



**RattanIndia Enterprises Limited**

(formerly RattanIndia Infrastructure Limited)

**Registered Office:** H.No. 9, First Floor, Vill. Hauz Khas, New Delhi-110016

CIN: L74110DL2010PLC210263

Email: [rel@rattanindia.com](mailto:rel@rattanindia.com), Tel: 011-46611666, Fax: 011-46611777

Website: [www.rattanindiaenterprises.com](http://www.rattanindiaenterprises.com)

**NOTICE**

Notice is hereby given that the 11<sup>th</sup> Annual General Meeting (AGM) of the members of RattanIndia Enterprises Limited will be held on Tuesday, September 21, 2021 at 5:00 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Statutory Auditors thereon.
2. To appoint a Director in place of Mrs. Namita (DIN: 08058824), who retires by rotation and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

**Item no. 3**

**Appointment of Mr. Rajesh Kumar (DIN: 03291545) as a Non-Executive Director liable to retire by rotation.**

**To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the Articles of Association of the Company, Mr. Rajesh Kumar (DIN:03291545), who was appointed as an Additional Director of the Company by the Board of Directors as per Section 161(1) of the Companies Act, 2013 and who holds office only up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from him proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Director of the Company, whose office is liable to retire by rotation."

**Item no. 4**

**Enabling resolution under Sections 185 & 186 of the Companies Act, 2013.**

**To consider and, if thought fit, to pass the following Resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 185, 186 and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Meetings of Board And its Powers) Rules, 2014 and the provisions of any other statute, regulation or guideline as may be applicable, (including any statutory modifications or re-enactment thereof for the time being in force) in addition to any previous resolution(s) passed in this regard, consent of the members of the Company be and is hereby accorded to the Board of Directors including any Committee of Directors (herein after referred to as the "Board") :

- (a) to invest/acquire from time to time by way of subscription, purchase, conversion or otherwise Equity Shares, Preference Shares, Securities, Notes, Debentures (whether convertible or non-convertible) or any other financial instruments or invest in the capital of one or more bodies corporate or by whatever name called, whether in India or outside, which may or may not be subsidiary(ies) of the Company and which may or may not be related parties, as the Board may think fit, to the extent of INR 5,000 Crore (for each such body corporate); and
- (b) to make/give from time to time any loan or loans or any financial commitment to any person or any body or bodies corporate by whatever name called, whether in India or outside, which may or may not be subsidiary(ies) or joint ventures or which may nor many not be related parties of the Company or to any persons as the Board may think fit, to the extent of INR 5,000 Crore (for each such body corporate/person); and
- (c) to give from time to time any guarantee(s) and/or provide any security in respect of or against any loans to or to secure any financial arrangement of any nature by the Company or any other person(s), any Body(ies) Corporate by whatever name called, whether in India or outside, which may or may not be subsidiary(ies) of the Company and which may or may not be related parties, as the Board may think fit, to the extent of INR 5,000 Crore (for each such body corporate/person);

notwithstanding that the aggregate loans and guarantees to any bodies corporate and persons and investment in securities or capital of any body or bodies corporate by whatever name called exceeds the limits specified under Section 186 of the Companies Act, 2013, read with the applicable rules, circulars or clarifications thereunder.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit including the terms and conditions within the above limits upto which such investments in securities/loans/ guarantees, that may be given or made, to resolve and settle all questions, difficulties or doubts that may arise in regard to such investments, loans, guarantees and security and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as may be necessary or expedient in this regard and deemed fit by the Board in its discretion, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that such approval or consent shall be deemed to have been given thereto expressly by the authority of this resolution.”

#### **Item no. 5**

#### **Ratification to the Investment made by the Company in Revolt Intellicorp Private Limited.**

#### **To consider and, if thought fit, to pass the following Resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder, consent of the members be and is hereby accorded to the investment by the Company to the extent of INR 150,00,00,000/- (Rupees One hundred and fifty crores) in Revolt Intellicorp Private Limited (Revolt), a leading manufacturer of electric two-wheelers in the country, so as to acquire an overall equity shareholding of 43% in Revolt as under:

- (a) INR 99,41,84,454/- (Rupees Ninety nine crore forty one lakh eighty four thousand four hundred and fifty four) towards an aggregate of 6,23,712 (Six lakh twenty three thousand seven hundred and twelve) equity shares of face value INR 10 (Rupees Ten) each, issued and allotted in favour of the Company at a premium of INR 1583.98 (Rupees One thousand five hundred eighty three point nine eight) per share and constituting 33.33% (thirty three point three three percent) of the paid up equity capital of Revolt on a fully diluted basis.
- (b) INR 50,58,14,485 (Rupees Fifty crore fifty eight lakh fourteen thousand four hundred and eighty five) towards an aggregate of 3,17,328 (Three lakh seventeen thousand three hundred and twenty eight) warrants convertible into an equivalent number of fully paid equity shares equity of face value INR 10 (Rupees Ten) each, constituting 9.67% (Nine point six seven percent) of the paid up equity capital of Revolt on a fully diluted basis, issued, and allotted in favour of the Company for an issue price of INR 1593.98 (Rupees One thousand five hundred ninety three point nine eight) per share with an upfront payment of INR 18.33 (Rupees Eighteen point three three) per share aggregating to INR 58,16,622 (Rupees Fifty eight lakh sixteen thousand six hundred and twenty two) having already been paid by the Company and the balance consideration of INR 1575.65 (Rupees One thousand five hundred seventy five point six five) per share aggregating to INR 49,99,97,863 (Rupees forty nine crore ninety nine lakh ninety seven thousand eight hundred and sixty three) being payable at the time of conversion of warrants, within 18 (eighteen) months from the date of issuance of such warrants.

**RESOLVED FURTHER THAT** the share subscription agreement and the shareholders agreement, both dated April 28, 2021, entered into, inter alia, between and among the Company and Revolt (“**Transaction Documents**”), pursuant to and in terms of which the Company has acquired equal representation on the board of directors of Revolt and equal controlling rights therein, be and are hereby approved.

**RESOLVED FURTHER THAT** consent of the members be and is hereby accorded to carry out subscription, or investment by way of security, granting of any loan, deposit, facility to Revolt and giving any guarantee or indemnity on behalf of Revolt as well as amending, modifying or varying any of the terms of the Transaction Documents such that Company can make further investment and or vary the terms of the investment in Revolt.

**RESOLVED FURTHER THAT** any director of the Company be and is hereby severally authorised to do all acts, deeds, matters and things necessary or incidental to give effect to the above resolutions including but not limited to executing any and all documents, deeds and agreements that may be required.

**RESOLVED FURTHER THAT** any director of the Company be and is hereby severally authorised to sign a certified copy of the resolution to be given to anyone concerned or interested in the matter.”

#### Item no. 6

##### **Approval to a related party transaction under Section 188 of the Companies Act, 2013.**

##### **To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 and the Companies (Meetings of Board And its Power) Rules, 2014, read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and other applicable laws, if any (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Memorandum and Articles of Association of the Company, approval of the members be and is hereby accorded to the Company to set up a special purpose vehicle at an appropriate place in UAE (**UAE SPV**) which shall be wholly owned and/or controlled by the Company in UAE or such other jurisdiction as may be advised, with the primary object of management of projects, through the infusion of funds to the extent of up to USD 10,000,000 (United State Dollars Ten Million) in the UAE SPV, in consideration of issuance of fully paid up securities or units any capital instruments of UAE SPV to the Company as a subscriber to the charter documents of the UAE SPV (hereinafter the **“Investment”**), the funds so infused being utilized by the UAE SPV for the purpose of acquisition of Matternet Securities or any other securities issued by Matternet from Fetch Group Limited owned by Arbutus Consultancy LLP, a related party entity beneficially owned and controlled by Mr. Rajiv Rattan and Mrs. Anjali Nashier, so as to constitute the indirect investment of the Company in Matternet.

**RESOLVED FURTHER THAT** the Company be and is hereby also authorised to make any direct investment in the manner it may deemed fit, including but not limited to acquiring or subscribing to securities, notes or any other capital instruments of Matternet and participate in subsequent rounds of funding of Matternet.

**RESOLVED FURTHER THAT** for giving effect to the actions and transactions contemplated the Board of Directors of the Company (hereinafter **“Board”** which term shall include any committee of the Board to whom the powers conferred under this resolution, have been delegated by the Board) be and is hereby authorized to negotiate, finalize and settle the arrangement in terms of the conditions broadly agreed upon between the Company and any such related party, subject to such modifications thereto if any, as may be required in the best interests of the Company and to execute all such deeds, documents, instruments, writings, agreements, undertakings, amendments, assurances, notices, receipts etc. as may be required by for giving effect to the aforesaid financing arrangement and to do all such acts, deeds and things as may be deemed necessary or expedient in connection therewith.”

#### Item no. 7

##### **Alteration of the Object Clause of the Memorandum of Association of the Company**

##### **To consider and, if thought fit, to pass the following Resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of section 4 and section 13 of the Companies Act, 2013 (**“Act”**), and other applicable provisions of the Act, if any read with the Companies (Incorporation) Rules, 2014 and other relevant rules if any, made under the Act and the provisions of other applicable laws if any, including any amendment, re-enactment or statutory modification thereof and subject to the approval of the Registrar of Companies NCT of Delhi & Haryana (**“RoC”**) and other requisite approvals, if any in this regard, from other appropriate authorities and the term(s), condition(s), amendment(s), modification(s), as may be required or suggested by the RoC and any such appropriate authority and agreed to by the Board of Directors of the Company (hereinafter referred to as **“Board”** which term shall include any Committee or one or more Directors), the consent of the members of the Company be and is hereby accorded for alteration of the Objects Clause of the Memorandum of Association (**“MOA”**) of the Company so as to add clause 7 immediately after clause 6 in Clause III (A) i.e. the **“Main objects to be pursued by the Company on its incorporation”**, as under:

*7. To carry on the business of manufacture, fabricate and assemble, buy, sell, import, export, distribute, and deal in, Electric and other automobiles, motorcars, scootys, lorries, buses, vans, motorcycles, cycle-cars, motor, scooters, carriages, amphibious vehicles, and vehicles suitable for propulsion on land, sea, or in the air or in any combination thereof and vehicles of all descriptions, whether propelled or assisted by means of electrical or other environmental friendly power and of internal combustion and other engines, chassis-bodies and other components, parts and accessories and all machinery, implements, utensils, appliances, apparatus, lubricants, solutions enamels and all things capable of being used for, in, or in connection with maintenance, and working of motors.*

**RESOLVED FURTHER THAT** the Board of Directors of the Company is authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, as may be considered necessary, proper or expedient in order to give effect to the above resolution, including delegation of authority upon any person or entity for the purpose, without having to approach the shareholders again for approval."

By Order of the Board of Directors  
For **RattanIndia Enterprises Limited**

Place: New Delhi  
Date: August 13, 2021

Sd/-  
**R.K. Agarwal**  
Company Secretary

**Registered Office:**

H.No. 9, First Floor, Vill. Hauz Khas,  
New Delhi-110016  
CIN: L74110DL2010PLC210263  
Email: rel@rattanindia.com  
Phone No: 011 – 46611666

**NOTES**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM.
2. Since the AGM is being held in accordance with the Circulars through VC/OAVM, where physical presence of the members has been dispensed with, accordingly the facility for appointment of proxies by the members will not be available. However, Bodies Corporate intending that their authorized representatives to attend AGM held through VC/OAVM, in pursuance of Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant resolution/authorisation, as passed by their Board of directors/governing bodies, as the case may be, authorizing the representative(s) named therein to attend and vote on their behalf at the Meeting held through VC/OAVM, the specimen signature of such representative(s) being duly attested in the relevant resolution/authorisation. The said Resolution Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to sanjay@csskc.in.
3. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013 ("the Act").
4. Members of the Company under the category of Institutional Members are encouraged to attend and vote at the AGM.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, September 15, 2021 to Tuesday, September 21, 2021 (both days inclusive), for the purpose of this AGM of the Company.
6. Explanatory Statement as required under Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed to the notice.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and other relevant registers and documents referred in the Notice will be available electronically for inspection by the members during the AGM.

All other documents referred to in the Notice will be available for electronic inspection during business hours, by the members from the date of circulation of this Notice up to the date of AGM, without any fee. Members seeking to inspect such documents can send an email to [ir@rattanindia.com](mailto:ir@rattanindia.com)

8. The relevant details of the directors sought to be appointed/reappointed, including their brief resume and the nature of their expertise in specific functional areas, are provided in the explanatory statement and Corporate Governance Report forming part of the Annual Report. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the director seeking appointment/ reappointment at the AGM, has been provided in the Corporate Governance section of the Annual Report.
9. In compliance with the Circulars, Notice of the AGM along with the Annual Report 2020-2021 is being sent through electronic mode to those Members whose email addresses are registered with the Company/Depositories. The Company has fixed Friday, August 20, 2021 as the cut-off date, for the purpose of sending notice of the AGM and annual report and other documents referred thereto, to the shareholders of the Company. Members may note that the Notice and Annual Report 2020-2021 will also be available on the Company's website [www.rattanindiaenterprises.com](http://www.rattanindiaenterprises.com) and the websites of the Stock Exchanges where the equity shares of the Company are listed 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 on the website of the Registrar and Transfer Agent of the Company, KFin Technologies Private Limited ("RTA") at ("RTA") <https://evoting.kfintech.com>.
10. Members are requested to address all correspondence, to the RTA, KFin Technologies Private Limited, Unit: RattanIndia Enterprises Limited, Selenium Building, Tower B, Plot No. 31-32, Financial District, Nanakramguda Serilingampally Mandal, Hyderabad, Telangana – 500 032.
11. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with the respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Private Limited at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) to receive copies of the Annual Report 2020-2021 or for making correspondence in electronic mode.
12. As per Regulation 40 of SEBI Listing Regulations, as amended, and vide SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 and further amendment through Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of requests received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of members with respect to their portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's RTA, KFin Technologies Private Limited for assistance in this regard.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit these details to their Depository Participants in case the shares are held by them in electronic form, and to the RTA, KFin Technologies Private Limited, in case the shares are held in physical form.
14. In case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at least 7 days before the date of meeting through email on [ir@rattanindia.com](mailto:ir@rattanindia.com). The same will be replied by the Company suitably.
16. Since the AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not attached to this Notice.
17. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, 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 their PAN details to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2019/30 dated February 11, 2019, decided to grant relaxation to Non-residents (NRIs, PIOs, OCIs and foreign nationals) from the requirement to furnish PAN and permit them to transfer equity shares held by them in the Company.

18. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin Technologies Private Limited (KTPL).
19. The remote e-voting period commences on Saturday, September 18, 2021 at 9:00 A.M. and ends on Monday, September 20, 2021 at 5:00 P.M. During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, September 14, 2021 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by KTPL for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast 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 during the AGM.
20. The Board of Directors has appointed Mr. Sanjay Khandelwal (Membership No. FCS 5945) of S. Khandelwal & Co., Practicing Company Secretary, as the Scrutinizer to scrutinize the remote e-voting process and voting during the AGM, in a fair and transparent manner.
21. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
22. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, September 14, 2021.
23. The details of the process and manner for remote e-voting are explained herein below:

- (i) Open your web browser during the voting period and navigate to '<https://evoting.kfintech.com>'
- (ii) Enter the login credentials (i.e.- user-id & password) mentioned on the Notice. Your Folio/DP Client ID will be your User- ID

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|-----------|---|
| User – ID | For Members holding shares in Demat Form:-<br>a) For NSDL:- 8 Character DP ID followed by 8 Digits Client ID<br>b) For CDSL:- 16 digits beneficiary ID<br>For Members holding shares in Physical Form:-<br>Electronic Voting Event Number (EVEN) followed by Folio Number registered with the company |
| Password  | If you are already registered for e-voting, then you can use your existing password to login and cast your vote.  |
| Captcha   | Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.   |

- (iii) Please contact on toll free No. 1-800-34-54-001 for any further clarifications.
- (iv) Members can cast their vote online from Saturday, September 18, 2021 at 9:00 A.M. to Monday, September 20, 2021 till 5:00 P.M.
- (v) After entering these details appropriately, click on "LOGIN".
- (vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through KFin Technologies Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID, etc. on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) You need to login again with the new credentials.
- (viii) On successful login, system will prompt to select the 'Event' i.e.- 'Company Name'.
- (ix) If you are holding shares in Demat form and had logged on to "<https://evoting.kfintech.com>" and casted your vote earlier for any company, then your existing login id and password are to be used.



- (x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding. If the shareholder do not want to cast, select 'ABSTAIN'.
  - (xi) 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.
  - (xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
  - (xiii) Corporate/Institutional Members (corporate/Fls/Flls/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [sanjay@csskc.in](mailto:sanjay@csskc.in) with copy to [evoting@kfintech.com](mailto:evoting@kfintech.com). The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
  - (xiv) Any person who has become the Member of the Company after the AGM Notice is mailed but on or before the cut- off date i.e. Tuesday, September 14, 2021, may write to KFin Technologies Private Limited on the email id: [evoting@kfintech.com](mailto:evoting@kfintech.com) or contact Ms. C Shobha Anand at Contact No. 040-67162222, at (Unit: RattanIndia Enterprises Limited) KFin Technologies Private Limited, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad – 500 032, requesting for the User ID and Password. After receipt of the above credentials, please follow the steps mentioned above, to cast the vote.
24. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by KTPL at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and selecting the EVENT for Company's AGM. Members who do not have the USER ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of KTPL.
  25. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
  26. Members who need assistance before or during the AGM can contact Ms. C Shobha Anand or Mr. PSRCH Murthy (Ramu) at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or call on toll free numbers 1800-425-8998 / 1800-345-4001 or at Contact No. 040-67162222. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.
  27. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by logging on to <https://emeetings.kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in. by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). The Speaker Registration will be open from Friday, September 17, 2021 to Sunday, September 19, 2021. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.
  28. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
  29. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.rattanindiaenterprises.com](http://www.rattanindiaenterprises.com) and on the website of the RTA immediately post declaration. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

#### EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at Item Nos. 3 to 7 of the accompanying Notice dated August 13, 2021:

##### Item no. 3

##### **Appointment of Mr. Rajesh Kumar (DIN: 03291545) as a Non-Executive Director.**

Mr. Rajesh Kumar was appointed as an Additional Director of the Company at the Board Meeting held on January 28, 2021. In

terms of Section 161 of the Companies Act, 2013, he holds office up to the date of Eleventh Annual General Meeting of the Company.

The Company has received Notice in writing under Section 160 of the Companies Act, 2013 from him proposing his candidature for the office of a director of the Company.

Mr. Rajesh Kumar is a B.Tech (Mechanical), from Bangalore University and also holds post graduate diploma in management with specialization in marketing and materials management from Indian Institute of Business Management, Patna. He carries with him, 30 years of rich experience in thermal power projects, varied from pre bid & post bid activities, project execution, projects material procurements, preparation of detailed project reports, looking direct taxes and indirect taxes for mega status project and special economy zone projects, contracts and commercial management. Mr. Kumar is an astute professional with significant exposure in executing and spearheading projects involving engineering, development, administration, resource planning with a flair for adopting modern methodologies in compliance to Quality standards.

The Board therefore recommends his appointment by way of an Ordinary Resolution as set out at Item No. 3 of the Notice for approval by the members.

Except Mr. Rajesh Kumar, 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. 3 of the Notice.

#### **Item no. 4**

##### **Enabling resolution under Sections 185 & 186 of the Companies Act, 2013.**

As the business of the Company grows and diversifies, it may have to enter into transactions wherein, it has to acquire or invest in other bodies corporate or to make direct or indirect loans to such companies or body corporates by whatever name called.

Therefore,, it may have to enter into arrangements wherein it has to acquire or invest in the shares and/or other securities, of various bodies corporate whether Indian or overseas. Further the Company may also be required to render financial assistance to any person or body corporate Indian or overseas, by way of providing loans directly or indirectly or by providing guarantee or offering the security of its assets and/or undertakings, to secure the loans availed by them from third party (ies).

The quantum of funds so invested/lent or committed, together with the outstanding investments and direct or indirect loans, at the relevant point of time, may exceed the limits as specified under Section 186 of the Companies Act 2013 and the rules made thereunder.

Furthermore, there could be situations where direct or indirect loans, may have to be made to bodies corporate/entities falling within the purview of Section 185(2) of the Companies Act, 2013 and the rules made thereunder.

In terms of the provisions of Section 185 and 186 of the Companies Act, 2013 read with the Companies (Meetings of Board And its Powers) Rules, 2014 this would necessitate the prior approval of the members of the Company, by way of a special resolution.

Accordingly, the relevant resolution as set out at item no. 4 of this notice, is proposed for the approval of the members by way of a special resolution and your directors recommend the passing of the same.

Presently none of the directors or 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 to the Investment made by the Company in Revolt Intellicorp Private Limited.**

In the month of April 2021, the Company made a strategic investment of its funds into Revolt Intellicorp Private Limited (Revolt), a next-gen mobility company, created for the smart world, promoted by Mr. Rahul Sharma,. With technology at its roots and class-apart products, Revolt has introduced India's first AI-enabled motorcycle without compromising on the performance or aesthetics of a regular ride.

The Company has acquired equity shares equivalent to 33.33% (thirty three point three three percent) and share warrants when converted into equity shares shall result in Company having aggregate stake of 43% (forty three percent) in Revolt.

##### **(a) Tranche 1:**

- 6,23,712 (Six lakh twenty three thousand seven hundred and twelve equity shares) constituting 33.33% (thirty three point three three percent) of the paid-up equity share capital of the Investee Company on a fully diluted basis for an aggregate amount of INR 99,41,84,454 (Rupees Ninety nine crore forty one lakh eighty four thousand four hundred and fifty four); and



- 3,17,328 (three lakh seventeen thousand three hundred and twenty eight) warrants for a warrant subscription amount of INR 58,16,622 (Rupees fifty eight lakh sixteen thousand six hundred and twenty two).

(b) **Tranche 2:**

- INR 49,99,97,863 (Rupees forty nine crore ninety nine lakh ninety seven thousand eight hundred and sixty three) to be paid by the Company upon conversion of warrants into equity shares of Revolt.

The Shareholders Agreement in terms whereof the Company has acquired an equal representation on the board of directors of Revolt {2 (two) directors in a 4 (four) member board} and has equal management and controlling rights therein. Furthermore, Mr. Rajiv Rattan will be the Chairman of the board of directors of Revolt.

The investment in Revolt happens to the first investment of the Company in a new age manufacturing business and the Company would leverage its collaboration with Revolt register its footprint in the electric two wheeler market and be a part of the electric mobility in the country, in a big way.

The said investment has to be looked upon as a strategy which allows it to maximise the wealth of its shareholders given the immense boost it would provide to the consolidated revenues and ultimately the profitability and EPS of the Company.

In view of the same your directors recommend the passing of the resolution set out at item no. 5 as a special resolution.

With the exception of Mr. Rajiv Rattan none of the other directors or 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. 5 of the Notice.

**Item no. 6**

**Approval to a related party transaction under Section 188 of the Companies Act, 2013.**

In continuation of the efforts to expand and diversify its business, the Company intends to expand its footprint internationally. The Company has now evaluated a suitable opportunity in a Silicon Valley based company, Matternet Inc. ("**Matternet**"), which is in the business of developing unmanned aerial transportation system.

Towards this end it has for some time, considering proposals for foraying into the business of unmanned aerial transportation system (Drones). The Company is considering acquiring securities of Matternet through one of Company's related parties and also participating in further rounds of investments in Matternet. The Company also intends to enter into a memorandum of understanding with Matternet on working towards Matternet's entry into the Indian market.

Matternet provides best-in-class technology for on demand, autonomous aerial delivery in urban environments and has garnered more revenue to date than any other UAV company from its operations in US and Switzerland. Matternet is pioneering a paradigm shift in transportation and logistic by using emission-free drone technology to deliver:

- Light weight urgent items (2kgs) with precision over fixed routes
- From point to point in less than 30 minutes
- BVLOS(Beyond Visual Line of Sight) and FLOPS (Flight over People) and
- Fully autonomous delivery with remote monitoring systems.

Historically, Matternet has provided its platform-as-a-service to companies in the fields of healthcare and logistics. Together with its partners Swiss Post, UPS and Japan Airlines, the company serves numerous hospitals and pharmacy chains such as CVS, Wake Med Hospital, Wake Forest Baptist Health, EOC Lugano and University of Zurich Hospital.

Asides from health care services, UAV have useful applications in areas such as e-commerce and food delivery. The precision of Matternet's drone technology will prove to be extremely useful in developing countries like India, which have large urban agglomeration and ultra-high population density and congestion, making healthcare and e-commerce delivery by road time consuming and unreliable.

The Company's investment in Matternet will be in line with its philosophy of investing in new age cleantech startups with tremendous growth potential and with this investment, the Company will foray into the deep-tech Unmanned Aerial Vehicle (UAV) industry, which is set to transform logistics ecosystem worldwide and would mean the Company joining Matternet's current roster of investors including Boeing, Mercedes-Benz, McKesson Ventures and Sony.

The above investments are sought to be achieved in a two-step process as under:

#### Step 1:

The Company will be setting up a wholly owned subsidiary in United Arab Emirates (UAE) with an investment of up to USD 10,000,000 (United States Dollar Ten Million) as the initial share capital of such company be by way of subscription to the memorandum of association thereof.

The wholly owned subsidiary as aforesaid, would be a special purpose vehicle (SPV) of the Company ("UAE SPV") and would use the funds so invested by the Company therein, in effectuating the step 2 of the proposal.

#### Step 2:

The UAE SPV would then acquire the securities being (a) common stock and (b) convertible promissory notes and warrants to purchase shares of preferred stock currently held by Fetch Group Limited owned by Arbutus Consultancy LLP, a related party entity, beneficially owned and controlled by Mr. Rajiv Rattan and his spouse Mrs. Anjali Nashier, in Matternet Inc. ("**Matternet**"), as follows (hereinafter referred to as the "**Matternet Securities**"):

- (i) 938 common stock at an aggregate of was USD 4999.54 (United States Dollar Four Thousand Nine Hundred Ninety Nine Point Five Four)
- (ii) Convertible promissory notes and warrants to purchase shares of the preferred stock to the extent of an amount of USD 3,200,000 (United States Dollar Three Million Two Hundred Thousand).

The aforesaid transaction tantamounts to a related party transaction in terms of Section 188 of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, necessitating prior approval of the shareholders.

Accordingly, approval of the members is being sought in this regard, in terms of the resolution set out at item no.6 of the notice. Your directors are of the view that the Matternet investment will be a giant step in the growth and progress of the Company and its shareholders and therefore recommend passing of the necessary resolutions.

