b>		<b>67,883.80</b>	<b>56,287.73</b>
Profit before Exceptional Items & Taxes		4,225.18	4,386.08
Exceptional Items		-	-
<b>Profit before Tax</b>		<b>4,225.18</b>	<b>4,386.08</b>
<b>Tax Expenses</b>	38		
(a) Current Tax		1,103.40	1,210.09
(b) Deferred Tax		(23.90)	186.09
<b>Profit for the year</b>		<b>3,145.68</b>	<b>2,989.90</b>
<b>Other Comprehensive Income (OCI)</b>			
(A) Items that will not be classified to profit or loss:			
Remeasurements of the defined benefit plans		97.08	16.32
Income tax relating to items that will not be classified to profit or loss		(24.43)	(4.11)
(B) Items that will be classified to profit or loss		-	-
<b>Total Comprehensive Income for the year</b>		<b>3,218.32</b>	<b>3,002.11</b>
<b>Net Profit attributable to :</b>			
Owners of the Company		3,144.46	2,964.66
Non-Controlling Interest		1.22	25.24
		<b>3,145.68</b>	<b>2,989.90</b>
<b>Other Comprehensive Income attributable to :</b>			
Owners of the Company		72.64	12.21
Non-Controlling Interest		-	-
		<b>72.64</b>	<b>12.21</b>
<b>Total Comprehensive Income attributable to :</b>			
Owners of the Company		3,217.10	2,976.87
Non-Controlling Interest		1.22	25.24
		<b>3,218.32</b>	<b>3,002.11</b>
<b>Earning per Equity share</b>			
(Face Value : ₹ 10 per Share)			
Basic and Diluted (₹)		11.01	10.71

Notes referred to above and notes attached there to form an integral part of Profit &amp; Loss Statement

This is the Profit &amp; Loss Statement referred to in our Report of even date.

For **ARUN NARESH & CO.**  
Firm Registration No. 007127N  
Chartered Accountants

**CA. Arun Kumar Jain**  
Partner  
M. No. 084598

Place : Hapur (U.P.)  
Date : 30-May-2022  
UDIN: 22084598AJWTL16324

For and on behalf of the Board of Directors

**Alok Kumar**  
Managing Director  
DIN : 01474484

**Pramod Kr. Kala**  
(Chief Financial Officer)

**Shashank Agarwal**  
Jt. Managing Director  
DIN: 00316141

**Rahul Rastogi**  
(Company Secretary)



# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakh)

Particular	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash Flow From Operating Activities</b>		
Net Profit Before Income Tax	4,225.18	4,386.08
<b>Adjustment for:</b>		
Depreciation and amortization expenses	709.68	562.28
Dividend income	(0.94)	(1.16)
Interest income	(132.20)	(134.77)
Finance costs	2,181.01	1,764.53
Electricity duty refundable	(1.25)	21.54
Provision for employee benefits expense	95.56	105.36
(Gain)/ loss on fair valuation of assets	(0.16)	(877.45)
(Gain)/ loss on property, plant and equipment	(0.62)	-
Bad debts written off	2.31	334.84
Provision for doubtful debts	-	63.49
Interest on income tax refund	(4.06)	-
Gain on sale of current investment	(84.83)	(1.66)
<b>Operating profit before working capital changes</b>	<b>6,989.70</b>	<b>6,223.09</b>
<b>Adjustments for Working Capital</b>		
<b>Adjustment for (increase) / decrease in operating assets</b>		
Inventories	(3,234.13)	(2,648.29)
Trade receivables	(5,262.65)	(2,998.35)
Other financial assets	(1,687.26)	(267.82)
Other current assets	(496.18)	(1,711.27)
<b>Adjustment for increase / (decrease) in operating liabilities</b>		
Trade payables	1,958.02	982.28
Other current liabilities	2,985.18	803.00
Other financial liabilities	(0.04)	114.75
Other non-current liabilities		
<b>Cash generated from operations</b>	<b>1,252.63</b>	<b>497.39</b>
Income Tax Paid	1,103.40	1,210.09
<b>Net cash generated from operating activities (A)</b>	<b>149.23</b>	<b>(712.70)</b>
<b>Cash Flow from Investing Activities</b>		
Sale (Purchase) of current investments	1,098.63	0.09
Interest Income	117.96	112.60
Dividend Income	0.94	1.16
Purchase of property, plant and equipment	(2,595.62)	(2,693.60)
Acquisition of right -of-use assets	(76.67)	-
Bank Balance (not consider as cash and cash equivalents)	(547.12)	370.04
Interest on income tax refund	4.06	-
Proceeds from sale of property, plant and equipment	82.19	-
Net Cash Flow from other financial assets	(813.53)	(144.50)
<b>Net cash used in investing activities (B)</b>	<b>(2,729.16)</b>	<b>(2,354.21)</b>



# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakh)

Particular	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of share capital	-	1,710.00
Proceeds from non-current borrowings	945.17	2,867.56
Proceeds from current borrowings	4,085.85	358.19
Contribution from Non-controlling interests	-	5.39
Dividend Paid	(285.71)	(132.85)
Finance Costs	(2,180.01)	(1,764.53)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>2,565.30</b>	<b>3,043.76</b>
<b>Net Changes in Cash &amp; Cash Equivalents (A + B + C)</b>	<b>(14.63)</b>	<b>(23.15)</b>
Add : Opening Cash & Cash Equivalents	42.33	65.48
<b>Closing Cash &amp; Cash Equivalents</b>	<b>27.70</b>	<b>42.33</b>

*This is the Cash Flow Statement referred to in our Report of even date.*

For **ARUN NARESH & CO.**

Firm Registration No. 007127N

Chartered Accountants

**CA. Arun Kumar Jain**

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 30-May-2022

UDIN: 22084598AJWTL16324

**For and on behalf of the Board of Directors**

**Alok Kumar**

Managing Director

DIN : 01474484

**Pramod Kr. Kala**

(Chief Financial Officer)

**Shashank Agarwal**

Jt. Managing Director

DIN: 00316141

**Rahul Rastogi**

(Company Secretary)

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH, 2022

## A. Equity Share Capital ( Refer Note -17)

(₹ in Lakh)

Particulars	Balance as at 1st April, 2020	Changes during the year ended 31st March, 2021	Balance as at 31st March, 2021	Changes during the year ended 31 March, 2022	Balance as at 31 March, 2022
Equity Share Capital	1,328.53	100.00	1,428.53	1,428.53	2,857.05

## B. Other Equity (Refer Note - 18)

(₹ in Lakh)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium Reserve	Surplus		
<b>Balance as at March 31, 2021</b>	<b>7,098.89</b>	<b>16,748.61</b>	<b>(7.26)</b>	<b>23,840.24</b>
Profit for the period		3,144.46	72.64	3,217.10
Other comprehensive income (loss) for the year, net of tax				-
<b>Total Comprehensive Income for the year</b>	-	3,144.46	72.64	3,217.10
Issue of Bonus Shares	(1,428.53)			(1,428.53)
Dividend paid		(285.71)		(285.71)
<b>Balance as at March 31, 2022</b>	<b>5,670.37</b>	<b>19,607.36</b>	<b>65.38</b>	<b>25,343.12</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

*This is the Statement of Changes in Equity referred to in our Report of even date.*

For **ARUN NARESH & CO.**

Firm Registration No. 007127N

Chartered Accountants

**CA. Arun Kumar Jain**

Partner

M. No. 084598

Place : Hapur (U.P.)

Date : 30-May-2022

UDIN: 22084598AJWTL16324

**For and on behalf of the Board of Directors**

**Alok Kumar**

Managing Director

DIN : 01474484

**Pramod Kr. Kala**

(Chief Financial Officer)

**Shashank Agarwal**

Jt. Managing Director

DIN: 00316141

**Rahul Rastogi**

(Company Secretary)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note -1 : Significant Accounting Policies

### A. CORPORATE INFORMATION

Salasar Techno Engineering Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India viz, the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is engaged in manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels. The Company has three manufacturing facilities one at Jindal Nagar, Hapur (UP) and two at Khera Dehat, Hapur (UP).

The Company is engaged in the business of manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels.

The Company is also engaged in execution of Engineering, Procurement and Construction projects (EPC) for survey, supply of materials, design, erection, testing & commissioning on a turnkey basis.

### B. BASIS OF CONSOLIDATION

The CFS comprise the financial statements of the Company, its subsidiaries and the Group's interest in associate and jointly ventures as at the reporting date.

#### Subsidiary

Subsidiary include all the entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which Group attains control and are deconsolidated from the date that control ceases to exist.

#### Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint venture are accounted for using the equity method of accounting.

#### The CFS have been prepared on the following basis

The financial statements of the Company and its subsidiary entity has been consolidated on a lineby-line basis by adding together of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered, as per the applicable Accounting Standard in India. Accounting policies of the respective subsidiary entity are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The CFS include the share of profit / loss of the joint ventures and the associate company which are accounted as per the 'equity method'

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the postacquisition profits or losses of the investee in profit or loss, and the Group's share of movements in OCI of the investee in OCI.

The CFS are presented, to the extent applicable, in accordance with the requirements of Schedule III of the 2013 Act as applicable to the Company's separate financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Non-controlling interests (NCI) in the net assets of the subsidiaries that are consolidated consists of the amount of equity attributable to non-controlling shareholders. Profit or loss and each component of OCI are attributed to the equity holders of the parent and to the NCI, even if this results in the NCI having a deficit balance.

## **C. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES**

### **(i) Basis of compliance**

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

### **(ii) Basis of Preparation of Financial Statement**

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below.

All 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 2013 Act.

### **(iii) Critical accounting estimates, assumptions and judgements**

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below :

#### **(i) Useful life of Property, Plant and Equipment**

The cost of property, plant and equipment is depreciated over the useful life, which is based on expected usage of the assets, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and residual value

#### **(ii) Income taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (iii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

## (iv) Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

## (iv) Use of estimates

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period/year.

The difference between the actual results and estimates are recognised in the year in which the results are known/materialise.

All 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. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities

## (v) Global health pandemic on COVID-19

The Company has evaluated the impact of COVID pandemic on the operations of the Company, revenue, inventories, investments, property, plant & equipment, current borrowings and trade payables. The management has considered the possible effects, if any, on the carrying amounts of these assets and liabilities up to the date of approval of these results. As per the management's current assessment, no significant impact on carrying amounts of inventories, tangible assets, trade receivables, investments and other financial assets is expected, and management continue to monitor changes in future economic conditions.

## (vi) Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

## (vii) Property, Plant & Equipment

On transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently, Property, Plant and Equipment, other than land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

## Depreciation methods, estimated useful lives and residual value

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, vehicles, being part of PPE are depreciated on a straight-line method over the shorter of their respective useful lives as prescribed in Schedule -II to the Companies Act, 2013. Freehold land is not depreciated.

Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of fixed assets are as given below:

Assets	Useful Life
Plant & Machinery	15 years
Factory Buildings	30 years
Furniture and Fittings and Office Equipment	3-10 years
Vehicle	8 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Intangible Asset under development includes cost of development of new intangible assets to complete the assets as at the balance sheet date.

Capital Expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

## (viii) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses (if any). Costs include expenditure that is directly attributable to the acquisition of the intangible assets.

### *Subsequent Expenditure:*

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## *Amortization of intangible assets with finite useful lives:*

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Computer Softwares are amortised on straight line basis over the estimated useful lives of 6 years.

## **(ix) Impairment of Non Financial Assets**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment and additionally whenever there is a triggering event for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount of cash generating units exceeds its recoverable amount.

## **(x) Inventories**

### **(1) Inventories are valued at the lower of cost or net realisable value.**

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: are valued at cost or net realisable value, whichever is lower.
- Finished goods and work in progress and stores, spare parts and packing materials: are valued at cost or net realisable value, whichever is lower. In the case of finished goods and work in process cost comprises of material, direct labour and applicable overhead expenses.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. These are valued at cost or net realisable value, whichever is lower.

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

### **(2) Cost of Inventory of services being provided by the company**

The company measures its inventory of services at the costs of their production. These costs consist primarily of the labour and other costs of personnel directly engaged in providing the service, including supervisory personnel, and attributable overheads. Labour and other costs relating to sales and general administrative personnel are not included but are recognized as expenses in the period in which they are incurred. The cost of inventories of a service does not include profit margins or non-attributable overheads that are often factored into prices charged by service providers.

## **(xi) 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**

#### **(a) Initial recognition and measurement:**

All financial assets are recognised initially at fair value and, 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.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

## (c) Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

## (d) Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

## (e) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

## (f) Financial assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

## (g) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

## (h) Derecognition of Financial assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (i) Impairment of Financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

## Financial Liabilities

### (a) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### (b) Classification & Subsequent measurement:

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

### (c) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

### (d) Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### (e) Financial guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Financial Guarantee contracts issued by a company are initially measured at their fair values and, if not designated as FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 'Revenue'

## Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

## (xii) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## (xiii) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

## (xiv) Borrowing Costs

Borrowing costs directly attributable to the acquisition, production or construction of qualifying assets is capitalized as part of the cost of such qualifying assets till the date of being ready for intended use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

## (xv) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the Reporting Date, are classified as Current Investments. All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair value. Non Current Investments are valued at cost, except in the case of other than temporary decline in value, in which case necessary provision is made.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## (xvi) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at exchange rate ruling at transaction date. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

## (xvii) Provisions , Contingent Liabilities, Contingent Assets and Commitments

### (a) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation. Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

### (b) Contingencies

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

## (xviii) Share capital and Share Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

## (xix) Revenue Recognition

### (a) Sale of goods and Services

Revenue from sale of manufactured goods is recognised on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Revenue from rendering of services (other than EPC business) is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

Contract revenue, i.e. revenue from EPC business, is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs

Unbilled revenue represents value of goods and services performed in accordance with the contract terms but not billed.

The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset termed as "Security Deposits" and is reclassified as trade receivables when it becomes due for payment.

## (b) Other Income

### - Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

### - Dividends

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

## (xx) Taxation

### Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively

### Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

### Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

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

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when it relates to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities simultaneously.

During the year ended 31 March, 2020, the Government of India vide taxation Laws (Amendment) Tax Ordinance , 2019 has allowed an option to the domestic companies to switch to a lower tax rate structure of 22 % (25.168 % including surcharge and cess) from the earlier 30 % (34.944 % including surcharge and cess) subject to the condition that the Company will not avail any of the specified deductions/ incentives under the Income Tax Act, 1961. The Company has opted for this new rate structure and made current tax/deferred tax Provision with the new rates.

## (xxi) Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate

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

## (xxii) Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder'

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

## (xxiii) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

### Provident Fund:

The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

### Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

## (xxiv) Disclosure in respect of operating leases as per IND AS 116 'Leases'

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term

## (xxv) Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under IND AS 24 "Related Party Disclosure" issued by the Institute Chartered Accountants of India.

## (xxvi) Dividend

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

## (xxvii) Segment Reporting

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's Chief Operating Decision Maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

(xxvii) The figures appearing in the Financial Statements is rounded off to the nearest lakh or decimals thereof.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note -2 : Property, Plant and Equipment

(₹ in Lakh)

Particulars	Freehold Land	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Total
<b>Gross Carrying Value</b>							
As at March 31, 2021	3,678.81	7,053.82	1,886.43	75.80	273.38	467.39	13,435.63
Add : Addition	682.16	905.34	312.99	37.04	73.73	27.54	2,038.81
Less : Dipsosals	-	194.04	-	3.92	5.68	6.27	209.90
As at March 31, 2022	<b>4,360.97</b>	<b>7,765.12</b>	<b>2,199.42</b>	<b>108.92</b>	<b>341.44</b>	<b>488.66</b>	<b>15,264.54</b>
<b>Accumulated Depreciation</b>							
As at March 31, 2021	-	1,736.75	191.98	17.85	98.28	153.17	2,198.03
Add : Charge for the year	-	534.62	67.38	8.94	40.01	52.36	703.32
Less : Disposals	-	121.30	-	0.03	1.05	5.96	128.33
As at March 31, 2022	-	<b>2,150.07</b>	<b>259.36</b>	<b>26.77</b>	<b>137.25</b>	<b>199.57</b>	<b>2,773.01</b>
<b>Net Block</b>							
As at March 31, 2021	<b>3,678.81</b>	<b>5,317.07</b>	<b>1,694.45</b>	<b>57.95</b>	<b>175.10</b>	<b>314.22</b>	<b>11,237.61</b>
As at March 31, 2022	<b>4,360.97</b>	<b>5,615.05</b>	<b>1,940.06</b>	<b>82.16</b>	<b>204.19</b>	<b>289.09</b>	<b>12,491.52</b>

## Note -3 : Capital Work-in-Progress:

(₹ in Lakh)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As at March 31, 2021	8.59	-	-	-	8.59
As at March 31, 2022	551.91	-	-	-	551.91

## Note -4 : Right of Use Assets:

(₹ in Lakh)

Particulars	Lease hold Land
<b>Gross Carrying Value</b>	
As at March 31, 2021	-
Add : Addition	89.16
Less : Dipsosals	-
As at March 31, 2022	<b>89.16</b>
<b>Accumulated Amortization</b>	
As at March 31, 2021	-
Add : Amortization for the year	0.90
Less : Disposals	-
As at March 31, 2022	<b>0.90</b>
<b>Net Carrying Value</b>	
As at March 31, 2021	-
As at March 31, 2022	<b>88.26</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note -5 : Intangible Assets:

(₹ in Lakh)

Particulars	Computer Software
<b>Gross Carrying Value</b>	
As at March 31, 2021	27.65
Add : Addition	13.49
Less : Disposals	-
As at March 31, 2022	<b>41.14</b>
<b>Accumulated Amortization</b>	
As at March 31, 2021	0.07
Add : Amortization for the year	5.46
Less : Disposals	-
As at March 31, 2022	<b>5.53</b>
<b>Net Block</b>	
As at March 31, 2021	<b>27.58</b>
As at March 31, 2022	<b>35.61</b>

## Note 6: Investments

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Other Investment (at Cost):</b>		
<b>Investment in Joint Venture</b>		
(Investment at Equity Method)		
Sikka-Salasar-JV	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Investment in Joint Venture is as under:

Particulars	Country of incorporation	Portion of ownership interest as at		Method used to account for the investment
		31 March, 2022	31 March, 2021	
Sikka-Salasar-JV	India	49.00%	49.00%	Equity Method

The Group had no contingent liabilities or capital commitments relating to its interest in joint ventures as at 31 March, 2022.

### Carrying amount of investment in joint venture

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening Carrying value	-	-
Group's share of profit for the year*	-	-
Closing Carrying value	-	-

\*The Group has impaired 100% investment during the year ended 31 March 2018.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 7: Other Financial Assets

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Security Deposits</b>		
Unsecured, considered good	598.61	103.47
Balances with banks to the extent held as margin money with more than 12 months maturity	1,722.05	1,402.42
<b>Total</b>	<b>2,320.67</b>	<b>1,505.89</b>

\*Security Deposit includes Retention money with EPC customers which will receive on completion of the project .

## Note 8: Other Non Current Assets Assets

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Capital Advances	952.31	374.05
Deferred EPC Expenses	57.08	-
Electricity Duty Refundable	35.69	34.44
<b>Total</b>	<b>1,045.08</b>	<b>408.49</b>

## Note 9: Inventories

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Raw Materials	4,794.21	3,825.068
Work in Progress:		
Goods	4,231.05	4,281.785
Project	314.30	557.886
Finished Goods	5,463.36	2,902.656
Scrap	112.06	132.811
Stores, Spare Parts and Packing Materials	321.37	302.016
<b>Total</b>	<b>15,236.35</b>	<b>12,002.22</b>
<b>(i) Inventories include goods in transit:</b>		
Finished Goods	201.86	390.19
	<b>201.86</b>	<b>390.19</b>
<b>(ii) Details of Raw Materials</b>		
Shape & Section	2,018.32	1,739.66
Zinc	749.87	712.11
Nut & Bolt	296.18	550.34
Others	1,675.65	822.96
	<b>4,740.02</b>	<b>3,825.07</b>
<b>(iii) Details of Finished Goods</b>		
Galvanised and Non-galvanised M.S. Steel Structures	5,463.36	2,902.66
	<b>5,463.36</b>	<b>2,902.66</b>

(iv) Inventories have been offered as security against the working capital loans provided by the banks.

(v) Raw materials are valued at cost on FIFO basis or net realisable value, whichever is lower.

Finished goods and work in progress are valued at cost or net realisable value, whichever is lower.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 10: Investments

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Investments measured at FVTPL</b>		
<b>Quoted :</b>		
<b>Investment in Equity Shares :</b>		
200 ( Previous Year 4,000 ) Equity Shares of Fourth Dimension solutions Ltd. of ₹ 10 each fully paid up.	0.01	0.29
Nil (Previous Year 5,01,000) Equity Shares of Rudrabhishek Enterprises Ltd. of ₹ 10 each fully paid up.	-	1,013.52
41,000 (Previous Year Nil ) Equity Shares of Vodafone Idea Ltd. of ₹ 10 each fully paid up.	3.96	3.79
<b>Investment in Bonds:</b>		
Gold Bond	1.45	1.45
<b>Total</b>	<b>5.42</b>	<b>1,019.05</b>
Aggregate book value of unquoted investments	1.45	1.45
Aggregate amount of quoted investments		
Cost	4.27	218.88
Market Value	3.97	1,017.60

## Note 11: Trade Receivables

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>(a) Unsecured, considered good</b>		
(i) Related parties	1,098.42	1,007
(ii) Other than related parties	28,171.66	23,003.20
	<b>29,270.08</b>	<b>24,009.74</b>
<b>(b) Considered doubtful</b>		
(i) Related parties		
(ii) Other than related parties	63.49	63.49
	<b>63.49</b>	<b>63.49</b>
Less : Allowance for expected credit loss (ECL)	(63.49)	(63.49)
	-	-
<b>Total</b>	<b>29,270.08</b>	<b>24,009.74</b>

- (i) Retention money, with EPC Customers which will be receive on completion of the project, has been shown under other financial assets as "Security Deposit" (Refer Note -7 & 14)
- (ii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 11: Trade Receivables (Contd..)

### (iii) Movement in allowance for expected credit loss

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Balance at the beginning of the period / year</b>	<b>63.49</b>	<b>186.01</b>
Utilized during the year	-	(186.01)
Expected credit loss (ECL) recognized	-	63.49
Expected credit loss (ECL) reversal	-	-
<b>Balance at the end of the period/ year</b>	<b>63.49</b>	<b>63.49</b>

### (iv) Ageing of trade receivables is as below :

Particulars	As at March 31, 2022									
	Outstanding for following periods from due date of payment							Gross Credits	Allowance for ECL	Net Credits
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years					
(i) Undisputed Trade receivables – considered good	19,135.12	3,067.84	3,341.94	162.77	7.06	25,714.73	-	25,714.73		
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	-	63.49	63.49	63.49	-		
(iii) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-		
(iv) Disputed Trade receivables – considered doubtful	-	-	-	-	-	-	-	-		
(v) Unbilled dues	3,555.35	-	-	-	-	3,555.35	-	3,555.35		
<b>Total</b>	<b>22,690.47</b>	<b>3,067.84</b>	<b>3,341.94</b>	<b>162.77</b>	<b>70.55</b>	<b>29,333.57</b>	<b>63.49</b>	<b>29,270.08</b>		

(iv) Trade receivables have been offered as security against the working capital loans provided by the banks.

## Note 12: Cash & Cash Equivalents

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Cash in hand	7.87	11.66
Balances with Banks		
Current Accounts	19.83	30.67
<b>Total</b>	<b>27.70</b>	<b>42.33</b>

## Note 13: Other Bank Balances

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with banks to the extent held as margin money*	1,023.74	477.36
Earmarked balance with bank - unpaid dividend account	2.44	1.71
<b>Total</b>	<b>1,026.19</b>	<b>479.07</b>

\* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 14: Other Financial Assets

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Payment under protest:		
Sales Tax	25.18	25.18
Goods and Service Tax	8.56	5.61
Earnest Money Deposit	83.32	123.96
Interest Accrued on FDR	185.64	171.41
Security deposit*	2,229.13	1,140.77
<b>Total</b>	<b>2,531.83</b>	<b>1,466.93</b>

\* Security Deposit includes Retention money with EPC Customers which will receive on completion of the project.