With regard to the transaction the relevant facts as explained in the foregoing paragraphs, are briefly summarized as under:

Name of the Related Party: **Fetch Group Limited**

Name of the director or key managerial personnel who is related: **Mr. Rajiv Rattan (along with his wife Mrs. Anjali Nashier).**

Nature of Relationship: **Legal and beneficial owners and controllers of Fetch Group Limited owned by Arbutus Consultancy LLP a related party entity beneficially owned and controlled by Mr. Rajiv Rattan and his spouse Mrs. Anjali Nashier**

Nature, material terms, monetary value and particulars of contract or arrangement: **Acquisition of the following securities of Matternet from Fetch Group Limited :**

- (i) **938 common stock at an aggregate of was USD 4999.54 (United States Dollar Four Thousand Nine Hundred Ninety Nine Point Five Four)**
- (ii) **Convertible promissory notes and warrants to purchase shares of the preferred stock to the extent of an amount of USD 3,200,000 (United States Dollar Three Million Two Hundred Thousand).**

Any other information relevant or important for the members to take a decision on the proposed transaction: **The acquisition of securities as aforesaid by the UAE SPV from Fetch Group Limited, would result in an indirect investment of the Company in Matternet. Furthermore, thereafter the Company could also be investing directly in Matternet including but not limited to acquiring or subscribing to securities, notes or any other capital instruments of Matternet and participate in subsequent rounds of funding of Matternet.**

Except Mr. Rajiv Rattan and his wife Mrs. Anjali Nashier, none of the directors of the Company or its Key Managerial Personnel or their relatives, are or may be deemed to be concerned or interested in the resolution.

#### Item no. 7

##### **Alteration in the Object Clause of the Memorandum of Association of the Company**

The Company is focused on new-age business which helps solve problems and bring efficiency to a particular sector in the country with the help of technology. New age sectors with large addressable markets and fast growth will be new business avenues for the Company. India is largest two- wheeler market in the world ripe for transformation and is expected to become second largest E2W market globally in this decade. Keeping this objective and after detailed deliberation in the matter, it has been decided that the Company would venture in the business of manufacturing of electric vehicles as more elaborately defined in the proposed object clause 7 in the resolution at item no. 7.

It has therefore been decided to alter the Object Clause of the Company's Memorandum of Association, so as to add clause 7 immediately after clause 6 in Clause III (A) i.e. the "Main objects to be pursued by the Company on its incorporation".

In terms of Section 13 of the Companies Act, 2013 read with the Company (Incorporation) Rules, 2014, an alteration in the Objects clause of a company's memorandum of association require the prior approval of the members by way of special resolution.

Accordingly, your directors recommend the resolution as set out at item no 7 of the notice, for the approval of the shareholders by way of special resolution.

None of the directors or key managerial personnel of the Company or their relatives, are or may in any way be deemed to be concerned or interested financially or otherwise, in the resolution.

By Order of the Board of Directors  
For **RattanIndia Enterprises Limited**

Sd/-  
**R.K. Agarwal**  
Company Secretary

Place: New Delhi  
Date: August 13, 2021

**Registered Office:**

H.No. 9, First Floor, Vill. Hauz Khas,  
New Delhi-110016  
CIN: L74110DL2010PLC210263  
Email: [rel@rattanindia.com](mailto:rel@rattanindia.com)  
Phone No: 011 – 46611666

# RattanIndia Enterprises Limited



## ANNUAL REPORT 2020-21

**RattanIndia**  
ENTERPRISES

RattanIndia Enterprises Limited

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# Corporate Information

RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited)

## Board of Directors

Mr. Rajiv Rattan  
Mrs. Namita  
Mr. Jeevagan Narayana Swami Nadar  
Mr. Sanjiv Chhikara  
Mr. Yudhister Bahl (upto June 30, 2020)  
Mrs. Neha Poonia (appointed w.e.f. July 30, 2020)  
Mr. Rajesh Kumar (appointed w.e.f. January 28, 2021)  
Mr. Yashish Dahiya (upto January 14, 2021)

## Company Secretary

Mr. R K Agarwal

## Chief Financial Officer

Mr. Vikas Kumar Adukia  
(upto April 29, 2021)

## Statutory Auditors

Walker Chandiok & Co LLP,  
Chartered Accountants,  
L 41, Connaught Circus  
New Delhi - 110001

## Secretarial Auditors

S. Khandelwal & Co.  
Company Secretaries  
E-7/12, Malviya Nagar,  
New Delhi – 110017

## Internal Auditor

Mr. Amit Jain

## Registrar and Transfer Agent

KFin Technologies Private Limited  
Karvy Selenium Tower-B,  
Plot No. 31 & 32, Financial District,  
Gachibowli, Nanakramguda,  
Serilingampally,  
Hyderabad – 500 032

## Registered Office

H.No. 9, First Floor,  
Vill. Hauz Khas,  
New Delhi -110016  
Website: <https://www.rattanindiaenterprises.com>  
CIN: L74110DL2010PLC210263

## Bankers

HDFC Bank Limited  
State Bank of India



## CHAIRMAN'S MESSAGE

Dear Shareholders,

I write to you today as the nation is emerging out of the second wave of the Covid-19 pandemic. I take this opportunity to express our collective gratitude to India's frontline healthcare workers and vaccination teams, who are leading India's fight against Covid-19.

The Indian economy, which contracted by 7.5% in FY2020-21, is expected to grow by 9%-11% in FY2021-22. Second wave of Covid-19 which led to lockdowns in various parts of the country in months of April and May 2021, has retreated from major cities, leading to resurgence of business activities. To help the businesses overcome the economic losses suffered in Q1 of FY2021-22, Government announced a slew of economic measures to ease the financial impact of Covid-19 pandemic and to provide relief to the stressed sectors of the economy. There are some green shoots which make me believe that the worst is behind us, and a strong growth is in sight.

In last year's annual report, we had proposed that the company may venture in new age technologies which require less capital expenditure and keep the debt requirement to the minimum. It is an opportune time considering the positive impact of pandemic on the growth of digital ecosystem. Consumers are rapidly shifting their buying behaviour to online channel to minimize the human contact. Growth in digital payments which set a record in June 2021, with 280 crore UPI transactions totalling Rs. 5.5 lac crore is a signal to this shift. Businesses have gone aggressive on digitization of their internal operations and external interactions. These trends of shift to digital ecosystem are expected to continue, irrespective of how pandemic pans out.

I truly believe what is good for the society makes for a very good long-term business. Electric Vehicle ("EV") is one such business since not only does it positively impact the environment but also reduces dependence on fossil fuels, pushes country towards energy self-sufficiency, reduces trade deficit due to decrease in oil imports and leads to substantial cost savings for the customers in terms of very low fuel costs.

I believe electric mobility sector is at the cusp of a major transformation in India. The Government of India is giving a big boost to the sector through its various incentive schemes like Faster Adoption and Manufacturing of Electric Vehicles in India Phase II (FAME India Phase II). In addition, various state Governments (Gujarat, Delhi, Maharashtra, Meghalaya, Rajasthan, Bihar) have announced policy push in the form of demand incentives to be paid directly to EV buyers, in addition to road tax and registration charges waivers. Other states are also expected to announce their EV policies in coming times.

Our first step in EV sector is our investment in Revolt Intellicorp Pvt. Ltd. ("Revolt"), a leading manufacturer of electric motorcycles in India. Since the announcement of our investment in April 2021, Revolt has witnessed strong demand from customers. Such an encouraging response from buyers demonstrates the popularity of Revolt and reaffirms our faith in Indian EV industry. Revolt will deploy the capital raised from RattanIndia Enterprises Ltd. to invest in R&D, ramp-up production capacity to cater rapidly growing demand for its electric motorcycles and expand the customer touchpoints across the country. At present, Revolt has dealerships in Delhi, Mumbai, Pune, Chennai, Ahmedabad, Hyderabad which is planned to expand to 35 cities. Revolt will leverage AI to upscale and provide a 100% in-house developed, 100% made in India, world-class contactless experience for the customers. Next calendar year is likely to witness launch of new models from Revolt catering to customers across the spectrum while enabling the company to capture a larger share of domestic and foreign electric two-wheeler markets.

Revolt is the first of many strategic investments we plan to make, as the management team will continue to evaluate opportunities in E-Mobility and other new age sectors to create value for our shareholders. We are bullish on India's growth story and believe that the technology will be a key driver for this growth in times to come.

Lastly, on behalf of the Board, I take this opportunity to thank all our stakeholders - Shareholders, Customers, Employees, Financial Institutions, new partners in our focus sectors and other partners for reposing their faith in us and motivating us to excel across all facets of our business. I look forward to your support and confidence in the Board of your company to help us to achieve a better year ahead as the country continues to emerge out of the shadows of the pandemic. I would like to end by reiterating our continued commitment to excel in everything we do.

Thank you and wishing you all the very best.

Sd/-  
**Rajiv Rattan**  
Chairman



**Mr. Rajiv Rattan**  
Chairman

# Management Discussion and Analysis

## Global Economy Overview

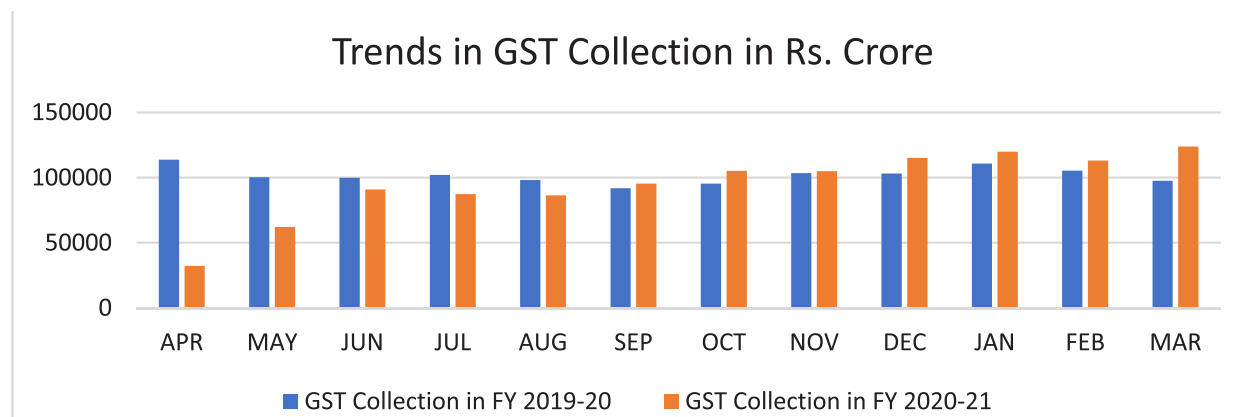
FY2020-21 was a difficult year for the world economy due to Covid 19. Closure of international borders and halt in trading activities led to disruption in global supply chains. Many countries imposed lockdowns which caused closure of businesses and led to job losses. This calamity was unprecedented and the burden on healthcare infra was overwhelming. Medical fraternity and other essential services sector rose up to the occasion and put up a strong defence against Covid-19.

Major central banks announced stimulus packages worth trillions of dollars, as part of quantitative easing measures, to support their domestic industries. Infusion of cash in the economies supported the GDPs and led to improvement in employment rates across the world. Some of the other economic parameters suggest that global economy is rebounding to pre-Covid levels. Brent prices crossed USD70 per barrel mark in June 2021, implying higher energy demand. Bloomberg Commodities Spot Index, a measure of 22 raw material prices, is also up by 78% in June 2021 from the lows of March 2020. In 2021, global economy growth rate is expected to grow at 5.6%, the strongest post-recession in last 80 years. Economic recovery is likely to be higher for countries with higher vaccinations levels. (Source: Bloomberg, World Bank)

Covid-10 has also accelerated the shift towards digital ecosystem. According to McKinsey's Global Survey of Executives, due to Covid, companies have accelerated the digitization of their internal operations and external interactions by three to four years. Companies have increased share of digital or digitally enabled products in their portfolios. There has been a dramatic shift in consumer behaviour during the pandemic, with a significant increase in interactions via digital channels. Industries such as healthcare and pharma, financial services, and professional services have reported higher increase in digital interactions than some of the others which are still more contact based. Industry expects these changes to be long lasting, rather than being limited to pandemic times. (Source: McKinsey Global Survey of Executives: How COVID-19 has pushed companies over the technology tipping point—and transformed business forever)

## Indian Economy FY2021

India's GDP registered a slowdown in FY2020, growing at 4% as compared to a growth rate of 6.5% in the preceding fiscal year. After WHO declared the coronavirus outbreak a Public Health Emergency of International Concerns in March 2020, Government of India introduced lockdowns to contain the spread of corona virus and businesses across sectors came to a screeching halt. In the first quarter of FY2021, the Indian economy contracted by 24.4% on YoY basis (first economic contraction since 1980). In May 2020, central and state governments eased the mobility restrictions and introduced a ₹ 20 lac crore economic package under Aatmanirbhar Bharat Abhiyan. These measures, along with easing of lockdowns resulting in resumption of business activities, helped India contain economic contraction in Q2 of FY2021 to 7.5%. (Source: National Statistical Office).



First wave of Covid peaked out in September 2020 and the coming months saw a revival of economy, with GST collection for September 2020 onwards exceeding comparable figures of FY2020. Indian economy came out of two successive quarters of contraction in second half of the FY2021, with GDP growth of 0.4% and 1.6% in Q3 & Q4 of FY2021 respectively on YoY basis. Overall GDP contraction for FY2021 has been estimated at 7.5%.

Fuel prices in India have been on a rise since the pandemic started in March 2020. Petrol prices in New Delhi went up from ₹ 69.59 per litre in April 2020 to ₹ 101.84 on July 19, 2021, an increase of ₹ 32 (46%) in 15 months. Fuel prices are dependent on

two factors – 1. Price of crude oil in international markets; and 2. Government duties/taxes (around 55% of the retail price of petrol), a major contributor to exchequer. India imports nearly 80% of its crude oil requirements. Petrol prices are expected to go up further as international crude oil prices have jumped to a three-year high and are expected to continue the upward journey.