## Note 15: Other Current Assets

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Advances to suppliers	924.37	1,923.19
Balance with tax authorities	2,052.10	980.18
Prepaid expenses	193.16	119.26
Gold Coin - Bullion (market value - 9.25 lacs)	8.56	8.56
Other receivables	343.07	103.48
<b>Total</b>	<b>3,521.26</b>	<b>3,134.68</b>

## Note 16: Current Tax Assets (net)

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current Tax Assets (net of provision for income tax)	109.60	-
<b>Total</b>	<b>109.60</b>	<b>-</b>

## Note 17: Equity Share Capital

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Authorised Capital</b>		
3,15,00,000 (2,05,00,000 previous year) Equity Shares of ₹ 10/- each	3,150.00	2,050.00
	<b>3,150.00</b>	<b>2,050.00</b>
<b>Issued, Subscribed and Paid up Capital</b>		
2,85,70,528 (1,42,85,264 previous year) Equity Shares of ₹ 10/- each fully paid up in cash	2,857.05	1,428.53
<b>Total</b>	<b>2,857.05</b>	<b>1,428.53</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 17: Equity Share Capital (Contd..)

### A. Reconciliation of Shares outstanding at the beginning and at the end of year:

Particulars	As at 31st March 2022		As at 31st March 2021	
	Numbers	₹ In lakh	Numbers	₹ In lakh
Equity Shares outstanding at the beginning of the year	1,42,85,264	1,428.53	1,32,85,264	1,328.53
Add: Equity Shares Issued on conversion of Warrants during the year	-	-	10,00,000	100.00
Add: Issue of Bonus Shares	1,42,85,264	1,428.53		
Equity Shares outstanding at the end of the year	2,85,70,528	2,857.05	1,42,85,264	1,428.53

### B. Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Hill View Infrabuild Ltd	57,48,600	20.12%	28,74,300	20.12%
Sh. Shalabh Agarwal	25,61,184	8.96%	12,80,592	8.96%
M/s Shikhar Febtech (P) Ltd.	19,70,000	6.90%	9,85,000	6.90%
Sh. Alok Kumar	17,88,000	6.26%	8,94,000	6.26%
Sh. Shashank Agarwal	14,21,184	4.97%	7,10,592	4.97%

### C. Shareholding of Promoters are as under

Name of Promoter	As at 31st March 2022			As at 31st March 2021		
	No. of shares	% of total Shares	% Change during the period	No. of shares	% of total Shares	% Change during the period
Sh. Gyanendra Kumrar Agarwal	5,87,632	2.06%	-	2,93,816	2.06%	-
Sh. Alok Kumar	17,88,000	6.26%	-	8,94,000	6.26%	-
Sh. Shalabh Agarwal	25,61,184	8.96%	-	12,80,592	8.96%	-
Ms. Tripti Gupta	8,00,000	2.80%	-	4,00,000	2.80%	-
Sh. Shashank Agarwal	14,21,184	4.97%	-	7,10,592	4.97%	-
Smt. Anshu Agarwal	11,56,000	4.05%	-	5,78,000	4.05%	-
Smt. Mithilesh Agarwal	4,08,000	1.43%	-	2,04,000	1.43%	-
Smt. Kamlesh Gupta	10,00,000	3.50%	-	5,00,000	3.50%	-
Smt. Taru Agarwal	16,000	0.06%	-	8,000	0.06%	-
Sh. Shikhar Gupta	5,52,000	1.93%	-	2,76,000	1.93%	-
Hill View Infrabuild Limited	57,48,600	20.12%	-	28,74,300	20.12%	-
Shikhar Fabtech Private Limited	19,70,000	6.90%	-	9,85,000	6.90%	-
Base Engineering LLP	9,32,000	3.26%	-	4,66,000	3.26%	-
More Engineering Private Limited	9,32,000	3.26%	-	4,66,000	3.26%	-
<b>Total</b>	<b>1,98,72,600</b>	<b>69.56%</b>	<b>-</b>	<b>99,36,300</b>	<b>69.56%</b>	<b>-</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 17: Equity Share Capital (Contd..)

### D. Equity Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March, 2022

		(₹ in Lakh)
Particulars		No. of Shares
Bonus Shares issued in FY 2016-17		49,78,150
Bonus Shares issued in FY 2021-22		1,42,85,264

### E. Rights, Preferences and restrictions attached to shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

- F.** The Company has issued 33,28,964 Equity Shares at a premium of ₹ 98 per share in pursuant to IPO dated 25-July-2017.
- G.** The Company has issued 10,00,000 Equity Shares at a premium of ₹ 161 per share on conversion of Warrants allotted on 27-Aug-2020 on preferential basis.
- H.** The Company has allotted 1,42,85,264 Bonus Equity Shares of ₹ 10/- in ratio of one Equity Share for one Equity Share (1:1). Consequently, the subscribed and paid up Equity Share Capital increased to ₹ 2857.05 Lakh divided into 2,85,70,528 Equity Shares of ₹ 10/- each.

## Note 18: Other Equity

		(₹ in Lakh)	
Particulars	As at 31 March, 2022	As at 31 March, 2021	
Securities Premium Account	5,670.37	7,098.89	
Retained Earning*	19,672.75	16,741.35	
<b>Total</b>	<b>25,343.12</b>	<b>23,840.24</b>	

For movement during the year in Other Equity, refer 'Statement of Changes in Equity'.

\*Retained Earning includes Other Comprehensive Income.

## Note 19: Borrowings

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-Current	Current	Non-Current	Current
<b>Secured</b>				
Vehicle Loans - from Banks	75.21	40.23	98.18	54.83
Term Loans - from Banks	3,687.11	754.51	2,868.14	118.73
<b>Total (A)</b>	<b>3,762.32</b>	<b>794.74</b>	<b>2,966.32</b>	<b>173.56</b>
<b>Unsecured</b>				
Loans & advances from Related parties	572.01	-	382.84	-
Loans & advances from others	-	-	40.00	-
<b>Total (B)</b>	<b>572.01</b>	<b>-</b>	<b>422.84</b>	<b>-</b>
<b>Total (A+B)</b>	<b>4,334.34</b>	<b>794.74</b>	<b>3,389.16</b>	<b>173.56</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 19: Borrowings (Contd..)

### A. Nature of Security and terms of repayment for Non-current Secured Borrowings :-

(₹ in Lakh)

Nature of Security	Repayment Terms	Nominal Interest Rate	As at 31 March, 2022	As at 31 March, 2021
Secured Term Loan from Bank	Repayable in 60 monthly installments after moratorium of 12 months	Floating 6 months MCLR + 100 bps	1,299.37	1,385.97
Secured Term Loan from Bank	Repayable in 60 equal monthly installments after moratorium of 12 months	Floating 3 months MCLR + 0.80% p.a.	1,265.65	1,288.40
Secured Term Loan from Bank	Repayable in 60 monthly installments after moratorium of 12 months	Floating 12 months MCLR	312.50	312.50
Secured Term Loan from Bank	Repayable in 60 monthly installments after moratorium of 12 months	Floating 12 months MCLR + 0.50% p.a.	196.00	-
Secured Term Loan from Bank	Repayable in 48 monthly installments after moratorium of 24 months	Floating 6 months MCLR + 1.00% p.a.	693.00	-
Secured Term Loan from Bank	Repayable in 60 equal monthly installments after moratorium of 24 months	Floating 3 months MCLR + 0.80% p.a.	675.10	-
<b>Total</b>			<b>4,441.62</b>	<b>2,986.87</b>
Less : Current Maturity of Long Term Borrowings (Note No. 23)			754.51	118.73
<b>Non -Current Borrowings</b>			<b>3,687.11</b>	<b>2,868.14</b>

B. Term Loans facilities are secured by second charge on the entire present and future current assets and charges over the fixed assets. Credit facilities are further secured by personal guarantee of the Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal, Mr. Shashank Agarwal and Mr. Shalabh Agarwal and corporate guarantee of M/s. Shikhar Fabtech Pvt Ltd .

C. Vehicle Loans are from Banks and are secured by way of hypothecation of vehicles. Repayable in 36-84 monthly installments commencing from various dates.

D. Installment falling due in respect of all the above Loans upto 31.03.2023 have been grouped under " Current Maturities of long term debt" (Refer Note No. 23).

E. Long Term Borrowings from related parties:

(₹ in Lakh)

Name of the Party	Nature of Borrowings	Relationship	As at 31 March, 2022	As at 31 March, 2021
Mrs. Taru Agarwal	Unsecured Loans	Relative of KMP	18.15	18.15
Mr. Shalabh Agarwal	Unsecured Loans	Director	10.34	-
Smt. Twinkle Jain	Unsecured Loans	Relative of KMP	-	40.00
Salasar New Age Technologies Ltd	Unsecured Loans	Associate	-	9.00
Hill View Infrabuild Ltd	Unsecured Loans	Associate	500.00	315.69
			<b>528.49</b>	<b>382.84</b>

## Note 20: Lease Liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Lease Liabilities	13.48	-
<b>Total</b>	<b>13.48</b>	<b>-</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 21: Other Financial Liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred Income - EPCG Licence	9.22	9.99
<b>Total</b>	<b>9.22</b>	<b>9.99</b>

## Note 22: Provisions

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for Gratuity	288.02	289.80
Provision for Compensated Absences	36.32	23.09
<b>Total</b>	<b>324.34</b>	<b>312.88</b>

## Note 23: Deferred Tax Liabilities (net)

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Deferred Tax Liabilities :</b>		
Opening Balance	611.77	449.74
Increase / (decrease) on account of Property, Plant and equipment	63.64	57.54
Increase / (decrease) on account of Fair Valuation of Investment	(91.59)	100.38
Increase / (decrease) on account of IND AS adjustments	24.43	4.11
<b>Total (a)</b>	<b>608.26</b>	<b>611.77</b>
<b>Deferred Tax Assets :</b>		
Opening Balance	113.98	142.14
Increase / (decrease) on account of Provisions	(4.04)	(28.16)
<b>Total (b)</b>	<b>109.94</b>	<b>113.98</b>
<b>Total (a-b)</b>	<b>498.33</b>	<b>497.79</b>

### Deferred Tax Assets Comprises:

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>(i) Provisions</b>		
Opening Balance	113.98	142.14
Increase / (decrease) during the year	(4.04)	(28.16)
<b>Total Deferred Tax Assets</b>	<b>109.94</b>	<b>113.98</b>

## Note 24: Borrowings

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Secured Loans</b>		
Loan repayable on demand from banks	19,728.60	16,263.94
Current maturities of long term borrowings	794.74	173.56
<b>Total</b>	<b>20,523.34</b>	<b>16,437.50</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 24: Borrowings (Contd..)

Secured by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, pledge of cash margin money in the form of FDR and exclusive charges over the fixed assets. Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal, Mr. Shashank Agarwal and Mr. Shalabh Agarwal have given the personal guarantees and corporate guarantee of M/s. Shikhar Fabtech Pvt Ltd to the Banks for Working Capital facilities.

## Note 25: Trade Payables

(₹ in Lakh)

Particulars	As at	As at
	31 March, 2022	31 March, 2021
<b>Payable to Raw Materials Suppliers :</b>		
Total outstanding dues of micro enterprises and small enterprises	270.83	17.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,814.30	3,109.83
<b>Total</b>	<b>5,085.13</b>	<b>3,127.12</b>

Ageing of trade payables is as below :

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than 1 Year	1-2 years	1-2 years	More than 3 years	More than 3 years	Total
MSME	270.83	-	-	-	-	270.83
Others	4,814.30	-	-	-	-	4,814.30
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - others	-	-	-	-	-	-
<b>Total</b>	<b>5,085.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,085.13</b>

## Note 26: Other Financial Liabilities

(₹ in Lakh)

Particulars	As at	As at
	31 March, 2022	31 March, 2021
Unpaid/ unclaimed dividend	2.44	1.71
<b>Total</b>	<b>2.44</b>	<b>1.71</b>

## Note 27: Provisions

(₹ in Lakh)

Particulars	As at	As at
	31 March, 2022	31 March, 2021
Provision for Gratuity	24.53	38.82
Provision for Compensated Absences	4.88	3.57
<b>Total</b>	<b>29.42</b>	<b>42.39</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 27: Provisions (Contd..)

### 1. Movement of Provisions (Current and Non-Current)

Particulars	(₹ in Lakh)	
	Gratuity	Compensated Absences
As at 1st April, 2021	328.62	26.65
Credited during the period / year	97.26	42.33
Paid during the period/ year	113.32	27.78
<b>As at 31st March, 2022</b>	<b>312.55</b>	<b>41.21</b>

#### Provision for Gratuity

Company provides gratuity for employees as per the Payment of Gratuity Act 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The Company has an unfunded gratuity plan.