Better-than-expected rebound in economic activities in digital services sector in India followed the global trend, enabled by adoption of internet based contactless delivery of services and work from home for employees. Covid-19 had a positive impact on digital economy investments, with India witnessing a jump of 13% in FDIs in CY2020 whereas FDIs on global basis declined by 42%.

## Outlook:

In line with the economic recovery seen in second half of FY2021, economists predicted a GDP growth of 10.5%-11.5% for FY2022. However, India encountered a severe second wave of Covid-19 in April 2021, which was severe than the first wave. Accordingly, growth forecasts for FY2022 have been revised to 9.5%-10% by various analysts. (Source: Asian Development Bank, Fitch, RBI)

In Jan 2021, government approved usage of Covishield and Covaxin vaccines and started off the vaccine rollout by vaccinating healthcare and frontline workers in mid-January 2021. The vaccination picked pace in coming months and as of July 19, 2021, more than 40 crore citizens have been administered at least one dose of Covid vaccines. Government's push towards vaccination along with the efforts made by corporates to vaccinate their employees will help India push ahead with industrial activities.

## Digital Economy:

In 2019, Govt of India envisioned making India a USD 5 Trillion economy by FY2025. Despite Covid disruptions, Indian government has expressed optimism towards achieving the targeted GDP. Timely and effective implementation of various government initiatives, namely Digital India, Make in India, Start-up India, Skill India and Innovation Fund, will support economic growth in the country. We have a firm belief in the India growth story, and we believe that the next chapter of this story will be written by success of Digital Economy.

The Covid-19 pandemic has fast-tracked digital transformation of the certain sectors of Indian economy. An increasing number of people are using digital modes of payment, showing a preference for contactless transactions. Digital transaction volume increased from 3412 crore in FY2020 to 4371 crore in FY2021. Banks are actively partnering with FinTechs for cost-effective transmission of credit. Some other sectors which are benefitting from the digital delivery model of service are – IT, healthcare, education, utilities, e-commerce, online grocery, e-pharmacy, social commerce etc.

## Digital ecosystems will be key drivers in India's aspirations to be \$5 trillion economy

### Enablers of India's digital economy



**1.3**  
billion

**People onboarded  
on Aadhaar stack**

*Aadhaar has evolved into a  
world-class digital service  
delivery platform*



**760**  
million

**Smartphone  
enabled Internet  
Users**

*Second largest internet  
connected population in  
the world*



**650**  
million

**Bank Account  
Holders**

*Led by largest financial  
inclusion scheme in the  
world*



**1**  
billion

**Aspiring Indians**

*Large population in  
income range of Rs. 2.5 –  
14 lac per annum*

**RattanIndia Enterprises Ltd. (REL) will capitalize on businesses with cutting edge technologies which have the potential to transform the lives of billion plus Indians**

## Management Discussion and Analysis (contd.)

**Population as a driver:** India has a growing young, middle-class population which not only offers a vast talent pool of resources for emerging tech driven businesses but is also the second largest consumers of the digital services in the world. A large section of population can communicate in English, is digital literate and provides a large domestic consumption market for internet led digital model of service delivery. Tier 2 & Tier 3 cities are now reporting more than 40% share in e-commerce retail market. By 2025, it is expected that there would be a greater number of internet users in rural India than in urban India. Given this, the digital ecosystem will need to evolve to address the specific needs of this emerging demography. (Source: ICICI Securities)

**Smartphones:** Smartphones provide an interface to a large, under-connected population to interact with entire world, expanding their reach and connectivity. At the same time, it provides a channel for businesses to reach out to their customers efficiently. Smartphones can play a significant role in a vast country like India, where a large population resides in non-urban areas. Number of smartphone users in India stands at 76 crore in 2021, expected to grow to 97 crore users by 2025. Average traffic per smartphone stood at 14.6 GB per month in 2020, aided by low cost of 4G internet services in India. High online content consumption augurs well for businesses which are looking at online delivery of services. As the disposable income continues to rise and smartphone ownership costs and internet costs continue to decrease, a higher percentage of population will get access to online world. This provides a great opportunity for businesses which aim for digital delivery of service to end users through smartphone channel. (Source: Statista, Ericsson Mobility Report)

**Jan Dhan Yojana:** In 2014, Government of India introduced JAM, a model that involves integration of Jan Dhan Yojana, Aadhar and mobile technology, to implement DBT on a large scale. By 2020, over 40 crore bank accounts were opened under the financial inclusion drive of Jan Dhan Yojana. Over 50% of the Jan Dhan account holders are women. By bringing a vast population under the ambit of formal financial system, GoI has enabled unprecedented digital infrastructure which can be utilized by digital ecosystem to provide services to every section of the society.

**Aadhar** (unique id), world's largest biometric system, has been issued to ~130 Cr citizens and over 5600 Cr authentications have been carried out on the Aadhar digital platform. Direct Benefit Transfer schemes such as domestic LPG scheme and MNREGA use Aadhar system to directly transfer the subsidy money and unemployment benefits to beneficiaries. Aadhar enables KYC procedures for a host of services, including mobile sim cards, bank accounts, the Employees' Provident Fund Organisation, and a large number of welfare schemes including but not limited to the MNREGA, Public Distribution System, and old age pensions.

Aadhar brought disruptions in financial industry by introducing paperless KYC authentication through digital channel. Aadhar has emerged as the backbone of India Stack – a digital infrastructure that is disrupting financial services, making digital service delivery cheaper and efficient and boosting the start-up ecosystem in general and FinTechs in particular.

### Our target sectors:

India is a thriving under-penetrated consumer driven market with a potential of exponential growth in new age tech enabled businesses. Revolt motors is the first of many strategic investments we plan to make and the management team will continue to evaluate opportunities in E-Mobility and other new age sectors to create value for our shareholders.

### Indian electric two-wheeler market:

India is one of the largest two-wheeler markets in the world, with 2.12 crore vehicles sold annually. About 1.3 crore bikes worth ₹ 1 lac crore were sold in 2019. India's two-wheeler market is still grappling with Bharat VI emission norms, while the world is moving towards green EVs.

With the advancement in technology and economies of scale, upfront prices of electric two wheelers are now comparable with those of petrol based two wheelers. Electricity cost for running an electric two-wheeler is negligible as compared to the cost of fuel for a petrol bike, offering huge savings for the commuters. Commuters also stand to save a lot on the maintenance costs due to absence of engine in electric two wheelers. Savings for running expenses pays for the cost of electric two-wheeler in 3 years.

Energy self-sufficiency is a strategic goal for India and the government would be looking to curb imports, encouraging shift towards EVs. As a step in right direction, government has prioritised adoption of electric vehicles in India. Central Govt has announced FAME II subsidy of ₹ 10,000 crore and various State Govts have recently announced additional sops in the form of rebates, road tax and registration charges exemptions. Government support will have a profound impact on acceptance of electric vehicles at large scale, thereby reducing dependence on fossil fuel import, positive environmental impact due to decrease in pollution and reduction in trade deficit due to decrease in oil imports.

McKinsey has predicted EV 2W sales to grow to 50 lacs by 2025 and EV 2W market estimated to be ₹ 50,000 crore by 2025.



### **Revolt Intellicorp:**

In line with the philosophy of investing in new-age tech-based businesses with high growth potential, your company has made an investment of ₹ 150 crore towards acquiring substantial stake in Revolt Intellicorp, India's leading electric bike manufacturer with production lines in Manesar auto hub in Haryana. This also follows company's commitment to ESG (Environment, Social and Governance) investment philosophy. Revolt has in-house research and development centre, to bring innovations to Indian bikers at affordable pricing, while maintaining focus on smart, clean, and eco-friendly transportation. Revolt comes in two variants — RV 300 and RV 400 — having a range of 150 kms on a single charge with a top speed of 100 kms/hour and full battery charge time of four hours. Bikes can be operated through the MyRevolt App, which offers advanced connectivity/security features such as bike locator/Geo fencing, battery diagnostics, ride details and customized sounds among others. Artificial Intelligence (AI) is at the heart of the technology driving the Revolt bikes. Multiple sensors on the bike communicate with the cloud-based AI engine to optimize driving experience. More than 35 data points are captured in each data packet in real time. Few AI-enabled features of Revolt bikes are:

- *Cloud connected app for real time vehicle diagnostics & riding behaviour*
- *Regenerative braking with smart CBS (Combined Braking System)*
- *Portable battery with smart BMS (Battery Management System)*
- *Smart charging with auto cut-off*
- *Remote start/stop, geo fencing with anti-theft*
- *Digital dashboard with vehicle diagnostics*
- *Changeable sound, switchable battery*

Revolt bikes have completed more than 2 crore Kms on road and have captured more than 33 crore data points.



## Management Discussion and Analysis *(contd.)*



Such interesting features have led to Revolt bikes getting tremendous response from the market and demand for company's product is phenomenal. Since investing in Revolt in April 2021, fresh bookings have been opened twice with the bikes being sold out within a couple of hours. Revolt is expanding its production capacity to meet the surplus demand from the market. Revolt's in-house R&D team is working on launch of new models and company expects to launch new models by end of FY2021-22, in order to capture a larger market share of domestic and foreign electric two-wheeler market.

### **Outlook:**

Revolt is now entering the growth phase and will deploy the capital raised from RattanIndia Enterprises Ltd, to expand the distributor and service network across the country. Presently Revolt has dealerships in Delhi, Mumbai, Pune, Chennai, Ahmedabad, and Hyderabad and is planning to expand the dealership network to 35 cities. Revolt will be leveraging AI to upscale and provide a 100% in-house developed, 100% Made in India, world-class contactless experience for the customers. New bike model launches are in pipeline and Revolt seeks to capture a larger market share of electric two-wheeler market with new launches.

Moreover, India is the second largest two-wheeler exporter globally with 32 lac units exported in 2019. With increasing acceptance and demand of electric vehicles worldwide, there will be a huge opportunity for EV exports originating from India. We believe that Revolt is well poised to capture a large share of the electric two-wheeler export market due to the value proposition offered by its innovative bikes.

### **COMPETITIVE STRENGTHS**

Your Company has following competitive strengths:

Experienced senior management team

Your Company's senior executives have extensive experience in various industries and your Company is confident that the senior management's expertise will play a key role in the growth of your Company's business. In addition, the skills and diversity of senior management team give us flexibility to respond to changes in the business environment.



## Highly experienced team

Your Company has recruited experts from various areas such as operations, project management, engineering and technology including fintech, manpower management etc. and has in-depth knowledge of their areas. This is a valuable resource available to the Company.

The other principle competitive strengths are:

- Strategically positioned to realize opportunities in various sectors
- Qualified and experienced employees and proven management team
- Well balanced Board of Directors team.

## STRATEGY

Your Company firmly believes that the most important aspect of competitive advantage is presence of experienced management team, strong systems and process, dedicated, committed & motivated staff managing its business activities.

The key components of your Company's strategy include:

### Grow the client base

Your Company will draw up strategies in place to increase the client base in the various businesses proposed. The company will expand its geographic presence and the range of services. Your Company will enhance its brand recognition through marketing initiatives in order to strengthen its position among potential clients.

### Leverage the management team's experience

Your Company's management team is highly skilled and has vast experience in various sectors which will enable us to achieve our growth objectives. The management team is well connected to executive level management at utilities, regulators, vendors, technology leaders and investment professionals which would help us to grow our client base.

### Strong end-to-end service offerings

Your Company will offer end to end and customized service which would enable us to increase revenue from research, advisory and consulting services.

## HUMAN RESOURCES

Your Company has been continuously working to improve human resources skills, competencies and capabilities in the Company, which is critical to achieve desired results in lines with its strategic business ambitions. Your company's human resource policy provides an environment that motivates its employees to realize their full potential. Your Company respects each employee, motivates them and try to offer opportunities based on their skill sets and in this process builds mutually benefiting relations between the Company and its employees. Your company has put in place a policy that not only increase productivity but also increases job satisfaction of its employees.

Your Company has strengthened the goal setting and measurement process with structured development plans for high potential people to move into different roles. Your company has placed a recruitment system in the organization wherein right candidate with right skills is recruited for the position. Your company has established systems, which aims to provide training to employees at every level of the organization that leads to quality work output in their assigned work.

## CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility Policy (CSR Policy) was framed in the year 2014 and a Corporate Social Responsibility Committee comprising members from the Board of Directors of the company was formed. The committee is entrusted with the responsibility of effectuating and operationalizing the CSR Policy of the Company.

## INTERNAL CONTROL SYSTEMS

The Company has a system of internal controls commensurate with the nature and size of its operations, which effectively and adequately encompasses every facet of its operations and functional areas.

The system involves a compliance management team with established policies, norms and practices as also the applicable statutes and rules and regulations, with an inbuilt system of checks and balances, so that appropriate and immediate corrective actions are initiated in right earnest in the event of any deviations from the stipulated standards and parameters.

## Management Discussion and Analysis (contd.)

The effectiveness and deliverability of the internal control systems are reviewed periodically so that measures, if any, needed for strengthening the same can be taken, with the changing business needs of the Company. The Company continues to regularly review its systems, processes and controls on an on-going basis, comparing and aligning them with the industry best practises.

### RISK MANAGEMENT

The Company has laid down code to inform board members about the risk assessment and minimization procedure. The Company manages, monitors and reports to the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Risk Management Policy of the Company primarily focuses on identifying, assessing and managing risks in the areas of – Company's assets and property, Employees, Foreign Currency Risks, Operational Risks, Non-compliance of statutory enactments, Competition Risks and Contractual Risks.