#### Provision for Compensated Absences:

Compensated Absences is a terminal employee benefit, which covers Company's liability towards earned leaves of employees of the Company.

### 2. Disclosure pursuant to Ind AS 19 "Employee Benefits"

#### (i) Defined Contribution Plans:

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 166.82 Lakh (previous year ₹ 141.78 Lakh) for Provident Fund contributions, and ₹ 45.60 Lakh (previous year ₹ 42.08 Lakh) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

#### (ii) Defined Benefit Plans (Unfunded):

**(a) Gratuity:** The Company has an unfunded defined benefit gratuity plan which entitles every employee who departs after the completion of 5 or more years of service to a gratuity calculated at fifteen days salary (last drawn salary) for each completed year of service, in accordance with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The amounts recognised in Balance Sheet are as follows:

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Present value of obligation as at the end of the period	312.55	328.62
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(312.55)	(328.62)
<b>Net Asset/(Liability) recognised in Balance Sheet</b>	<b>(312.55)</b>	<b>(328.62)</b>
<b>Recognised Under :</b>		
Non-current Provision	288.02	289.80
Current Provision	24.53	38.82
<b>Total</b>	<b>312.55</b>	<b>328.62</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 27: Provisions (Contd..)

Expenses recognised in Statement of Profit and Loss are as follows:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Total service cost	74.95	72.56
Interest cost	22.31	17.73
<b>Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>97.26</b>	<b>90.29</b>

Expenses recognised in Other Comprehensive Income (OCI) are as follows :

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Actuarial gain/ (loss) for the year on Defined Benefit Obligation	97.08	16.32
<b>Actuarial Gain/(Loss) recognized in Other Comprehensive Income</b>	<b>97.08</b>	<b>16.32</b>

Changes in the present value of Defined Benefit Obligations :

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening balance of the present value of Defined Benefit Obligations	328.62	261.17
Acquisition adjustment	-	-
Interest cost	22.31	17.73
Past service cost	-	-
Current service cost	74.95	72.56
Benefits paid	(16.25)	(6.52)
Actuarial (gain)/loss on obligation	(97.08)	(16.32)
<b>Closing balance of the present value of Defined Benefit Obligations</b>	<b>312.55</b>	<b>328.62</b>

Principal Actuarial assumptions

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Discount Rate per annum	7.18%	6.79%
Salary growth rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2012-14)	IALM (2012-14)
<b>AGE</b>	<b>Withdrawal</b>	<b>Withdrawal</b>
	<b>Rate (%)</b>	<b>Rate (%)</b>
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Estimate of amount of contribution in the immediate next year	116.14	110.48

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 27: Provisions (Contd..)

Maturity Profile of Defined Benefit Obligation is as follows:

Duration (years)	Year ended 31 March, 2022	Year ended 31 March, 2021
1	24.53	38.82
2	8.15	10.22
3	8.73	8.09
4	10.36	10.25
5	13.82	8.47
6	12.43	11.39
Above 6	234.53	241.37

Summary of Membership Data:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Number of Employees	1,362	1288
Total Monthly Salary for Gratuity (₹ in Lakh)	204.47	186.81
Average Past Service (Years)	3.57	3.36
Average Age (Years)	35.37	35.03
Average Remaining Working Life (Years)	22.63	22.97

Sensitivity Analysis is as follows:

Impact of the Change in Discount Rate:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Impact due to Increase of 0.50%	(19.48)	(19.55)
Impact due to Decrease of 0.50%	21.52	21.60

Impact of the Change in Salary:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Impact due to Increase of 0.50%	21.45	21.77
Impact due to Decrease of 0.50%	(19.58)	(19.87)

- (b) **Compensated Absences** : The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.

The amounts recognised in Balance Sheet are as follows:

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Present value of obligation as at the end of the period	41.21	26.65
Funded status / Difference	(41.21)	(26.65)
<b>Net Asset/(Liability) recognised in Balance Sheet</b>	<b>(41.21)</b>	<b>(26.65)</b>

(₹ in Lakh)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 27: Provisions (Contd..)

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>Recognised Under :</b>		
Non-current Provision	36.32	23.09
Current Provision	4.88	3.57
<b>Total</b>	<b>41.21</b>	<b>26.65</b>

Expenses recognised in Statement of Profit and Loss are as follows:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Current service cost	19.89	9.39
Past service cost	-	-
Interest cost	1.81	0.34
Net actuarial (gain)/ loss recognized in the period	20.64	16.92
<b>Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>42.33</b>	<b>26.65</b>

Changes in the present value of Defined Benefit Obligations :

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Present value of obligation as at the beginning of the period	26.65	5.07
Acquisition adjustment	-	-
Interest cost	1.81	0.34
Past service cost	-	-
Current service cost	19.89	9.39
Benefits paid	(27.78)	(5.07)
Actuarial (gain)/loss on obligation	20.64	16.92
<b>Present value of obligation as at the end of period</b>	<b>41.21</b>	<b>26.65</b>

Principal Actuarial assumptions

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Discount Rate per annum	7.18%	6.79%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2012-14)	IALM (2012-14)
Employee Turnover/Attrition Rate		
Upto 30 Years	3%	3%
From 31 to 44 Years	2%	2%
Above 44 Years	1%	1%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 28: Other Current Liabilities

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Other Payables:		
Total outstanding dues of micro enterprises and small enterprises	46.37	161.23
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,912.45	4,872.05
Advance from Customers	2,278.98	248.50
Due to Employees	530.58	423.92
Statutory Dues	366.46	170.38
Expenses payable	74.55	193.25
<b>Total</b>	<b>9,209.39</b>	<b>6,069.32</b>

### Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) The principal amount remaining unpaid to any supplier at the end of the year (Refer Note No. 25 and Note No. 27)	46.37	178.51
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made to these suppliers.

## Note 29: Current Tax Liability (net)

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current Tax Liability (Net of Advance Tax and TDS)	-	154.89
<b>Total</b>	<b>-</b>	<b>154.89</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 30- Revenue from operations

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>Sale of Products</b>		
Within India	38,253.48	37,276.51
Outside India	7,558.76	3,547.19
<b>Sale of Services</b>		
Income from EPC Projects	18,495.54	12,794.44
Job Work	282.54	196.93
Other Services	5,165.69	4,291.69
<b>Other Operating Revenues</b>		
Sale of Scrap	1,802.96	1,420.31
Export Incentives	118.01	104.76
Others	209.20	26.94
<b>Total</b>	<b>71,886.18</b>	<b>59,658.77</b>

## Note 31 - Other Income

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest on Bank Deposits	116.13	121.55
Interest on other financial assets	16.06	13.22
Dividend Income	0.94	1.16
Interest on income tax refund	4.06	-
Profit on sale of Property, Plant and Equipment	0.62	-
Profit on sale of Shares	84.83	1.66
Gain on fair valuation of investments	0.16	877.45
<b>Total</b>	<b>222.81</b>	<b>1,015.04</b>

## Note 32 - Cost of Revenue Operations

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>(a) Cost of Raw Material Consumed</b>		
Opening Stock	3,825.07	2,710.23
Add : Purchases	48,767.35	38,128.25
	<b>52,592.42</b>	<b>40,839.07</b>
Less :- Closing Stock	4,794.21	3,825.07
<b>Total (a)</b>	<b>47,798.21</b>	<b>37,014.00</b>
<b>(b) Cost of Other Revenue from Operations</b>		
Consumption of Stores and spare parts	1,005.45	1,185.94
Power & Fuel	1,237.22	1,101.49
Labour Processing, Testing and Machinery Hire Charges	1,938.79	726.65
Installation and Erection Charges	7,213.24	8,581.64
Job Work Charges	135.40	55.41
<b>Total (b)</b>	<b>11,530.10</b>	<b>11,651.12</b>
<b>Total</b>	<b>59,328.31</b>	<b>48,665.12</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 32 - Cost of Revenue Operations (Contd..)

### Details of Raw Material Consumed

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Shape and Section	27,874.41	24,440.81
Zinc	5,951.32	5,663.25
Nuts & Bolts	1,383.87	1,330.71
Other Material	10,876.18	5,579.23
<b>Total</b>	<b>46,085.78</b>	<b>37,014.00</b>

## Note 33 - Changes in Inventories of Finished goods, Work-in-progress and others

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>Opening Stock</b>		
Finished Goods	2,902.66	1,423.33
Work in Progress:		
Goods	4,281.79	4,639.70
Project	557.89	362.46
Scrap	132.81	84.49
<b>Total (a)</b>	<b>7,875.14</b>	<b>6,509.98</b>
<b>Closing Stock</b>		
Finished Goods	5,463.36	2,902.66
Work in Progress:		
Goods	4,231.05	4,281.79
Project	314.30	557.89
Scrap	112.06	132.81
<b>Total (b)</b>	<b>10,120.77</b>	<b>7,875.14</b>
<b>(Increase) / Decrease in Stock (a-b)</b>	<b>(2,245.63)</b>	<b>(1,365.16)</b>

## Note 34: Employee benefits expenses

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Salary and Wages	3,675.90	2,848.69
Contribution to Provident Fund & ESI	219.82	190.15
Staff Welfare	100.07	51.27
<b>Total</b>	<b>3,995.79</b>	<b>3,090.12</b>

## Note 35: Finance Costs

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Bank Interest	1,608.36	1,362.03
Bank Charges	294.67	306.31
Interest to Others	158.02	90.95
Interest on Lease Liability	1.00	-
Interest on Unsecured Loan	118.97	5.24
<b>Total</b>	<b>2,181.01</b>	<b>1,764.53</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 36: Depreciation and Amortization Expenses

(₹ in LakhV)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Depreciation on Property, Plant and Equipment (Note -2)	703.32	
Amortization on Right of Use Assets (Note-4)	0.90	
Amortization on Intangible Assets (Note -5)	5.46	
<b>Total</b>	<b>709.68</b>	<b>-</b>

## Note 37 : Other Expenses

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Repairs to Building	7.88	2.91
Repairs to Machinery	195.33	222.73
Insurance	131.45	90.13
Legal & Professional Charges	1,344.14	1,121.38
Security Expenses	262.96	224.75
Printing & Stationery	33.75	29.59
Conveyance & Travelling Exp	209.82	94.05
Repair & Maintenance others	156.17	125.81
Rent, Rates & Taxes	427.15	242.84
Corporate Social Responsibility Expenses	62.98	112.36
Postage & Telephone	26.35	21.71
Auditors' Remuneration	5.50	5.30
Freight & Forwarding (net)	438.58	553.96
Commission	30.78	20.51
Business Promotion	90.73	57.92
Packing Material	280.22	152.39
Advertisement	48.91	57.20
Miscellaneous Expenses	152.57	36.95
Loss on sale of Property, Plant and Equipment	7.06	-
Bad Debts Written off	2.31	334.84
Provision for doubtful Debts	-	63.49
<b>Total</b>	<b>3,914.65</b>	<b>3,570.83</b>

### (i) Details of payments to auditors:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
a. Statutory Audit Fees	5.50	5.30
	<b>5.50</b>	<b>5.30</b>

### (ii) Corporate Social Responsibility (CSR):

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years, calculated as per section 198 of the Companies Act, 2013, on Corporate Social Responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which were specified in schedule VII of the Companies Act, 2013 :

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 37 : Other Expenses (Contd..)

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
1. Amount required to be spent by the Company during the year	78.87	77.96
2. Amount of expenditure incurred on :		
(i) Construction/acquisition of assets	-	-
(ii) On purposes other than (i) above	62.98	77.96
3. Shortfall at the end of the year	15.89	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	Delay in execution of projects due to Covid -19	NA
6. Nature of CSR activities	Health, Education, Sanitation and Hygiene, Livelihood and Wellness	Pandemic Relief, Health, Education, Sanitation and Hygiene, Livelihood and Wellness
7. Details of related party transactions in relation to CSR expenditure	None	None

Pursuant to the Companies (Corporate Social Responsibility Policy) Amended Rules, 2021 ("the rules"), the Company has, subsequent to balance sheet date, deposited amount of ₹ 15.90 Lakh to a separate bank account.

## Note 38 : Tax Expenses

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>Current Tax</b>		
In respect of the current year	1,120.49	879.64
In respect of the prior year	(17.09)	330.45
	<b>1,103.40</b>	<b>1,210.09</b>
<b>Deferred Tax</b>		
Incremental/ (Decremental) Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	63.64	57.54
Incremental/ (Decremental) Deferred Tax Liability on account of fair valuation of investments/ security deposits	(91.59)	100.38
(Incremental)/ Decremental Deferred Tax Assets on account of Provisions	4.04	28.16
	<b>(23.90)</b>	<b>186.09</b>
<b>Total</b>	<b>1,079.50</b>	<b>1,396.18</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 38 : Tax Expenses (Contd..)

Disclosure pursuant to Ind AS 12 "Income Taxes"

### Reconciliation of Income Tax Expenses and the Accounting Profit

Particulars	(₹ in Lakh)	
	Year ended 31 March, 2022	Year ended 31 March, 2021
(1) Profit before tax	4,225.18	4,386.08
(2) Corporate tax rate as per Income Tax Act, 1961	25.17%	25.17%
(3) Tax on accounting profit (3)=(1)*(2)	1,063.39	1,103.89
(4) (i) Effect of tax on non- deductible expenses	53.78	32.03
(ii) Effect of Tax on other allowed deductions	(22.59)	(75.50)
(iii) Effect on fair valuation of investment	0.42	-
(iv) Effect of tax on income at different rates	(11.65)	
(v) Effect of tax on consolidation of subsidiaries*	14.42	5.31
(vi) Effect of current tax related to earlier years	(18.27)	330.45
<b>Total effect of tax adjustments</b>	<b>16.11</b>	<b>292.29</b>
(5) Tax expenses recognised during the year (5)=(3)+(4)	<b>1,079.50</b>	<b>1,396.18</b>
(6) Effective Tax Rate (6)=(5)/(1)	25.55%	31.83%

The Company has opted to pay tax under section 115BAA of the Income Tax Act, 1961.

\* Income Tax rate on subsidiaries is 35.88%

## Note 39 : Earnings per Share

Particulars	(₹ in Lakh)	
	Year ended 31 March, 2022	Year ended 31 March, 2021
Profit for the period	3,144.46	2,964.66
Weighted average number of Equity Shares outstanding	2,85,70,528	2,76,69,377
Weighted average number of Diluted Shares outstanding	2,85,70,528	2,76,69,377
Face Value per share (₹)	10.00	10.00
Basic EPS (₹)	11.01	10.71
Diluted EPS (₹)	11.01	10.71

## Note 40 : Segment Information in accordance to Ind AS- 108 - 'Operating Segments'

### (a) Information about operating segments

#### Basis of identifying Operating segments:

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components; (b) whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment; and (c) for which discrete financial information is available.

The company has two reportable segments as described under "Reportable Segments" below. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 40 : Segment Information in accordance to Ind AS- 108 - 'Operating Segments' (Contd..)

### Reportable Segments :

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

### Reportable Segments are as under:

- Steel Structure : comprises manufacturing and sale of Galvanized and Non-galvanized Steel Structures including Telecom Towers, Transmission Line Towers and Solar Panels.
- Engineering, Procurement and Construction (EPC) Projects : comprises of survey, supply of materials, design, erection, testing and commissioning on a trunked basis.

### Segment Revenue, Expenditure and Profit:

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the CODM.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment or manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

### Segment Asset, Liabilities and Capital Expenditure:

The assets of the Company directly managed by segments are reported under each segment and exclude deferred tax assets, income tax recoverable and derivative financial assets.

Segment liabilities comprise operating liabilities and exclude borrowings, provisions, deferred tax liabilities and derivative financial liabilities.

Segment capital expenditure comprises additions to property, plant and equipment (including capital work in progress), Right of Use Asset and intangible assets.

### 1. Segment Revenue

Year ended 31 March, 2022

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter-Segment Elimination	Total
External	50,158.43	21,727.75	-	71,886.18
Inter-Segment Revenue	3,232.21		(3,232.21)	-
<b>Total Revenue from Operations</b>	<b>53,390.64</b>	<b>21,727.75</b>	<b>(3,232.21)</b>	<b>71,886.18</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 40 : Segment Information in accordance to Ind AS- 108 - 'Operating Segments' (Contd..)

Year ended 31 March, 2021

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter - Segment Elimination	Total
External	41,194.51	18,464.25	-	59,658.77
Inter-Segment Revenue	5,669.81		(5,669.81)	-
<b>Total Revenue from Operations</b>	<b>46,864.32</b>	<b>18,464.25</b>	<b>(5,669.81)</b>	<b>59,658.77</b>

### 2. Segment Results

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
a. Steel Structures	4,933.29	5,013.27
b. EPC Projects	2,917.72	1,481.66
<b>Total Segment Results</b>	<b>7,851.01</b>	<b>6,494.93</b>
Less:		
(i) Finance costs	2,181.01	1,759.27
(ii) Net unallocated expenditure/(income)	1,444.82	349.58
<b>Profit Before Tax</b>	<b>4,225.18</b>	<b>4,386.08</b>
Current Tax	1,103.40	1,210.09
Deferred Tax	(23.90)	186.09
<b>Profit for the year</b>	<b>3,145.68</b>	<b>2,989.90</b>

### 3. Segment Assets and Liabilities

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities
a. Steel Structures	44,304.82	8,929.66	32,596.02	4,744.14
b. EPC Projects	20,534.27	5,353.32	19,235.34	4,223.64
Total Segment Assets/Liabilities	64,839.09	14,282.98	51,831.36	8,967.78
Add: Unallocated Assets/Liabilities	3,422.38	25,746.46	3,510.80	21,074.98
<b>Total Assets/Liabilities</b>	<b>68,261.47</b>	<b>40,029.44</b>	<b>55,342.16</b>	<b>30,042.76</b>

### 4. Other Information

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Capital Expenditure	Depreciation and Amortisation	Capital Expenditure	Depreciation and Amortisation
a. Steel Structures	2,671.37	709.68	2,680.70	560.68
b. EPC Projects	13.40	-	12.90	1.60
	2,684.78	709.68	2,693.60	562.28
Unallocated	-	-	-	-
<b>Total</b>	<b>2,684.78</b>	<b>709.68</b>	<b>2,693.60</b>	<b>562.28</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 40 : Segment Information in accordance to Ind AS- 108 - 'Operating Segments' (Contd..)

### (b) Information about geographical areas

Geographical revenue is allocated based on the location of the customers.

Information regarding geographical revenue is as follows:

Particulars	(₹ in Lakh)	
	Year ended 31 March, 2022	Year ended 31 March, 2021
Within India	64,327.42	56,111.58
Outside India	7,558.76	3,547.19
<b>Total</b>	<b>71,886.18</b>	<b>59,658.77</b>

All non-current assets in the nature of property, plant and equipment (including capital work in progress) and intangible assets (including those under development) are domiciled in India.

### (c) Major customer

The Company has two (2021 : three) customers whose revenue represents 25.24% (2021: 40.22%) of the Company's total revenue and trade receivable represents 3.30% (2021 : 15.94%) the Company's total trade receivables.

## Note 41 : Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

### (a) Disaggregation of revenue into Operating Segments

#### Year ended 31 March, 2022

Particulars	(₹ in Lakh)			
	Steel Structures	EPC Projects	Inter Segment Elimination	Total
Sale of Products	45,812.24	3,232.21	(3,232.21)	45,812.24
Income from EPC Projects	-	18,495.54	-	18,495.54
Job Work	282.54	-	-	282.54
Other Services	5,165.69	-	-	5,165.69
Sale of Scrap	1,802.96	-	-	1,802.96
Export Incentives	118.01	-	-	118.01
Others	209.20	-	-	209.20
<b>Total</b>	<b>53,390.64</b>	<b>21,727.75</b>	<b>(3,232.21)</b>	<b>71,886.18</b>

#### Year ended 31 March, 2021

Particulars	(₹ in Lakh)			
	Steel Structures	EPC Projects	Inter Segment Elimination	Total
Sale of Products	40,823.69	5,669.81	(5,669.81)	40,823.69
Income from EPC Projects	-	12,794.44	-	12,794.44
Job Work	196.93	-	-	196.93
Other Services	4,291.69	-	-	4,291.69
Sale of Scrap	1,420.31	-	-	1,420.31
Export Incentives	104.76	-	-	104.76
Others	26.94	-	-	26.94
<b>Total</b>	<b>46,864.32</b>	<b>18,464.25</b>	<b>(5,669.81)</b>	<b>59,658.77</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 41 : Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers" (Contd..)

### (b) Based on timing of revenue

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
At a Point in Time	68,330.83	58,327.86
Over the Time	3,555.35	1,330.91
<b>Total</b>	<b>71,886.18</b>	<b>59,658.77</b>

### (c) Disaggregation of revenue into Geographical areas

#### Year ended 31 March, 2022

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter - Segment Elimination	Total
Within India	45,831.88	21,727.75	(3,232.21)	64,327.42
Outside India	7,558.76	-	-	7,558.76
<b>Total</b>	<b>53,390.64</b>	<b>21,727.75</b>	<b>(3,232.21)</b>	<b>71,886.18</b>

#### Year ended 31 March, 2021

(₹ in Lakh)

Particulars	Steel Structures	EPC Projects	Inter - Segment Elimination	Total
Within India	43,317.14	18,464.25	(5,669.81)	56,111.58
Outside India	3,547.19	-	-	3,547.19
<b>Total</b>	<b>46,864.32</b>	<b>18,464.25</b>	<b>(5,669.81)</b>	<b>59,658.77</b>

### (d) Cost to obtain the contract:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
i. Amortisation in Statement of Profit and Loss	Nil	Nil
ii. Recognised as contract assets	Nil	Nil

### (e) Reconciliation of contracted price with revenue during the year:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening contracted price of orders at the start of the year#	51,862.13	37,064.20
<b>Add:</b>		
Fresh orders/change orders received (net)	65,041.62	13,275.90
Increase due to additional consideration recognised as per contractual terms/ (decrease) due to scope reduction-net	4,633.68	1,522.03
<b>Less:</b>		
Orders completed during the year	6,217.33	-
Closing contracted price of orders on hand at the end of the year#	<b>1,15,320.10</b>	<b>51,862.13</b>
Total Revenue recognised during the year:		



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 41 : Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers" (Contd..)

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
a. Revenue out of orders completed during the year	(186.98)	-
b. Revenue out of orders under execution at the end of the year (I)	21,914.73	18,464.25
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	20,217.94	7,782.65
Balance revenue to be recognised in future viz. Order book (III)	73,187.42	25,615.23
Closing contracted price of orders on hand at the end of the year# (I+II+III)	<b>1,15,320.10</b>	<b>51,862.13</b>

# including full value of partially executed contracts

### (f) Remaining performance obligations and its expected conversion into revenue:

(₹ in Lakh)

Remaining performance obligation	Total	Expected conversion in revenue		
		Upto 1 Year	From 1 to 2 years	From 2 to 3 years
As at 31st March, 2022	73,187.42	33,687.42	35,000.00	4,500.00
As at 31st March, 2021	25,615.23	20,617.98	4,355.75	641.50

## Note 42 : Disclosure pursuant to Ind AS 116 "Leases" :

### (a) Maturity Analysis:

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Contractual undiscounted cash flows</b>		
Less than one year	-	-
One to five years	2.72	-
More than five years	126.46	-
<b>Total undiscounted lease liabilities</b>	<b>129.18</b>	<b>-</b>
<b>Discounted cash flows</b>		
Current	-	-
Non-current	12.49	-
<b>Lease Liabilities</b>	<b>12.49</b>	<b>-</b>

Expenses relating to short-term leases and low value assets have been disclosed under rent, rates and taxes in note 36.

The incremental borrowing rate of 8.00% per annum has been applied to lease liabilities recognised in the Standalone Balance Sheet.

### (b) Amounts recognised in Statement of profit and loss:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest on lease liabilities in Finance Cost	1.00	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 42 : Disclosure pursuant to Ind AS 116 “Leases” : (Contd..)