### DETAILS OF SIGNIFICANT CHANGES

During the Year under review, there were following changes in Key Financial Ratio:

| Ratio                   | Formula                         | Ratio (%) |           | Remarks   |
|-------------------------|---------------------------------|-----------|-----------|---|
|                         |                                 | 31-Mar-21 | 31-Mar-20 |   |
| Interest Coverage Ratio | EBIT/Interest Expense           | NA        | 69.09%    | No Interest expenses on borrowing during the current financial year |
| Net Profit Margin (%)   | Net Profit/Net Sales            | 0.45%     | -24.22%   | Due to increase in revenue and decrease in expenses                 |
| Return on Net Worth     | Net Income/Shareholder's equity | -0.01%    | -0.06%    | Due to increase in revenue and decrease in expenses                 |

### CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's Objectives, projections, estimates and expectations, may be forward looking statements within the meaning of applicable laws and Regulations and the actual results might differ from those expressed or implied herein.

The Company is not under any obligation to publicly amend, modify or revise any such forward looking statements on the basis of any subsequent developments, information or events.

## Dear Shareholders,

Your Directors present the 11<sup>th</sup> Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2021.

## SUMMARY OF FINANCIAL RESULTS

The summary of the financial results of the Company for the financial year ended March 31, 2021, is as under-

(₹ In lakhs)

| Particulars  | Standalone     |                | Consolidated   |                |
|--|----------------|----------------|----------------|----------------|
|  | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| Revenue from operations                                    | 10.00          | -              | 10.00          | -              |
| Other income   | 172.02         | 156.59         | 172.02         | 156.59         |
| Finance costs  | 0.01           | 122.71         | 0.01           | 122.71         |
| Exceptional items  | -              | -              | -              | -              |
| Profit/(Loss) before Tax                                   | 0.82           | (37.93)        | 0.70           | (37.93)        |
| Tax Expense  | -              | -              | -              | -              |
| Loss before share of profit/(loss) in associate            | -              | -              | 0.70           | (37.93)        |
| Share of loss in associate                                 | -              | -              | -              | (15265.98)     |
| Net profit/(loss) for the year                             | 0.82           | (37.93)        | 0.70           | (15303.91)     |
| Paid-up equity share capital<br>(face value of ₹ 2/- each) | 27,645.39      | 27,645.39      | 27,645.39      | 27,645.39      |
| Other equity   | 40,060.87      | 40,065.41      | (19,189.25)    | (19,184.59)    |
| Earning per shares (in ₹)                                  | 0.000          | (0.003)        | 0.000          | (1.107)        |

## TRANSFER TO GENERAL RESERVE

The closing balance of the retained earnings of the Company for the FY 2021, after all appropriations and adjustments was ₹ (1164.22) Lakhs.

## BUSINESS REVIEW

During the year under review, the Company has posted net profit of ₹ 81,670.

The Board of Directors of the Company decided to pursue the business of manpower/human resource supply and consultancy, payroll management services and other related activities. The Board felt that in the hard times post the outbreak of Covid-19, most employers would look for outside help to resolve and manage their human resource processes, as a support to the functioning of their Human Resource Departments. This in turn presents itself as an opportunity to generate revenues at low cost, in a rapid time, ultimately ensuring profitability. Hence it was decided to enter the said business activity. The initial investment in the business is estimated to be Rupees five crore, besides the Company would utilize its existing resources for the purpose.

RattanIndia Enterprises Limited is the flagship company of RattanIndia group and is now also focused on new-age businesses which help solve problems and contribute massively to our great economy. The Company has demonstrated this intent by making its first move in this direction by investing in Electric vehicle company Revolt Intellicorp Private Limited (Revolt), which is a leading electric bike company of the country. By investing in Revolt, RattanIndia will contribute towards reducing the pollution in our cities and also help the cause of energy security of our country by using locally produced electricity and in the process reducing the dependence on imported crude. Further, RattanIndia has shown its positive bias for technology-based businesses since Revolt is an AI enabled bike and heavy on technology.

The Company will continue to look at opportunities which help bring efficiency to a particular sector in the country with the help of technology.

## SHARE CAPITAL

There was no change in the paid up equity share capital of the Company during the Financial Year 2020-21. The paid up equity share capital of the Company is ₹ 276,45,39,184 (Rupees Two Hundred Seventy Six Crores Forty Five Lakh Thirty Nine Thousand

## Board's Report (Contd.)

One Hundred Eighty Four) divided into 138,22,69,592 (One Hundred Thirty Eight Crore Twenty Two Lakh Sixty Nine Thousand Five Hundred Ninety Two) equity shares of ₹ 2/- each.

The authorized share capital of the Company during the Financial Year 2020-21, was increased from ₹ 350,00,00,000 (Rupees Three Hundred Fifty Crores) divided into 175,00,00,000 (One Hundred and Seventy Five Crores) equity shares of face value ₹ 2/- each to ₹ 400,00,00,000 (Rupees Four Hundred Crores) divided into 200,00,00,000 (Two Hundred Crores) equity shares of face value ₹ 2/- each.

### CHANGE IN OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

During the Financial Year 2020-21, the Company altered the object clause(s) of its Memorandum of Association, duly approved by the shareholders in the 10<sup>th</sup> annual general meeting of the Company held on September 30, 2020. The alteration in the object clause(s) was registered by the Registrar of Companies, NCT of Delhi & Haryana vide its certificate dated October 08, 2020.

### CHANGE IN NAME OF THE COMPANY

Consequent to and in terms of the fresh certificate of incorporation dated March 22, 2021 issued by Registrar of Companies, Delhi, the name of the Company was changed from RattanIndia Infrastructure Limited to RattanIndia Enterprises Limited with effect from the said date. NSE and BSE approved the name change with new stock symbol RTNINDIA effective April 07, 2021.

### CHANGE IN NATURE OF BUSINESS

During the financial year 2020-21, the Company entered into the business of manpower/human resource supply and consultancy, payroll management services and other related activities.

Post closure of the financial year, the Company is now focusing on new-age businesses. The Company has demonstrated this intent by making its first move in this direction by investing in Electric vehicle company Revolt, which is a leading electric bike company of the country. The investment declares Revolt's commitment to support innovation and technology; democratizing clean commute using next-gen mobility solutions by focusing on providing world class electric mobility products which are affordable and accessible to every Indian.

This will leave huge positive impact on Indian society at large by deploying technology and the Company will continue to invest money in such new age businesses.

### MATERIAL CHANGES AND COMMITMENTS

No material change and / or commitment affecting the financial position of your Company has occurred between end of the financial year and the date of signing of this report.

### DIVIDEND

No dividend has been recommended for the year ended March 31, 2021.

### DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP) DETAILS

In terms of the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mrs. Namita (DIN: 08058824) a non-executive director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, offers herself for re-appointment. The Board of Directors recommends resolution for re-appointment of Mrs. Namita as a rotational director for the approval of the members of the Company at the ensuing AGM.

Mr. Yashish Dahiya (DIN: 00706336) tendered his resignation as an Independent Director on the Board of the Company with effect from January 14, 2021 for personal reasons.

Mr. Rajesh Kumar (DIN: 03291545) was appointed as a non-executive director on the Board of the Company w.e.f. January 28, 2021.

The Nomination and Remuneration Committee has evaluated the performance of each individual Director seeking reappointment/ appointment in the ensuing Annual General Meeting and fulfillment of independence criteria prescribed under SEBI listing regulations read with Companies Act, 2013 in case of Independent Director(s). The Nomination and Remuneration Committee has placed a report on performance evaluation of Independent Director, before the Board of Directors' of the Company, for review.

The detailed profile of the Directors seeking appointment/re-appointment is given in the explanatory statement accompanying notice to AGM and additionally in the Corporate Governance Report forming part of the Annual Report.

All the Independent Directors have given their declaration confirming that they meet the criteria of independence as prescribed under section 149(6) Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and the same has been noted by the Board of Directors.

Mr. Vikas Kumar Adukia has resigned from the post of chief financial officer of the Company with effect from April 29, 2021 for personal reasons.

The other key managerial personnel of the Company are Mr. Rajiv Rattan, Executive Director & Executive Chairman of the Company and Mr. R. K. Agarwal, Company Secretary.

### **ENROLMENT OF DIRECTORS IN INDEPENDENT DIRECTORS DATA BANK**

The Independent Directors have declared that their names are included in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

### **COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS**

As mandated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 178 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the Company has a Nomination and Remuneration Committee in place, the constitution, the terms of reference and the scope of responsibility whereof are described in the Report on Corporate Governance, forming part of the Annual Report.

The selection and appointment of Directors and their remuneration owes its genesis to the policy formulated by the Nomination and Remuneration Committee within the four corners of its charter and scope of responsibility with due consideration to the stipulations under various applicable enactments and regulations, primarily including the Companies Act, 2013 and in particular Section 178(3) thereof, the Listing Regulations. In formulating the policy, care has been taken to ensure that criteria laid down therein enable the Company to strike a balance between what is mandated by law, in letter as well as spirit, the principles of sound corporate governance, the functional requirements of the Company and the industry norms. The Policy may be accessed on Company's website at the link: <https://www.rattanindiaenterprises.com/investors/policies/>.

### **EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

In compliance with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, Board committees, and individual directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The performance of the Independent Directors was reviewed and evaluated by the entire Board and in such exercise, the director concerned whose performance was being evaluated, did not participate.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

### **SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES**

A wholly owned subsidiary of the Company by the name 'Neotec Enterprises Limited' was incorporated and registered with the Registrar of Companies, NCT of Delhi & Haryana, New Delhi w.e.f. March 17, 2021. Subsequent to the close of the financial year the Company has on April 28, 2021 acquired equity shares equivalent to 33.33% and share warrants when converted into equity shares shall result in aggregate stake of 43% in Revolt Intellicorp Private Limited which is a next gen mobility company manufacturing AI enabled electric vehicles. Further on June 19, 2021 the Company acquired 100% stake in RattanIndia Investment Manager Private Limited thus making it a wholly owned subsidiary of the Company. RattanIndia Power Limited is an associate of the

## Board's Report (Contd.)

Company. A report on the performance and financial position of the subsidiary / associate company in the form AOC-1, stipulated under Companies Act, 2013, is provided as an Annexure to the consolidated financial statements.

### CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the requirements of Section 129(3) of the Companies Act, 2013 read with rules framed thereunder and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- (a) Consolidated financial statements of the Company and its subsidiaries for the financial year ended March 31, 2021 were prepared, for being presented to the shareholders for approval along with the standalone financial statements of the Company for the said financial year.
- (b) a separate statement containing the salient features of financial statements of the subsidiaries in the stipulated form AOC-1 is also being annexed to the financial statements, as a part of the Annual Report.

Further, pursuant to provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website at <https://www.rattanindiaenterprises.com/>

### CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee of the Company comprises of Mr. Sanjiv Chhikara as the Chairman and member and Mrs. Namita and Mrs. Neha Poonia as other members. The Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the CSR activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

The CSR Policy may be accessed on the Company's website at the link <https://www.rattanindiaenterprises.com/investors/policies/>

The Annual Report on CSR activities forms a part of the Board's Report and is annexed herewith marked as Annexure 'A'.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

### CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. In terms of Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance along with Compliance Certificate issued by a Practicing Company Secretary is attached to and forms integral part of this Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors state that:

1. in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
2. they had selected such accounting policies and 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 as at 31st March, 2021 and of the profit and loss account of the Company for the year ended on that date;
3. they had 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;
4. they had prepared the annual accounts of the Company on a 'going concern' basis;
5. they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <https://www.rattanindiaenterprises.com/investors/policies/>

During the year under review all the related party transactions entered into by the Company were with the prior approval of the Audit Committee and in case of materially significant related party transactions, with the prior approval of the shareholders as well.

All such transactions were at arms -length basis and in the ordinary course of business of the Company and a detail of such transactions, forms a part of the financial statements of the Company for the financial year 2020-21, which form a part of the Annual Report.

## RISK MANAGEMENT

In compliance with Regulation 21 (2) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 as amended upto date, pursuant to the recent amendment in such regulations notified by SEBI on May 5, 2021, a Risk Management Committee was constituted by the Board of Directors on June 18, 2021 comprising of Mr. Rajiv Rattan - a non-independent director as the Chairman, Mr. Rajesh Kumar - a non-independent director as a member, Mr. Jeevagan Narayana Swami Nadar — an independent director as a member and Mr. Ashok Sharma as the other member, oversee implementation of the Risk Management Policy in force in the Company, and monitor and evaluate risks, basis appropriate methodology, processes and systems.

The Risk Management Policy in force and application in the Company, has been drawn up based on a detailed assessment of the operational risks, risks associated with related business in India, in general and the business of the Company in particular.

The Risk management Policy covers the risks related to the Company assets and property, the risks which the employees of the Company may get exposed to, the risks arising out of non -compliance if any, with the provisions of and requirements laid down under various applicable statutes, Foreign Exchange related risks, risks which could emanate from business competition, contractual risks etc.

The policy has been uploaded on the website of the Company and can be accessed at the web link <https://www.rattanindiaenterprises.com/investors/policies/>

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place a system of internal financial controls, commensurate with the nature and size of business operations. Your Directors are of the view that there are adequate policies and procedures in place in the Company so as to ensure:

- (1) 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.

## AUDITORS & AUDITORS' REPORT

In the tenth Annual General Meeting of the Company held on September 30, 2020 M/s Walker Chandiok & Co. LLP, Chartered Accountants (Registration No. 001076N/N500013) were appointed as Statutory Auditors of the Company for a period of 5 years, from the financial year 2020-21 to 2024-25

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Pursuant to provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud during the year under review.