### (c) Amounts recognised in the statement of cash flows:

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Cash outflow for leases	76.67	-

### (d) Future Lease Commitments:

The Future cash out flow for leases that had not yet commenced: ₹ Nil (previous year: ₹ Nil)

## Note 43 : Disclosure pursuant to Ind AS 20 “Accounting for Government Grants and Disclosure of Government Assistance”

The Company’s exports qualify for various export benefits offered in the form of duty credit scrips under foreign trade policy framed by Department General of Foreign Trade India (DGFT). Income accounted towards such export incentives and duty drawback amounts to ₹ 118.01 Lakh (previous year: ₹ 104.76 Lakh)

## Note 44 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 “ Related Party Disclosures”

### A. Name of Related Parties and Nature of Relationship :

Particulars		
<b>Where control exists</b>		
Jonit Venture	Sikka-Salasar-JV	
Subsidiary	Salasar - Rew JV	
	Salasar -HPL JV	
	Salasar Adorus Infra LLP	
<b>Other Related Parties with whom transactions have taken place during the year :</b>		
Associates :	Hill View Infrabuild Ltd.	
	Salasar New Age Technologies Ltd	
	Base Engineering LLP	
	Shikhar Fabtech Pvt Ltd	
	More Engineering Pvt Ltd	
	Alok Kumar (HUF)	
Key Management Personnels:	Sh. Alok Kumar	(Chairman and Managing Director)
	Sh.. Shashank Agrawal	(Joint Managing Director)
	Sh. Shalabh Agrawal	(Director)
	Ms. Tripti Gupta	(Director)
	Mr. Pramod Kr. Kala	(Chief Financial Officer)
	Mr. Rahul Rastogi	(Company Secretary)
Relatives of Key Management Personnels	Smt. Kamlesh Gupta	(Wife of Sh. Alok Kumar)
	Sh. Shikhar Gupta	(Son of Sh. Alok Kumar)
	Smt. Twinkle Jain	(Daughter of Sh. Alok Kumar)
	Sh. G. K. Agarwal	(Father of Sh. Shashank Agarwal)
	Smt. Mithilesh Aggarwal	(Mother of Sh. Shashank Agarwal)
	Smt. Anshu Agrawal	(Wife of Sh. Shashank Agarwal)
	Sh. Raghav Agarwal	(Son of Sh. Shashank Agarwal)
	Sh. Bharat Agarwal	(Son of Sh. Shashank Agarwal)
	Smt.Taru Agrawal	(Wife of Sh. Shalabh Agrawal)



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 44 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 " Related Party Disclosures" (Contd..)

### B. Transaction Carried out with related parties referred to in (A) above, in ordinary course of business:

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>1 Sale of Goods</b>		
<b>Joint Ventures</b>		
Sikka-Salasar -JV	431.56	483.48
<b>2 Managerial Remuneration</b>		
<b>Key Managerial Personnel</b>		
Sh. Alok Kumar	82.80	75.87
Sh. Shashank Agarwal	82.80	68.97
Sh. Shalabh Agarwal	58.08	55.18
Ms. Tripti gupta	58.08	48.28
<b>3 Employee Benefits Expenses</b>		
<b>Key Managerial Personnel</b>		
Mr. Pramod Kumar Kala	36.22	30.70
Mr. Rahul Rastogi	7.75	6.65
Relatives of Key Managerial Personnel		
Sh. Shikhar Gupta	36.00	34.20
Sh. Bharat Agarwal	12.00	4.50
Sh. Raghav Agarwal	2.41	-
<b>4 Loan Received</b>		
<b>Associates</b>		
Salasar New Age Technologies Ltd	-	9.00
Hill View Infrabuild Ltd	881.00	
Key Managerial Personnel		
Sh. Shalabh Agarwal	10.34	-
Relatives of Key Managerial Personnel		
Smt. Twinkle Jain	-	40.00
<b>5 Repayment of Loan and Advances</b>		
<b>Associates</b>		
Hill View Infrabuild Ltd	65.69	94.08
Salasar New Age Technologies Ltd	9.00	-
<b>6 Dividend Paid</b>		
<b>Associates</b>		
Hill View Infrabuild Ltd	57.49	28.74
Base Engineering LLP	9.32	4.66
Shikhar Fabtech Pvt Ltd	19.70	9.85
More Engineering Pvt Ltd	9.32	4.66
Alok Kumar (HUF)	0.40	0.20
<b>Key Managerial Personnel</b>		
Sh. Alok Kumar	17.88	8.94
Sh. Shashank Agarwal	14.21	7.11
Sh. Shalabh Agarwal	25.61	12.81
Ms. Tripti gupta	8.00	4.00
<b>Relatives of Key Managerial Personnel</b>		
Smt. Kamlesh Gupta	10.00	5.00
Sh. Shikhar Gupta	5.52	2.76
Sh. G. K. Agarwal	5.88	2.94
Smt. Mithilesh Aggarwal	4.08	2.04
Smt. Anshu Agarwal	11.56	5.78
Smt. Taru Agarwal	0.16	0.08

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 44 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 " Related Party Disclosures" (Contd..)

### C. Balance outstanding at the end of the year

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
<b>Loan Payables</b>		
Hillview Infrabuild Ltd.	881.00	315.69
Salasar New Age Technologies Ltd	-	9.00
Mrs. Taru Agarwal	18.15	18.15
Smt. Twinkle Jain		40.00
Mr. Shalabh Agarwal	10.34	-
<b>Trade Receivables</b>		
Sikka- Salasar-JV	1,237.06	1,006.54

## Note 45 : Contingent Liabilities and commitments:

### 1. Contingent Liabilities

(₹ in Lakh)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
(a) Claims not acknowledged by the Company relating to the cases contested by the Company:		
UPGST , for the FY 2019-20 (Petition is pending with High Court of Allahabad)	-	4.34
SGST , for the FY 2020-21 (Petition is pending with Appellate Authority SGST, Ghaziabad)	-	3.78
UPVAT, for the FY 2012-13 (Petition is pending with High Court of Allahabad)	1.15	-
(b) Bank Guarantees and LCs for which FDR margin has been given to the bank as security	17,740.94	12,380.88

The company does not expect any outflow of resources in respect of the above.

## Note : 46

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March, 2022.

## Note 47 : Capital Management:

### (a) Risk Management

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 47 : Capital Management: (Contd..)

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents.

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Non current borrowings	4,262.32	3,296.32
Current maturities of non current borrowings	794.74	173.56
Current borrowings	19,728.60	16,263.94
Less: Cash and cash equivalents	27.70	42.33
Less: Bank balances other than cash and cash equivalents	1,026.19	479.07
<b>Total Debts</b>	<b>23,731.78</b>	<b>19,212.42</b>
<b>Total Equity</b>	<b>28,200.17</b>	<b>25,268.77</b>
<b>Gearing Ratio</b>	<b>0.84</b>	<b>0.76</b>

Equity includes all capital and reserves of the Company that are managed as capital.

### (b) Dividends

During the year ended March 31, 2020, the Company paid the final dividend of ₹ 1.50 per equity share for the year ended March 31, 2019 amounting to ₹ 199.28 lakh and dividend distribution tax of ₹ 40.67 lakh.

During the year ended March 31, 2020, the Company paid the Interim dividend of ₹ 1.00 per equity share for the year ended March 31, 2020 amounting to ₹ 132.85 lakh and dividend distribution tax of ₹ 27.11 lakh.

During the year ended March 31, 2021, the Company paid the final dividend of ₹ 1.00 per equity share for the year ended March 31, 2020 amounting to ₹ 132.85 Lakh.

During the year ended March 31, 2022, the Company paid the final dividend of ₹ 1.00 per equity share for the year ended March 31, 2021 amounting to ₹ 285.71 Lakh.

## Note 48 : Fair Value Measurements

### (a) Financial instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities:

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	FVTL	Amortised Cost	FVTL	Amortised Cost
<b>Financial Assets</b>				
Investments - current				
- Equity Instruments	3.97	-	1,017.60	-
- Gold Bond	-	1.45	-	1.45
Other financial assets - non current	-	2,320.67	-	1,540.33
Trade receivables	-	29,270.08	-	24,009.74
Cash and cash equivalent	-	27.70	-	42.33
Other bank balances	-	1,026.19	-	479.07
Other receivables	-	343.07	-	103.48

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 48 : Fair Value Measurements (Contd..)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	FVTL	Amortised Cost	FVTL	Amortised Cost
Other financial assets - current	-	2,531.83	-	1,466.93
<b>Total Financial Assets</b>	<b>3.97</b>	<b>35,520.98</b>	<b>1,017.60</b>	<b>27,643.32</b>
<b>Financial Liabilities</b>				
Borrowings - non-current	-	4,334.34	-	3,389.16
Borrowings - current	-	20,523.34	-	16,437.50
Trade payables	-	5,085.13	-	3,127.12
Other payables	-	6,563.96	-	5,650.44
Other financial liabilities - non current	-	9.22	-	9.99
Other financial liabilities - current	-	2.44	-	1.71
<b>Total Financial Liabilities</b>	<b>-</b>	<b>36,518.44</b>	<b>-</b>	<b>28,615.93</b>

The carrying amounts of trade and other receivables, cash and cash equivalents, trade and other payables are considered to be the same as their fair values due to their short term nature.

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

Investment in Subsidiaries, Joint Ventures which are measured at cost in accordance with Ind AS 27 "Separate Financial Statements". Accordingly these items have not been included in the above table.

### (b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard, described as follows:

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

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3** - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required.

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Level 1	Level 2	Level 1	Level 2
<b>Financial Assets</b>				
Investments - current				
- Equity Instruments	3.97	-	1,017.60	-
- Gold Bond	-	1.45	-	1.45
<b>Total Financial Assets</b>	<b>3.97</b>	<b>1.45</b>	<b>1,017.60</b>	<b>1.45</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 48 : Fair Value Measurements (Contd.)

There have been no changes in sensitivity analysis during the period.

(c) **Assets and liabilities which are measured at amortised cost for which fair values are disclosed** USD exchange rate, with all other variables held constant. Foreign currency exposures recognized by Company that have not been hedged by a derivative instrument and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

## Note 49 : Financial risk management objectives

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance.

The Company's risk management objectives are outlined in the financial risk management policy approved by the Board of Directors. The Company Treasury Department identifies, manages and hedges financial risks in close cooperation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as hedging of foreign currency transactions foreign exchange risk.

The Company's foreign currency exposure arises mainly from foreign exchange imports and exports , primarily with respect to USD.

### 1. Market Risk

(ii) **Interest rate risk management** Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's outstanding floating rate debt with floating interest rates. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

(i) **Foreign currency risk management** Company has fixed deposits as margin money for a period between 3 months to 4 years. All fixed deposits are with banks accordingly there is no significant interest rate risk pertaining to these deposits.

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set a policy wherein exposure is identified, a benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. The policy also includes mandatory initial hedging requirements for exposure above a threshold.

### Derivative financial instruments and hedging activity

The Company has entered into hedging contracts by way of foreign exchange forward contracts. As at March 31, 2022, the notional amount of outstanding contracts aggregated to ₹ 1701.99 lakh (USD 22.00 lakh).

#### Interest rate sensitivity

Amount receivable in foreign currency on account of the following:

Profit is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. For floating rate liabilities, analysis is prepared assuming amount of liability outstanding at end of reporting period was outstanding for whole year

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Amount in Foreign Currency	₹ In lakh	Amount in Foreign Currency	₹ In lakh
Export of Goods				
<b>Currency - USD</b>	<b>46,87,193.26</b>	<b>3,558.06</b>	<b>32,58,733.22</b>	<b>2,347.10</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 49 : Financial risk management objectives (Contd..)

### Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

Particulars	Impact on profit before tax on increase		Impact on profit before tax on decrease	
	As at	As at	As at	As at
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
USD - increase/decrease by 3%	0.75	0.98	(1.41)	(0.98)

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

The Company's foreign currency exposure arises mainly from foreign exchange imports and exports, primarily with respect to USD.

### (ii) Interest rate risk management

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

Company has fixed deposits as margin money for a period between 3 months to 4 years. All fixed deposits are with banks, accordingly there is no significant interest rate risk pertaining to these deposits.

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

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Floating rate borrowings	24,285.67	19,443.82
Fixed rate borrowings	500.00	290.00
<b>Total Borrowings</b>	<b>24,785.67</b>	<b>19,733.82</b>

### Interest rate sensitivity

Profit is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. For floating rate liabilities, analysis is prepared assuming amount of liability outstanding at end of reporting period was outstanding for whole year.

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Interest rates – increase by 50 basis points (50 bps)	(121.43)	(97.22)
Interest rates – decrease by 50 basis points (50 bps)	121.43	97.22

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 49 : Financial risk management objectives (Contd..)

### 2. Credit risk management

The Company's customer profile include public sector enterprises, state owned companies and large private corporates.

Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 18 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases, retentions are substituted with bank/ corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation.

Further, Company has an ongoing credit evaluation process in respect of customers who are allowed credit period.

#### (i) The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows

Particulars	(₹ in Lakh)	
	As at 31 March, 2022	As at 31 March, 2021
Opening Balance	63.49	186.01
Changes in allowance for expected credit loss:		
Provision/(reversal) of allowance for expected credit loss	-	63.49
Additional provision (net) towards credit impaired receivables		
Write off as bad debts	-	186.01
<b>Closing Balance</b>	<b>63.49</b>	<b>63.49</b>

(ii) Trade receivable written off during the year but still enforceable for recovery amounts to Nil (previous year: Nil)

### 3. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Company's Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Maturities of financial liabilities:

The tables below provide details regarding the contractual maturities of non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 49 : Financial risk management objectives (Contd..)

As at March 31, 2022

(₹ in Lakh)

Non-derivative liabilities	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Total
Borrowings	20,523.34	4,334.34	-	24,857.68
Trade Payables	5,085.13	-	-	5,085.13
Lease Liabilities	-	2.72	126.46	129.18
Unpaid Dividend	2.44	-	-	2.44
Other current liabilities	6,563.96	-	-	6,563.96
<b>Total</b>	<b>32,174.88</b>	<b>4,337.06</b>	<b>126.46</b>	<b>36,638.39</b>

As at March 31, 2021

(₹ in Lakh)

Non-derivative liabilities	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Total
Borrowings	16,437.50	3,389.16	-	19,826.66
Trade Payables	3,127.12	-	-	3,127.12
Lease Liabilities	-	-	-	-
Unpaid Dividend	1.71	-	-	1.71
Other current liabilities	5,650.44	-	-	5,650.44
<b>Total</b>	<b>25,216.77</b>	<b>3,389.16</b>	<b>-</b>	<b>28,605.93</b>

## Note 50 : Reconciliation of liabilities arising from financing activities:

As at March 31, 2022

(₹ in Lakh)

Particulars	Balance as at April 1, 2021	Net Cash Flows	Non-cash changes -foreign exchange movement	Balance as at March 31, 2022
Non-current Borrowings	3,389.16	945.17	-	4,334.34
Current Borrowings	16,437.50	4,085.85	-	20,523.34
<b>Total</b>	<b>19,826.66</b>	<b>5,031.02</b>	<b>-</b>	<b>24,857.68</b>

As at March 31, 2021

(₹ in Lakh)

Particulars	Balance as at April 1, 2020	Net Cash Flows	Non-cash changes -foreign exchange movement	Balance as at March 31, 2021
Non-current Borrowings	521.60	2,867.56	-	3,389.16
Current Borrowings	15,952.16	485.34	-	16,437.50
<b>Total</b>	<b>16,473.76</b>	<b>3,352.90</b>	<b>-</b>	<b>19,826.66</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 51 : Interest in Other Entities

### (a) Subsidiaries

Information of subsidiaries of parent company as at 31st March, 2022 is set out as follows:

Name of Entity	Place of Business	Ownership Interest held by the Group		Principal Activities
		As at 31st March, 2021	As at 31st March, 2021	
Salasar - HPL JV	India	100.00%	100.00%	EPC Business
Salasar -REW -JV	India	51.00%	51.00%	EPC Business
Salasar Adorus Infra LLP	India	51.00%	51.00%	EPC Business

Summarised Financial Information for Salasar- HPL JV and Salasar - REW JV before intra group eliminations are as follows:

Particulars	Salasar - HPL JV		Salasar - REW JV	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Non - Current Assets	-	-	88.55	-
Current Assets	177.09	1,606.79	157.12	168.59
<b>Total Assets (A)</b>	<b>177.09</b>	<b>1,606.79</b>	<b>245.68</b>	<b>168.59</b>
Non-Current Liabilities	-	-	43.52	-
Current Liabilities	149.81	1,541.28	156.13	135.93
<b>Total Liabilities (B)</b>	<b>149.81</b>	<b>1,541.28</b>	<b>199.65</b>	<b>135.93</b>
<b>Equity C= (A-B)</b>	<b>27.28</b>	<b>65.51</b>	<b>46.03</b>	<b>32.66</b>
Equity Attributable to Owners	27.28	65.51	23.47	16.66
<b>Non-Controlling Interest</b>	<b>-</b>	<b>-</b>	<b>22.55</b>	<b>16.00</b>

Particulars	Salasar - HPL JV		Salasar - REW JV	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Revenue	184.45	1,521.80	598.00	883.86
Expenditure	222.68	1,515.05	578.57	837.84
<b>Profit Before Tax</b>	<b>(38.23)</b>	<b>6.76</b>	<b>19.43</b>	<b>46.02</b>
Current Tax	-	2.11	6.06	14.36
<b>Profit After Tax for the year</b>	<b>(38.23)</b>	<b>4.65</b>	<b>13.37</b>	<b>31.66</b>
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>(38.23)</b>	<b>4.65</b>	<b>13.37</b>	<b>31.66</b>
<b>Net Profit attributable to :</b>				
Owners of the Company	(38.23)	4.65	6.82	16.15
Non-Controlling Interest	-	-	6.55	15.51
	<b>(38.23)</b>	<b>4.65</b>	<b>13.37</b>	<b>31.66</b>
<b>Other Comprehensive Income attributable to :</b>				
Owners of the Company	-	-	-	-
Non-Controlling Interest	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 51 : Interest in Other Entities (Contd..)

Particulars	Salasar - HPL JV		Salasar - REW JV	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
<b>Total Other Comprehensive Income attributable to :</b>				
Owners of the Company	(38.23)	4.65	6.82	16.15
Non-Controlling Interest	-	-	6.55	15.51
	<b>(38.23)</b>	<b>4.65</b>	<b>13.37</b>	<b>31.66</b>

Summarised Financial Information for Salasar Adorus Infra LLP before intra group eliminations are as follows:

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non - Current Assets	-	11.29
Current Assets	933.45	908.86
<b>Total Assets (A)</b>	<b>933.45</b>	<b>920.15</b>
Non-Current Liabilities	500.00	330.00
Current Liabilities	414.47	560.29
<b>Total Liabilities (B)</b>	<b>914.47</b>	<b>890.29</b>
<b>Equity C= (A-B)</b>	<b>18.98</b>	<b>29.85</b>
Equity Attributable to Owners	9.68	15.23
Non-Controlling Interest	9.30	14.63

(₹ in Lakh)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Revenue	3,027.15	614.41
Expenditure	3,036.85	585.03
<b>Profit Before Tax</b>	<b>(9.69)</b>	<b>29.38</b>
Current Tax	1.18	9.53
<b>Profit After Tax for the year</b>	<b>(10.88)</b>	<b>19.85</b>
Other Comprehensive Income	-	-
<b>Total Comprehensive Income for the year</b>	<b>(10.88)</b>	<b>19.85</b>
<b>Net Profit attributable to :</b>		
Owners of the Company	(5.55)	10.13
Non-Controlling Interest	(5.33)	9.73
	<b>(10.88)</b>	<b>19.85</b>
<b>Other Comprehensive Income attributable to :</b>		
Owners of the Company	-	-
Non-Controlling Interest	-	-
	-	-
<b>Total Other Comprehensive Income attributable to :</b>		
Owners of the Company	(5.55)	10.13
Non-Controlling Interest	(5.33)	9.73
	<b>(10.88)</b>	<b>19.85</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 51 : Interest in Other Entities (Contd..)

### (b) Joint Venture

This Joint Venture is a Jointly Controlled Entity within the meaning of Ind AS - 111 on "Joint Arrangements". The Joint Venture is in form of a Association of Persons (AOP) and the company is holding 49% share in Profit / Loss of AOP. Investment in Joint Venture is accounted for in accordance with Ind AS-28 " Investments in Associates and Joint Ventures".

Particulars	Country of incorporation	Portion of ownership interest as at		Method used to account for the investment
		As at 31st March, 2022	As at 31st March, 2021	
Sikka-Salasar-JV	India	49%	49%	Equity Method

## Note - 52 : Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended 31-3-2022:

Name of Entity	Ownership Interest	Total Assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (₹ in lakh)	As % of consolidated profit or loss	Amount (₹ in lakh)	As % of consolidated other comprehensive income	Amount (₹ in lakh)	As % of consolidated total other comprehensive income	Amount (₹ in lakh)
<b>Parent Company</b>									
Salasar Techno Engineering Ltd		99.67%	28,139.74	101.14%	3,181.42	100.00%	72.64	101.11%	3,254.06
<b>Subsidiaries</b>									
Salasar - HPL JV	100%	0.10%	27.28	-1.22%	(38.23)	0.00%	-	-1.19%	(38.23)
Salasar -REW -JV	51%	0.08%	23.47	0.22%	6.82	0.00%	-	0.21%	6.82
Salasar Adorus Infra LLP	51%	0.03%	9.68	-0.18%	(5.55)	0.00%	-	-0.17%	(5.55)
Non-controlling interest in all subsidiaries		0.11%	31.85	0.04%	1.22	0.00%	-	0.04%	1.22
<b>Joint Ventures</b>									
Investment accounted for using Equity Method									
Sikka - Salasar JV	49%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Total</b>		<b>100.00%</b>	<b>28,232.02</b>	<b>100.00%</b>	<b>3,145.68</b>	<b>100.00%</b>	<b>72.64</b>	<b>100.00%</b>	<b>3,218.32</b>

## Note 53 : Key Financial Ratios pursuant to Schedule III to the Companies Act, 2013

(₹ in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	Changes	Reasons for changes more than 25%
(i) Current Ratio (Current Assets/Current Liabilities)	1.48	1.63	-9.04%	-
(ii) Debt -Equity Ratio (Net Debt/Net Worth)	0.84	0.76	10.48%	-
(iii) Debt Service Coverage Ratio (EBIT/Net Debt)	0.21	0.26	-19.12%	-
(iv) Return on Equity Ratio (PAT/Avg. Net Worth*100)	11.77%	13.00%	-9.52%	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 53 : Key Financial Ratios pursuant to Schedule III to the Companies Act, 2013 (Contd..)

(₹ in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	Changes	Reasons for changes more than 25%
(v) Inventory Turnover Ratio (Closing inventory/ Net Sales*365)	77.36	73.43	5.35%	-
(vi) Trade Receivables Turnover Ratio (Trade receivable/ Net Sales*365)	148.62	146.89	1.17%	-
(vii) Net Capital Turnover Ratio (Net Sales/Net Worth)	2.55	2.36	7.97%	-
(viii) Net Profit Ratio (PAT/Total Revenue*100)	4.36%	4.93%	-11.47%	-
(ix) Return on Capital Employed (EBIT/Average Capital Employed*100)	9.88%	11.83%	-16.49%	-

Net debt includes Long term borrowing and Short term borrowing minus Cash and cash equivalents and bank balances.

Net worth includes Shareholder capital and reserve and surplus

EBIT includes Profit before tax plus depreciation

Net sales means revenue from operations

Capital employed includes Total assets minus total current liability plus Short term borrowing

## Note 54 : Additional Regulatory Information:

### (a) Below is the title deed of Immovable Property not held in the name of the Company:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Property, plant and equipment	Property, plant and equipment	Property, plant and equipment
Description of item property	Land	Land
Gross carrying value (Rupees in lakh)	622.47	622.47
Title deeds held in the name of	Salasar Stainless Ltd	Salasar Stainless Ltd
Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	No	No
Property held since which date	09-Jan-19	09-Jan-19
Reason for not being held in the name of the Company	Under Progress	Under Progress

### (b) Details of transaction with companies struck off under section 248 of the Companies Act, 2013

The company does not have any relationship with companies struck off (as defined by Companies Act, 2013) and did not enter into transactions with any such company during the reporting years.

### (c) The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting years.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

## Note 54 : Additional Regulatory Information: (Contd..)

- (d) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- (e) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (f) The Company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting years.
- (g) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (h) The Company do not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (i) All the quarterly statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

## Note 55 :

Figures for the previous year have been regrouped/reclassified to confirm to the figures of the current year.