## COST AUDIT

The Company was not required to conduct the audit of cost records as specified under Section 148(1) of the Companies Act, 2013.

# Board's Report *(Contd.)*

## SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s S Khandelwal & Co, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith marked as Annexure 'B' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards as stipulated and notified by the Institute of Company Secretaries of India.

## GREEN INITIATIVES

Electronic copies of the Annual Report 2021 and Notice of the 11th AGM are being sent to all the members whose email addresses are registered with the Company / Depository Participant(s). Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.rattanindiaenterprises.com](http://www.rattanindiaenterprises.com), websites 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 on the website of KFINTTECH – <https://evoting.karvy.com>

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice convening the 11th AGM of the Company. This is pursuant to Section 108 of the Companies Act, 2013, the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of LODR. The instructions for e-voting are provided in the Notice.

## LISTING WITH STOCK EXCHANGE

The equity shares of the Company continue to remain listed with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The listing fees payable to the exchanges for the financial year 2021-2022 have been paid.

## DISCLOSURES:

### Audit Committee

The Audit Committee comprised of four members namely, Mr. Jeevagan Narayana Swami Nadar, Independent Director as the Chairman, Mr. Sanjiv Chhikara, Independent Director, Mrs. Neha Poonia, Independent Director and Mr. Rajiv Rattan, Executive director, as the other members.

The details about Audit Committee and its terms of reference etc. have been given in Corporate Governance Report.

All the recommendations made by the Audit Committee, as to various matters, during the year under review, were accepted by the Board.

### Vigil Mechanism

In line with the requirements under Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing / vigil mechanism. The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or policy. To guard against the victimization of the persons using the vigil mechanism, the Whistle Blower Policy of the Company makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: <https://www.rattanindiaenterprises.com/investors/policies/>

### Meetings of the Board

During the year under review 9 meetings of the Board of Directors of the Company were held. The details as to the dates of such meetings and the attendance of various directors of the Company thereat, have been provided in the Corporate Governance Report.

Additionally a meeting of the Independent directors of the Company was held on January 15, 2021, with the participation of all Independent Directors of the Company at the meeting.

## Particulars of Loans, Guarantees or Investments

Full particulars of the loans given, guarantees extended or securities provided and the investments made by the Company in various bodies corporate in terms of the provisions of Section 186 of the Companies Act, 2013 and the rules framed thereunder and have been adequately described in the notes to Financial Statements. The same are in consonance the provisions of the aforesaid section.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure – 'C' to this Report.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on <https://www.rattanindiaenterprises.com/>

## Business Responsibility Report

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report is annexed herewith as Annexure 'D' to this Report.

## Particulars of Employees

The information required pursuant to Section 197 of the Act read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the names and other particulars of the employees drawing remuneration in excess of the stipulated limits, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are therefore being sent to the Members and others entitled thereto, excluding the said information on employees' particulars. However in addition to any member interested in obtaining such information, being provided with a copy of the statement containing such information, as indicated in the foregoing para, the same is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

The Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are however being provided in Annexure E, to this Report.

## Employee Stock Options

The Company has established RattanIndia Enterprises Limited Employee Stock Option Plan – 2019 ("REL ESOP 2019") to reward and motivate Employees and to attract and retain the best talent by providing them an additional incentive in the form of stock options to acquire a certain Shares of the Company at a future date at an exercise price which shall be in accordance with the applicable accounting policies.

During the year, 2 Crores options which were granted on January 2, 2020, were cancelled in accordance with the terms and conditions of REL ESOP 2019.

The applicable disclosures as stipulated under the Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as on March 31, 2021 is not required as there are no outstanding stock options as at the end of financial year 2020-21.

## GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as no transactions pertaining thereto were undertaken/there were no developments pertinent to same, during the year under review:

1. Deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Significant or materials orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. Reporting of frauds by the Statutory Auditors under sub section (12) of Section 143 of the Companies Act, 2013, whether reportable to the Central Government or not.

## Board's Report (Contd.)

6. Corporate insolvency resolution process initiated under the insolvency and bankruptcy code, 2016 (IBC)

### **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWWA)**

The Company since inception, has been following a policy of zero tolerance against sexual harassment of women and in order ensure this in all its strictness, has in place an Internal Complaints Committee, the constitution whereof, is in complete compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The anti-sexual harassment of women policy, in force in the Company has very effectively promoted and propagated an environment and culture in the Company which inculcates in the male employees, a spirit of utmost respect for the women workforce at every level. Towards this end training and awareness sessions for employees are held at regular intervals.

Equally important is the fact that the Policy has enough built in safeguards to make sure that no instances of sexual harassment take place in the Company. Towards this end a set of standing orders and rules have been laid down, which stipulate very harsh punitive measures against any employee found guilty of having or attempting to have sexually harassed a female employee, which without prejudice to the other actions taken against the offender, include immediate termination of his services.

The fact that safety and security of the women workforce in the Company has been an area given the paramount importance in the Company explains why the Company can proudly boast of being among the safest work places for women in the Country.

As has been the case in the previous years, during the year under review as well, no complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, were received during the year under review.

**WEBSITE:** [www.rattanindiaenterprises.com](http://www.rattanindiaenterprises.com)

### **ACKNOWLEDGEMENT**

Your Directors wish to express their gratitude for the continuous assistance and support received from the investors, bankers, financial institutions and government authorities during the year. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Place : New Delhi  
Date : August 13 2021

**Sd/-**  
**Rajiv Rattan**  
**Chairman**

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

While the Company has in due compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, duly framed a CSR Policy as recommended by the CSR Committee constituted by the Board of Directors of the Company while the CSR Policy encompasses very effective and well laid out programmes for the welfare of the society at large and up lift and betterment of the weaker sections and downtrodden in particular, what has so far prevented the effectuation of the same is the availability of sufficient funds which could be put to use for the purpose.

However with the expected increase in the business and hence the business revenues in the years to come, the Company intends to play a meaningful role in this area.

The CSR Policy may be accessed on the Company's website at the link: <https://www.rattanindiaenterprises.com/investors/policies/>

**2. The Composition of the CSR Committee:**

In line with the requirements of the Companies Act, 2013 and the Rules framed there under, a CSR Committee of the Board was constituted on March 11, 2014. During the Financial Year 2020-21, Mr. Yushister Bahl ceased to be the member and Mrs. Neha Poonia was appointed as a member of the Committee w.e.f. August 26, 2020.

As on March 31, 2021, the Committee comprised of Mr. Sanjiv Chhikara as the Chairperson and member, Mrs. Neha Poonia and Mrs. Namita as the other two members.

**3. Average net profit of the Company for the last three financial years:**

The company, at an average, has been at loss for the last three financial years.

**4. Prescribed CSR Expenditure (two percent of the average net profits for three immediately preceding financial years):**

The Company was not required to allocate any budget towards the mandatory CSR spend under the Companies Act, 2013, since it has been at a loss, at an average, for last three financial years.

**5. Details of CSR spent for the financial year 2020-2021:**

(a) Total amount spent for the financial year - **not applicable**

(b) Amount unspent, if any - **not applicable**

(c) Manner in which spent - **not applicable**

**6. Reasons for not spending two percent of the average net profits for the last three financial years or any part thereof:**

Not applicable as the Company has been at a loss, at an average, for the last three financial years.

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company:**

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

Sd/-  
**Namita**  
Director

Sd/-  
**Sanjiv Chhikara**  
Chairperson of CSR Committee

# ANNEXURE 'B' TO BOARD'S REPORT

## FORM NO – MR -3 SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31st March, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,  
The Members,

**RattanIndia Enterprises Limited,**  
H.No. 9, First Floor,  
Vill. Hauz Khas, New Delhi – 110016

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

Based on 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, the explanations and clarifications given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made herein after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by RattanIndia Enterprises Limited for the financial year ended on 31st March, 2021 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 (in so far as these are applicable)
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: -
  - 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, 2018 and amendments from time to time;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the Company has not issued and listed any debt securities during the financial year 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 as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review);
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted/proposed to delist equity shares from the stock exchanges during the financial year under review);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back/propose to buy back it's security during the financial year under review); and
  - i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015



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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India w.r.t meetings of the Board of directors (SS - 1) and General Meeting (SS – 2).
- ii. The Listing Agreements entered into by the Company;

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

- The Company was non-compliant with Regulation 17 of LODR w.r.t. appointment of Independent Woman Director by April 1, 2020 as per Market Capitalization of the Company falling in top 1000 Companies list. Both the stock exchanges imposed penalty on the Company for the period of non-compliance upto July 29, 2020. Mrs. Neha Poonia was appointed as an Independent Woman Director on the Board of the Company w.e.f. July 30, 2020. The Company had made a representation to the exchanges seeking relief on the penalty imposed, as due to Covid pandemic situation prevailing at that time and the even on the efforts made by the Company, Independent Woman Director was not appointed. BSE accepted the representation and the penalty was waived by it, however NSE rejected the waiver request and a fine of ₹ 7,08,000 was paid to NSE.

### I further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Independent and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Majority decision is carried through unanimously and therefore dissenting members' views are not required to be captured and recorded as part of the minutes.

The Object clause of the memorandum of association were altered by the shareholders at the 10<sup>th</sup> Annual General Meeting of the Company held on September 30, 2020, which became effective on October 8, 2020 i.e. the date of issuance of certificate by the Registrar of Companies, NCT of Delhi & Haryana, Delhi. The CIN of the Company was changed to L74110DL2010PLC210263.

The name of the Company was changed from RattanIndia Infrastructure Limited to RattanIndia Enterprises Limited vide fresh Certificate of Incorporation pursuant to change of name issued by Registrar of Companies, NCT of Delhi & Haryana, Delhi on March 22, 2021.

The Authorised share capital of the Company was increased from ₹ 350,00,00,000/- (Rupees Three hundred and fifty crore) divided into 175,00,00,000 (One hundred seventy five crore) equity shares of face value ₹ 2 each to ₹ 400,00,00,000/- (Rupees Four Hundred Crores) divided into 200,00,00,000 (Two Hundred Crores) equity shares of face value ₹ 2 each w.e.f. September 30, 2020 i.e. the date of approval of the shareholders at the 10th Annual General Meeting of the Company held on September 30, 2020.

I further report that during the audit period, 2,00,00,000 stock options were cancelled under RattanIndia Enterprises Limited Employees Stock Option Plan 2019.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Company has introduced compliance alert system for applicability of all applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For S. Khandelwal & Co.**  
Company Secretaries

Sd/-

**Sanjay Khandelwal**

FCS No.: 5945

C P No.: 6128

UDIN: F005945C000728095

Place : New Delhi

Date: August 3, 2021

This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

## ANNEXURE 'B' TO BOARD'S REPORT (Contd.)

**'Annexure 1'**

To,  
The Members,

**RattanIndia Enterprises Limited,**  
H.No. 9, First Floor,  
Vill. Hauz Khas, New Delhi – 110016

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

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 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

**For S. Khandelwal & Co.**  
Company Secretaries

Sd/-  
**Sanjay Khandelwal**  
FCS No.: 5945  
C P No.: 6128

Place : New Delhi  
Date: August 3, 2021

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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### **A. Conservation of Energy**

The Company operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. As an ongoing process, the following measures are undertaken:

- a. Implementation of viable energy saving proposals.
- b. Installation of automatic power controllers to save maximum demand charges and energy.
- c. Shutting of all the lights when not in use and use of LED lights.
- d. Training front end operational personnel on opportunities of energy conservation.
- e. Awareness and training sessions for maintenance personnel conducted by experts.

#### **B. Technology Absorption**

The nature of business being carried out by the Company entails use of effective information technology. The management keeps itself abreast of technological advancement in the industry and ensures continues and sustained efforts towards absorption of technology, adaptation as well as development of the same to meet the business needs and objectives.

The Company continuously encourages the introduction and use of latest available innovations in the field of information technology.

#### **C. Foreign Exchange Earnings and Outgo**

There were no foreign exchange earnings and outgo during the year under review.

# ANNEXURE 'D' TO BOARD'S REPORT

## BUSINESS RESPONSIBILITY REPORT

### Introduction:

The Directors present the Business Responsibility Report of the Company for the financial year ended on March 31, 2021, pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Business Responsibility Report includes obligations on business to respect the environment, promote the well-being of employees and to respect the interests of all stakeholders.

### Section A - General Information about the Company

1. Corporate Identity Number(CIN) of the Company : L74110DL2010PLC210263
2. Name of the Company : RattanIndia Enterprises Limited
3. Registered Office address : H.No. 9, First Floor, Vill. Hauz Khas, New Delhi – 110 016
4. Website : <https://www.rattanindiaenterprises.com/>
5. Email ID : [rel@rattanindia.com](mailto:rel@rattanindia.com)
6. Financial Year Reported : 2020-2021
7. Sector(s) that the Company is engaged in (Industrial activity code-wise) :

| NIC Code | Description   |
|----------|---|
| 78300    | Human resources provision and management of human resources functions |

8. List three products/services that the Company :
  - (i) The Company through its associate is in new age businesses and had invested in Electric Vehicle company Revolt, which is a leading electric bike company of the country (post closure of the financial year 2020-21).
  - (ii) The Company has also been into HR consultancy and manpower business.
9. Total number of locations where business activity is undertaken by the Company
  - (a) Number of International locations : None (provide details of major 5)
  - (b) Number of National locations : None
10. Markets served by the Company : PAN India

### Section B – Financial Details of the Company :

1. Paid up Capital : ₹ 276,45,39,184/-
2. Total Turnover :

|                         |                 |
|-------------------------|-----------------|
| Revenue from operations | : ₹ 10,00,000   |
| Other income            | : ₹ 1,72,02,625 |
| Total                   | : ₹ 1,82,02,625 |

3. Total profit after taxes (INR) : ₹ 81,670
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax : Nil
5. List of activities in which expenditure in 4 above has been incurred : N.A.

## Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies? Yes
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%] : Not Applicable

## Section D: BR Information

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

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

| S. No. | DIN Number | Name | Designation |
|--------|------------|------|-------------|
|--------|------------|------|-------------|

\* The various aspects of business responsibility and sustainability, do not manifest themselves in a single policy but a host of policies covering such aspects and already in force in the Company in terms of the requirements of the SEBI ( Listing Obligations And Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, which are looked after, by the various committees constituted by the Board of Directors of the Company in compliance with requirements laid down in the aforementioned statutes. Thus identifying a single director or key person in this regard, whose particulars could be furnished in the above table, would not be possible. The details of such committees including their constitution, their scope of their power and responsibility, are contained in the Corporate Governance Report.

(b) Details of the BR head :

| S. No. | Particulars                | Details                     |
|--------|----------------------------|-----------------------------|
| 1      | DIN Number (if Applicable) | Not Applicable* (See above) |
| 2      | Name                       |                             |
| 3      | Designation                |                             |
| 4      | Telephone number           |                             |
| 5      | e-mail id                  |                             |

### 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

**P1:** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability. (Ethics, Transparency and Accountability)

**P2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle. (Safe and Sustainable goods and services)

**P3:** Businesses should promote the wellbeing of all employees. (Wellbeing of Employees)

**P4:** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. (Responsiveness to all Stakeholders)

**P5:** Businesses should respect and promote human rights. (Promoting Human Rights)

**P6:** Business should respect, protect, and make efforts to restore the environment. (Protecting the Environment)

**P7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner. (Responsible Policy Advocacy)

**P8:** Businesses should support inclusive growth and equitable development. (Supportive Inclusive Development)

**P9:** Businesses should engage with and provide value to their customers and consumers in a responsible manner. (Providing Value to customer)

## ANNEXURE 'E' TO BOARD'S REPORT (Contd.)

(a) Details of compliance (Reply in Y/N) :

| S. No. | Questions  | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--------|--|--|----|----|----|----|----|----|----|----|
| 1      | Do you have policy/policies for?   | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 2      | Has the policy being 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?  | All the policies in conform to the principles as set out in the NGV Guidelines   |    |    |    |    |    |    |    |    |
| 4      | Has the policy being approved by the Board? If Yes, has it been signed by MD/owner/CEO/appropriate Board Director?                                       | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 5      | Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?                                 | The various policies with regard to the NGV principles do not manifest themselves in a single or a separate policy. Instead the various drawn up and implemented in the Company in compliance with the requirements as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and other applicable statutes and those mandated in terms of any contractual requirements with various stakeholders or those mandated specifically or in general terms by any regulatory requirements, are looked after by the Board constituted committees and the functional heads for various operations. Thus it would not be possible to name or pinpoint a single director/ person in this regard, in this report. |    |    |    |    |    |    |    |    |
| 6      | Indicate the link for the policy to be viewed online?  | As already explained above, the various principles a enshrined in the NGV Guidelines, do not manifest themselves in a single or separate policies, but through the policies in drawn up and in force in the Company, in terms of the various statutory / regulatory or contractual requirements. Such policies are displayed on the website of the Company at the weblink: <a href="http://www.rattanindiaenterprises.com">www.rattanindiaenterprises.com</a> in the relevant sections.  |    |    |    |    |    |    |    |    |
| 7      | Has the policy been formally communicated to all relevant internal and external stakeholders?  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 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? | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 10     | Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?                               | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |



(b) If answer to the question at serial No: 1 against any principle, is "No", please explain why: Not Applicable

| S. No. | Question  | P1 – P9        |
|--------|---|----------------|
| 1      | The Company has not understood the principles   | Not Applicable |
| 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  |                |
| 4      | It is planned to be done within next 6 months   |                |
| 5      | It is planned to be done within next 1 year   |                |
| 6      | Any other reason (please specify)   |                |

### 3. Governance related to BR

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

Annually

b. Does the Company publish a BR or a sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? : Starting from the financial year 2019-2020 the Report, besides being published and sent to the shareholders of the Company and other stakeholders (wherever required), as a part of the Annual Report is also displayed on the website of the Company as a part of the relevant Annual report at the link: <https://www.rattanindiaenterprises.com/investors/annual-report/>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1:

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others

The Company has adopted a Code of Conduct for its Directors and Senior Management. Additionally the Policy on Code of Conduct for employees is applicable to all the employees of the Company as also the RattanIndia Group. The said policies seek to ensure that highest standards of work ethics including total honesty, in the conduct of operations of the Company and the discharge of functional responsibilities towards this end, is observed.

To ensure that all employees are well versed with Company's code, a mandatory training is provided for new recruits, and refresher workshops on anti-corruption policies and procedures are conducted for all the employees at various levels.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

|  |     |
|--|-----|
| Stakeholder complaints received                | NIL |
| Stakeholders complaints resolved               | NA  |
| Percentage of Stakeholders complaints Resolved | NA  |

The word stakeholder here refers to the shareholders of the Company. The complaints received from the shareholders were of a very ordinary nature such as those relating to non-receipt of the annual reports for a particular financial year or years as mailed to them or those related to a delay in the receipt of their rematerialization requests etc.

The Company has in place a Stakeholder Cum Investor Grievance Redressal Committee, constituted by the Board of Directors, which in collaboration with the Registrar and Transfer Agent of the Company, attends to the complaints from the shareholders and redresses the same well within a period of a week to ten days depending upon the nature of complaint, with detailed explanations being provided to the complaining shareholders.

As regards the employees of the Company there is in force in the Company, a Whistle Blower Policy, whereby each and every employee irrespective of hierarchical level is free to report to the top management, any instances of fraudulent or unfair conduct or any discriminatory practices, with full confidentiality being maintained as to the name of the complainant.

Further, the Chairperson of the Audit Committee is fully approachable by every employee for reporting of any instances of fraud or financial wrong doing.

## ANNEXURE 'E' TO BOARD'S REPORT (Contd.)

### Principle 2:

1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company through its associate is in new age businesses and had invested in Electric Vehicle company Revolt, which is a leading electric bike company of the country. The Company has also been into HR consultancy and manpower business.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): N.A.
  - a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain? :
  - b. Reduction during usage by consumers (energy, water) has been achieved since the previous year? :
3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? N.A.
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors? N.A.
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 <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. N.A.

### Principle 3:

Our employees are our key assets and our growth and success are attributable to them. Our people strategy is founded on this belief and is designed to recruit, develop and retain the talented workforce that run our business.

1. Please indicate the Total number of employees : 4
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis : 0
3. Please indicate the Number of permanent women employees : 0
4. Please indicate the Number of permanent employees with disabilities : 0
5. Do you have an employee association that is recognized by management? No
6. What percentage of your permanent employees is members of this recognized employee association? : Nil
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 : NIL
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? :  
At RattanIndia, we believe our employees are a major asset for our Company. Safety and creating a safe operating culture continues to be amongst our top priorities. We have a company-wide occupational health and safety policy to ensure awareness in safety and that best practices in terms of safety are being followed at all our sites. We are focused on improving behavioral safety, reducing hazards through periodical walk-through Audits and safety Improvement projects. In doing so, we have been providing continuous training and skill development workshops before commencement of work and during the term of employment. Safety awareness programmes and campaigns are conducted regularly to help the employees understand their role in making the workplace safe. Each person is encouraged to report any unsafe conditions at the workplace to the safety committee and follow the safety measures at workplace with utmost priority.

### Principle 4 :

1. Has the company mapped its internal and external stakeholders?  
Yes the stakeholders of the Company have been mapped through an informal process of consultation for the entire operations of the Company.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? No
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so: N.A.

## Principle 5 :

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?**

Maintaining the sanctity and dignity of human rights has always been extremely important for the Company.

The policies in force in the Company seek to ensure to promote an atmosphere free of fair where people can work and live with freedom and dignity.

In its dealings with various persons, be they from within the Company or outside it, the Company has never lost sight of the fact that every such person is a human being and needs to be dealt with as one and therefore the attempt is always to ensure that no person is dealt with dishonestly, shortchanged or exploited.

Furthermore the Company has as responsible corporate citizen always sought to ensure the welfare and well-being of people both at the physiological as well as the psychological level, without their being made to compromise on their rights as human beings.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management:** No complaints with respect to Human Rights violations reported.

## Principle 6 :

1. Does the policy related to Principle 6 cover only the Company, or does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others? The Policy covers the Company only.
2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Yes / No. If yes, please give the hyperlink for the web page, etc. **No**
3. Does the company identify and assess potential environmental risks? **No**
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? **No**
5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc. **No**
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? **N.A.**
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. **NIL**

## Principle 7 :

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: **No**
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) **N.A.**

## Principle 8 :

1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof. **No**
2. Are the programmes/projects undertaken through in- house team/own foundation/external NGO/government structures/ any other organization? **N.A.**
3. Have you done any impact assessment of your initiative? **N.A.**
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken? **N.A.**
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. **N.A.**

## ANNEXURE 'E' TO BOARD'S REPORT (Contd.)

### Principle 9 :

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year. **There are no consumer complaints/consumer cases pending in the reporting period.**
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 (additional information) : **Not applicable**
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so : **No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last financial year.**
4. Did your company carry out any consumer survey/ consumer satisfaction trends? : **Not applicable**

**DISCLOSURES ON MANAGERIAL REMUNERATION***(Appointment and Remuneration of Managerial Personnel) Rules, 2014*

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration) Rules, 2014

- (i) **the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2020-21;**

Not Applicable as none of the Directors of the Company has drawn any remuneration from the Company during the FY 2020-21.

- (ii) **the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21;**

N.A., as there was no such increase in remuneration.

- (iii) **the percentage increase in the median remuneration of employees in the financial year;**

| Particulars     | Amounts  | % age of Increments |
|-----------------|----------|---------------------|
| April 20 Median | 55,348   | -                   |
| Mar 21 Median   | 3,18,941 | 476.25%             |

- (iv) **the number of permanent employees on the rolls of company;**

Four employees as on March 31, 2021.

- (v) **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;**

| Percentile Increments<br>(other than Managerial Remuneration) | Percentile Increments<br>(Managerial Remuneration) |
|---|--|
| 0.00%   | 0.00%  |

- (vi) **affirmation that the remuneration is as per the remuneration policy;**

The remuneration to KMP's and other employees of the Company is as per the Remuneration policy of the Company.

# Report on Corporate Governance

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

The Company is committed to good Corporate Governance and its philosophy of Corporate Governance aims at establishing and practicing a system of good Corporate Governance which will assist the management in managing the Company's business in an efficient and transparent manner towards fulfilling the corporate objectives and meet the obligations and serve the interest of the stakeholders. The Company's endeavor has always been to maximize the long term value to the shareholders of the Company.

## 2. BOARD OF DIRECTORS (BOARD)

### (A) Composition and size of the Board

The Board of Directors in the Company has been constituted in a manner which ensures appropriate mix of non-independent and independent directors to ensure proper governance and management. The Board members have collective experience in diverse fields.

Currently, the Board of Directors (Board) consists of one executive director and five non-executive directors. The Independent Directors constitute fifty percent of the total Board composition with three out of six directors on the Board of the Company being independent.

The details of Directors, number of Directorships held by them in other companies as also the number of their Memberships and Chairpersonships on various Board Committees, as at 31.03.2021, are depicted in the table given below:

| S. No. | Name of the Director                              | Category of Directorship                  | No. of Directorships in other Companies** | Category of Directorship and name of the other listed companies as on 31.03.2021 | No. of Memberships/ Chairpersonships in Board Committees of various companies (including the Company)*** |             |
|--------|---|---|---|--|--|-------------|
|        |   |   |   |  | Member   | Chairperson |
| 1.     | Mr. Rajiv Rattan (DIN:00010849)                   | Executive Director and Executive Promoter | 1   | RattanIndia Power Limited - Non-Executive Promoter Director                      | 4  | Nil         |
| 2.     | Mrs. Namita (DIN: 08058824)                       | Non-Executive Director                    | 2   | RattanIndia Power Limited Non-Executive Director                                 | 1  | Nil         |
| 3.     | Mr. Jeevagan Narayana Swami Nadar (DIN: 02393291) | Non-Executive Independent Director        | 6   | RattanIndia Power Limited Independent Director                                   | 7****  | 3           |
| 4.     | Mr. Rajesh Kumar (DIN: 03291545) #                | Non-Executive Director                    | 3   | -  | 1  | Nil         |
| 5.     | Mr. Sanjiv Chhikara (DIN: 06966429)               | Non-Executive Independent Director        | 2   | RattanIndia Power Limited Independent Director                                   | 5****  | 1           |
| 6.     | Mrs. Neha Poonia (DIN: 07965751) ##               | Non-Executive Independent Woman Director  | 1   | RattanIndia Power Limited Independent Woman Director                             | 1  | Nil         |

# Mr. Rajesh Kumar (DIN: 03291545) was appointed as a Non-Executive Director of the Company w.e.f. January 28, 2021.

## Mrs. Neha Poonia (DIN: 07965751) was appointed as an Independent Woman Director of the Company w.e.f. July 30, 2020.

\*\*Does not include directorships held in private limited companies and the companies registered under Section 8 of the Companies Act, 2013.

\*\*\*In terms of Regulation 26(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, only memberships/chairpersonships of the Audit Committees and Stakeholders' Relationship Committees in various public limited companies, have been considered.