### As per our Report of even date attached

For **ARUN NARESH & CO.**  
Firm Registration No. 007127N  
Chartered Accountants

**CA. Arun Kumar Jain**  
Partner  
M. No. 084598

Place : Hapur (U.P.)  
Date : 30-May-2022  
UDIN: 22084598AJWTL16324

### For and on behalf of the Board of Directors

**Alok Kumar**  
Managing Director  
DIN : 01474484

**Pramod Kr. Kala**  
(Chief Financial Officer)

**Shashank Agarwal**  
Jt. Managing Director  
DIN: 00316141

**Rahul Rastogi**  
(Company Secretary)



# NOTICE OF 21ST ANNUAL GENERAL MEETING

## (Pursuant to Section 101 of the Companies Act 2013)

Notice is hereby given that the 21st Annual General Meeting of the Members of Salasar Techno Engineering Limited will be held on Saturday, 24th September, 2022 at 11:30 A.M. through Video Conferencing/Other Audio Visual Means to transacts the following business (es):

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2022 together with the reports of the Board of Directors and the Auditors thereon, and
  - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the report of the Auditors thereon;
2. To declare a dividend on Equity Shares at the rate of 10% i.e. 0.10 (Ten Paisa Only) per Equity Share of face value of Re. 1/- each for the Financial Year ended March 31, 2022;
3. Re-appointment of Mr. Alok Kumar (DIN: 01474484) as a Managing Director liable to Retire by Rotation.
4. **Appointment of Auditor in place of retiring auditor:-**

**To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s VAPS & Company, (Firm’s Registration No. 003612N ), be and are hereby appointed as Statutory Auditors of the Company, in place of M/s. Arun Naresh

& Company, Chartered Accountants, (Firm’s Registrations No. 007127N) whose tenure expires at the Twenty First Annual General Meeting, at remuneration of Rs. 6 Lakh p.a. plus reimbursement of actual out of pocket expenses, as may be incurred by them in connection with the audit of accounts of the Company, as may be mutually agreed between the Audit Committee/Board of Directors of the Company and the said Auditors.

**RESOLVED FURTHER THAT** M/s VAPS & Company, if appointed shall hold the office for a period of three years, from the conclusion of the Twenty First Annual General Meeting till the conclusion of the Twenty Fourth Annual General Meeting of the Company, and the Audit Committee/Board of Directors of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient to give effect to this resolution.”

### SPECIAL BUSINESS:

#### 5. **Ratification of Remuneration Payable to the Cost Auditor**

To Consider and if thought fit, to pass with or without modification(s), the following as an **ORDINARY RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules issued thereunder including Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 55,000/- plus applicable taxes and reimbursement of out of pocket expenses as approved by the Board of Directors on the recommendation of the Audit Committee, to be paid to M/s. S. Shekhar & Co., Cost Accountant (Firm Registration No. 000452)

appointed by the Board of Directors as the Cost Auditor of the Company for conducting the Audit of Cost Records maintained by the Company for the Financial Year ended March 31, 2023 be and is hereby ratified and confirmed.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company or the Company Secretary of the Company, be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**For and on behalf of the Board of Directors**  
**For Salasar Techno Engineering Limited**

Chairman and Managing Director

**Alok Kumar**

DIN NO. 01474484

KL-46, Kavi Nagar

Ghaziabad-201001

Uttar Pradesh

Date: 09.08.2022

Place: New Delhi

## NOTES:

1. In view of COVID-19 pandemic outbreak, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed with the requirement of personal presence of the members at the meeting. Accordingly, 21st Annual General Meeting (AGM) of the members will be held through VC/OAVM as allowed by the Ministry of Corporate Affairs through various circulars viz Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 Circular No. 02/2021 dated January 13, 2021, December 08, 2021, December 14, 2021 (collectively referred to as MCA Circulars) and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/ HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company's website [www.salasartechno.com](http://www.salasartechno.com)
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
3. Since, the AGM has been convened through VC/OAVM there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, September 18th, 2022 to Saturday, September 24th, 2022 (both days inclusive) for purpose of 21st AGM and for payment of Dividend for the Financial Year ended March 31, 2022.
5. The Notice of AGM alongwith Annual Report 2021-22 will be sent to the members, whose names appear in the register of members/depositories. The Notice can also be accessed from the website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM notice is also available on the website of CDSL (agency for providing the remote e-voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com)
6. Members are requested to write to the Company, their query (ies), if any, on the Accounts and operations of the Company at its registered office at least ten days prior to the date of meeting to enable the management to keep the information ready at the meeting.
7. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Company's RTA.
8. Members who hold shares in physical form in multiple folios in identical name or joint holding in the same order of names are requested to send their share certificates to our RTA for consolidation into a single folio.
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. As per the green initiative of Ministry of Corporate Affairs (MCA), members are requested to provide their e-mail addresses to the Registrar & Share Transfer Agent of the Company namely M/s Bigshare Services Private Limited, in order to receive the various Notices and other Notifications from the Company in electronic form.
11. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses to be transacted at the Annual General Meeting is annexed hereto.

12. In case the shares are held in the physical mode and the Members has not registered his/her/their email address with the Company/its RTA/Depositories and/or not updated the Bank Account mandate for receipt of dividend, are requested to notify immediately the change of their address and bank particulars to the RTA of the Company. In case shares held in decartelized form the information regarding change of address and bank particulars should be given to their respective Depository Participant.,
13. The Board of Directors have recommended a final dividend on Equity Shares at the rate of 10% i.e. 0.10 (Ten Paise Only) per Equity Share of face value of Re. 1/- each for the Financial Year ended March 31, 2022. The Dividend on equity shares for the Financial Year 2021-22, if declared, will be paid within a period of 30 days from the date of Annual general Meeting, to those members whose name appears in the Company's Register of Members and to those persons whose name appears as beneficial owner as per the details to be furnished by National Security Depository Limited and Central Depository Services (India) Limited as the close of business hours on September 17th 2022.
14. Pursuant to Section 125 of the Companies Act, 2013 the Company has Unclaimed and Unpaid Dividend but the unpaid Dividend amount not due to transfer in Investor Education and Protection Fund.
15. Register of Directors and key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection in Electronic Mode.
16. Investor Grievance Redressal: The Company has designed an exclusive e-mail ID viz. compliance@salasartechno.com to enable the investors to register their Complaints, if any.
17. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors,

Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

18. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the circular issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 Circular No. 02/2021 dated January 13, 2021, December 08, 2021, December 14, 2021 the Company is providing facility of remote e-voting to its Members in respect of Business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period begins on 21st September, 2022 (09:00 a.m.) and ends on 23rd September 2022 (5:00 p.m.). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 17th September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

- (v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**
- (vi) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (vii) Click on “Shareholders” module.
- (viii) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (ix) Next enter the Image Verification as displayed and Click on Login.
- (x) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (xi) If you are a first-time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>



(xii) After entering these details appropriately, click on "SUBMIT" tab.

(xiii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xiv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xvi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xvii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xviii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK," else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xx) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xxi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

## **(xxii) Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [compliance@salasartechno.com](mailto:compliance@salasartechno.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

19. Ms. Deepika Gaur of M/s Deepkia Madhwal & Associates Practicing Company Secretary (Membership No. 31234) has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

## **20. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.



2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing

so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## **21. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.
5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, AWing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED AND FORMING PART OF THE NOTICE

### Item No. 4

Business set out at Item No. 4 of this Notice relating to the appointment of Statutory Auditors is an Ordinary business. In terms of the provisions of the Act no explanatory statement is required to be provided for an Ordinary business. However, the explanatory statement on the same is provided here for the purpose of facilitating better understanding of the Members. Pursuant to the provisions of Section 139 of the Act read with applicable Rules framed thereunder, the term of the present Statutory Auditors, M/s. Arun Naresh & Company, expires at the conclusion of the Twenty First Annual General Meeting. In view of the above, the Board of Directors, based on the recommendation of the Audit Committee, proposes the appointment of the M/s VAPS & Company Chartered Accountants (Firm's Registration No. 0032612N), as the Statutory Auditors of the Company to the Members for their approval. If approved by the Members, the appointment of M/s VAPS & Company as the Statutory Auditor will be for a period of three years commencing from the conclusion of Twenty First Annual General Meeting till the conclusion of the Twenty Fourth Annual General Meeting.

M/s VAPS & Company has confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as Statutory Auditor in terms of the provisions of Sections 139(1), 141(2) and 141(3) of the Act and the Companies (Audit and Auditors) Rules, 2014. The Board recommends the resolution, as set out at Item No. 4 of the accompanying Notice, for approval by the Members. None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

### Item No. 5- Ratification of Remuneration Payable to the Cost Auditor

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditor) Rules, 2014 as amended up to date, the Company is required to appoint a Cost Auditor to audit the cost records of the Company. On the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 09th August, 2022 have approved the appointment of M/s M/s S. Shekhar & Co., the Cost Accountants as the Cost Auditors to conduct the audit of the Cost Records of the Company for the Financial Year 2022-23 at a remuneration of Rs. 55,000/- plus taxes and re-imbusement of actual out of pocket expenses incurred, if any, in connection with the cost audit. In terms of the provisions of the Act and Rules, the remuneration of the Cost Auditors is required to be ratified by the Members of the Company.

The Board of Directors recommends the resolution as set out in item No. 5 of the notice for approval of members. None of the Directors and key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the resolutions.

**For and on behalf of the Board of Directors  
For Salasar Techno Engineering Limited**

Chairman and Managing Director

**Alok Kumar**

DIN NO. 01474484

KL-46, Kavi Nagar

Ghaziabad-201001

Uttar Pradesh

Date: 09.08.2022

Place: New Delhi

## RE-APPOINTMENT/APPOINTMENT OF DIRECTORS (ANNEXURE TO NOTICE)

A brief resume in respect of the proposed re-appointment/appointment of Directors is given below in terms of Regulation 36(3) of SEBI (LODR), 2015

Particulars	Mr. Alok Kumar
DIN	01474484
Date of Birth	16-06-1955
Date of Appointment in the Board	03-05-2006
Qualifications	B.Sc from Punjab University, Chandigarh
Experience	He has over 45 years of rich experience in trading, manufacturing and fabrication of iron & steel. He started his career with trading in iron & steel as Managing Partner in Gupta Traders and thereafter from 1989 operated two foundry units of C.I. Casting namely Capital Founders and Capital Udyog. He has been associated with the Company since its takeover and has been instrumental in establishing the manufacturing units. He takes care of purchases & finance.
Directorship held in others Listed Companies	Nil
Membership in Committee across other Listed Companies	Nil
Number of Shares held in the Company	1,78,80,000
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid	Appointment of Mr. Alok Kumar (Director liable to be retire by rotation) is proposed at item no. 3 of notice for approval of members. Further, There is no change in the terms of appointment of Mr. Alok Kumar.
Remuneration Last Drawn	Rs. 7,59,000/-
No. of Meetings of the Board attended	5
Relationship with other Directors	Father of Ms. Tripti Gupta

### Details of Shareholding/other Convertible Securities of Non-Executive Directors of the Company

(Pursuant to Regulation 36(3) of SEBI (LODR), 2015)

Sl. No.	Name of Director	No. of Equity Shares
1	Mr. Sanjay Chandak	NIL
2	Mr. Vijay Kumar Jain	NIL
3	Mr. Mukesh kumar Garg	NIL
4	Mrs. Garima Dhamija	NIL









## **SALASARTECHNO ENGINEERING LTD.**

**ISO 9001:2015 | ISO 14001:2015 | OHSAS 18001: 2007**

**UNIT 1:** Khasra No. 265, 281-283,  
Village - Parsaun - Dasna,  
P.O - Jindal Nagar,  
District - Hapur - 201313 (U.P.), India  
Contact: +91-8938802180

**UNIT 2:** Khasra No. 1184-1185,  
Village - Khera, P.O - Pilkhuwa,  
District - Hapur - 245304 (U.P.), India

**UNIT 3:** Khasra No. 686/6,  
Village - Khera, P.O - Pilkhuwa,  
District - Hapur - 245304 (U.P.), India

**Registered Office:** E-20, South  
Extension - I, New Delhi – 110049

E: [compliance@salasartechno.com](mailto:compliance@salasartechno.com),  
[towers@salasartechno.com](mailto:towers@salasartechno.com)

W: [www.salasartechno.com](http://www.salasartechno.com)