\*\*\*\*Figure inclusive of Chairpersonship

None of the Directors on the Board held directorship in more than seven listed companies. Further, the Executive director of the Company, do not serve as an Independent director in any listed company as mentioned in regulation 17A(2) of Security Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (SEBI Listing Regulations).

None of the directors on the Board is a member of more than ten committees or chairperson of more than five committees across all Indian Public Limited companies in which he/ she is a director. In computing the said number only Audit Committee and Stakeholders Committee, have been considered. Further, none of the Independent Directors on the Board is serving as an Independent Director in more than seven listed companies or a whole-time director in any listed entity.

Except Mr. Rajiv Rattan, who holds 17,70,000 equity shares in the Company, no other director holds any share/ convertible instruments in the Company.

None of the Non-executive Director had any pecuniary relationship with or entered into any pecuniary transactions with the Company, during the financial year 2020-21.

None of the Directors are related to one another.

During the financial year, Mr. Yashish Dahiya (DIN: 00706336) resigned as an Independent Director of the Company w.e.f. January 14, 2021 for personal reasons.

Post the closure of financial year, Mr. Vikas Kumar Adukia resigned as a Chief Financial Officer of the Company w.e.f. April 29, 2021.

### **Woman Directors**

The Company, in compliance of the provisions of Section 149(1)(b) read with Rule 3 of the Companies (Appointment and Qualifications of Directors), 2014 and Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 has two Non-executive Woman Directors on the Board, one of which is Mrs. Neha Poonia, Independent Woman Director who was appointed with effect from July 30, 2020 as an Additional Independent Woman Director, for a tenure of 5 years and subsequently her appointment was approved by the shareholders in the 10<sup>th</sup> Annual General Meeting of the Company held on September 30, 2020.

### **Independent Director**

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company.

Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website

The Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act and the Listing Regulations and that they are independent of the management.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of

Directors) Rules, 2014, the Independent Directors have confirmed that they are registered in the data bank of Independent Directors' maintained with the Indian Institute of Corporate Affairs.

### **Separate meeting of Independent Directors**

In compliance with the requirements set out in Schedule IV to the Companies Act, 2013 read with the SEBI (LODR) Regulations, 2015 and Secretarial Standards on Board Meetings, a separate meeting of Independent Directors of the Company was held on January 15, 2021.

The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.



## Report on Corporate Governance (Contd.)

### (B) Details of Board meetings and the last Annual General Meeting (AGM) and attendance record of Directors thereat

During the Financial Year 2020-2021, the Board met 9 (Nine) times. The dates of the Board meetings were June 26, 2020, July 21, 2020, July 30, 2020, August 26, 2020, September 4, 2020, November 5, 2020, December 31, 2020, January 28, 2021, March 2, 2021. The last Annual General Meeting of the Company was held on September 30, 2020.

A table depicting the attendance of Directors at various Board Meetings and Annual General Meeting held during the Financial Year 2020-2021 is given below:

| Sr. No. | Name of the Director              | Meetings held during the tenure | No. of Board Meetings attended | Attendance at the last AGM |
|---------|-----------------------------------|---------------------------------|--------------------------------|----------------------------|
| 1.      | Mr. Rajiv Rattan                  | 9                               | 8                              | Yes                        |
| 2.      | Mrs. Namita                       | 9                               | 9                              | Yes                        |
| 3.      | Mr. Jeevagan Narayana Swami Nadar | 9                               | 9                              | Yes                        |
| 4.      | *Mr. Rajesh Kumar                 | 1                               | 1                              | N.A                        |
| 5.      | Mr. Sanjiv Chhikara               | 9                               | 7                              | Yes                        |
| 6.      | **Mrs. Neha Poonia                | 6                               | 3                              | Yes                        |
| 7.      | ***Mr. Yashish Dahiya             | 7                               | 0                              | No                         |

\*Mr. Rajesh Kumar was appointed as an Additional Director of the Company w.e.f. January 28, 2021.

\*\* Mrs. Neha Poonia was appointed as an Independent Woman Director of the Company w.e.f. July 30, 2021

\*\*\*Mr. Yashish Dahiya ceased to be a Director w.e.f. January 14, 2021.

Note: Agenda papers with detailed notes are circulated in advance at each meeting. Information as required in Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been made available to the Board from time to time.

The Company periodically places Compliance Reports with respect to all applicable laws before the Board of Directors for its review.

The Board of Directors of the Company had accepted all recommendation of committees of the Board which are mandatorily required, during the Financial Year 2020-2021.

### (C) Code of Conduct

In order to adopt Corporate Governance practice in its true spirit, the Company has adopted a "Code of Conduct" for its employees including Managing/Executive Director and senior management. In addition, the Company has also adopted a Code of Conduct for its Non- Executive Directors, which includes duties of the Independent Directors as laid down in the Companies Act, 2013 (the "Act"). These codes are available on the website of the Company. Further, the Company's Corporate Governance philosophy has been strengthened through the "Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices".

#### (i) Code of Conduct and ethics

The Company has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company, which also includes the duties and responsibilities of both Executive and Non-Executive directors as laid down under in the Companies Act, 2013 and SEBI Regulations. The Code of Conduct is available on the website of the Company <https://www.rattanindiaenterprises.com/investors/policies/>.

None of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its Promoters or Directors, its Senior Management or its Subsidiaries.

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, for the Financial Year 2020-21. A declaration signed by the Mr. Rajiv Rattan, Chairman of the Company, to this effect, appears at the end of this Report.

#### (ii) Code of Conduct for Prevention of Insider Trading

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted Code of Conduct for prevention of Insider Trading and the Code of Corporate Disclosure Practices (Insider Trading Code).

All the Directors, Employees of the Company and their immediate relatives and other connected persons who could have access to the Unpublished Price Sensitive Information of the Company, are governed under this Insider Trading Code.

## (D) Chart / Matrix of Skills / Expertise / Competence of the Board of Directors in context to Company's business and sector:

The Board is satisfied that the current composition reflects a mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

The Company requires skills/expertise/competencies in the areas of strategy, finance, leadership, accounting, economic, legal and regulatory matters and human resources, etc.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

| S.No | Name of the Director              | Area of Expertise |         |            |            |          |                              |                 |
|------|-----------------------------------|-------------------|---------|------------|------------|----------|------------------------------|-----------------|
|      |                                   | Strategy          | Finance | Leadership | Accounting | Economic | Legal and Regulatory Matters | Human Resources |
| 1    | Mr. Rajiv Rattan                  | ✓                 | ✓       | ✓          | -          | ✓        | ✓                            | -               |
| 2    | Mr. Rajesh Kumar                  | ✓                 | -       | -          | -          | ✓        | ✓                            | -               |
| 3    | Mr. Jeevagan Narayana Swami Nadar | ✓                 | ✓       | -          | ✓          | ✓        | ✓                            | -               |
| 4    | Mr. Sanjiv Chhikara               | ✓                 | ✓       | -          | ✓          | -        | ✓                            | -               |
| 5    | Mrs. Namita                       | -                 | -       | -          | -          | ✓        | -                            | ✓               |
| 6    | Ms. Neha Poonia                   | ✓                 | ✓       | -          | -          | ✓        | -                            | ✓               |

## 3. FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

With an aim to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly, familiarization program has been designed for the Independent Directors.

The Company, on regular basis makes detailed presentations to the Board including Independent Directors, on the Company's operation and business plans, the nature of industry in which Company operates, and model of respective businesses.

Independent Directors of the Company are made aware of their role, responsibilities and liabilities at the time of their appointment/reappointment through a formal letter of appointment which stipulates various terms and conditions of their engagement apart from clarifying their roles and responsibilities.

In line with the policy of the Company as framed in this regard and in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a familiarization exercise for Independent Directors of the Company was carried out during the financial year 2020-2021, as it had been carried out in the previous financial year.

As required under Regulation 25(7) and 46 of the Listing Regulations, the details of Familiarisation program imparted to the Independent Directors are available on the website of the Company and can be viewed at the weblink <https://www.rattanindiaenterprises.com/investors/policies/>.

## 4. COMMITTEES OF THE BOARD

The Board has various committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility (CSR) Committee which act in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairman. Risk Management Committee was formed on June 18, 2021 i.e. post closure of the financial year. Matters requiring Board's attention/approval are placed before the Board. The role, the composition of these Committees including the number of meetings held during the financial year and the related attendance details are provided below:

## Report on Corporate Governance (Contd.)

### (A) Audit Committee Composition

The Audit Committee of the Company as on March 31, 2021 comprised of four members namely, Mr. Jeevagan Narayana Swami Nadar as the Chairperson and member, Mr. Rajiv Rattan, Mr. Sanjiv Chhikara and Mrs. Neha Poonia as the other members. Mr. Jeevagan Narayana Swami Nadar, Mr. Sanjiv Chhikara and Mrs. Neha Poonia are Non-Executive Independent Directors and Mr. Rajiv Rattan is an Executive Director. The Secretary of the Company also acts as Secretary of the Audit Committee.

In terms of Section 177 of the Companies Act, 2013 and Regulation 18 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the role of Audit Committee, inter-alia includes the following:

- to review (a) the management discussion and analysis of financial condition and results of operations (b) statement of significant related party transactions submitted by management (c) the management letters / letters of internal control weaknesses, if any issued by the statutory auditors (d) the internal audit reports provided by the Internal Auditors of the Company and (e) statement of deviations. (f) the appointment, removal and terms of remuneration of the Internal Auditor.
- recommendation for appointment, remuneration and terms of appointment of statutory auditors.
- approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- reviewing, with the management, the quarterly financial statements before submission to Board for approval.
- 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 fund utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- approval or any subsequent modification of transactions of the Company with related parties.
- scrutiny of inter-corporate loans and investments.
- valuation of undertakings or assets of the Company, wherever it is necessary.
- evaluation of internal financial controls and risk management systems.
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 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.
- discussion with internal auditors of any significant findings and follow up there on.
- 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.
- 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.
- to look into the reasons for substantial defaults in the payment to creditors, if any.
- to review the functioning of the whistle blower mechanism.
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

- reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments existing as on the date of coming into force of this provision
- to review and consider the rationale, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

## Meetings and Attendance during the year

During the FY 2020-21, the Audit Committee met four times. The dates of the meetings being June 26, 2020, September 4, 2020, November 5, 2020, January 28, 2021.

The attendance record of the committee members to the meetings so held is depicted in the table given below:

| Sr. No. | Name of the Director              | Meetings held during the tenure | No. of Meetings attended |
|---------|-----------------------------------|---------------------------------|--------------------------|
| 1.      | Mr. Rajiv Rattan                  | 4                               | 3                        |
| 2.      | Mr. Jeevagan Narayana Swami Nadar | 4                               | 4                        |
| 3.      | *Mrs. Neha Poonia                 | -                               | -                        |
| 4.      | Mr. Sanjiv Chhikara               | 4                               | 4                        |

\*Mrs. Neha Poonia was appointed as a member of the committee w.e.f. March 2, 2021.

The Finance Head and Auditors attended the meeting by Invitation. The Chairman of the Audit Committee was present at the Tenth Annual General Meeting of the Company held on September 30, 2020.

The Board of Directors of the Company had accepted all recommendations of the committee which are mandatorily required, during the Financial Year 2020-21.

## (B) Nomination & Remuneration Committee Composition

The Nomination & Remuneration Committee as on March 31, 2021 comprised of three Non-Executive Directors as its members namely Mr. Jeevagan Narayana Swami Nadar, as the Chairperson and member, Mr. Sanjiv Chhikara and Mrs. Namita as the other two members. Mr. Jeevagan and Mr. Chhikara are Independent Directors.

### Terms of reference

The terms of reference of Nomination & Remuneration Committee, inter-alia, include:

- to recommend to the Board, compensation terms of the Executive Directors;
- 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;
- formulation of the criteria for evaluation of performance of independence director and the board of directors.
- devising a policy on diversity of board of directors;
- 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;
- 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.

## Meetings and Attendance during the year

During the FY 2020-21, the Nomination and Remuneration Committee met three times. The dates of the meetings being July 30, 2020, September 4, 2020 and January 28, 2021.

## Report on Corporate Governance (Contd.)

The attendance record of the committee members to the meetings so held is depicted in the table given below:

| Sr. No. | Name of the Director              | Meetings held during the tenure | No. of Meetings attended |
|---------|-----------------------------------|---------------------------------|--------------------------|
| 1.      | Mr. Jeevagan Narayana Swami Nadar | 3                               | 3                        |
| 2.      | Mrs. Namita                       | 3                               | 3                        |
| 3.      | Mr. Sanjiv Chhikara               | 3                               | 2                        |

The Chairman of the Nomination and Remuneration Committee was present at the Tenth Annual General Meeting of the Company held on September 30, 2020.

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the Financial Year 2020-21 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship and Corporate Social Responsibility Committees.

The Nomination and Remuneration Committee (NRC) has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter-alia, structure of the Board, qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of Management's performance and feedback, independence of management from the Board, access of Board and Management to each other, succession plan and professional development; degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and management.

Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to Management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate of the Committee and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, Agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and Management.

A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance note issued by SEBI vide circular no. CMD/CIR/P/2017/004 dated 05.01.2017.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to Management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The Directors expressed their satisfaction with the evaluation process.

The performance of the Independent Directors was also reviewed and evaluated by the entire Board and in such exercise, the director concerned whose performance was being evaluated, did not participate.

The criteria used for evaluation were, the performance of each director as evidenced by the level of participation in the affairs of the Company, gauged by the inputs/ suggestions received from such a director and as to whether the concerned director fulfilled each of the criteria for independence, laid down in law.

Towards the evaluation of performance questionnaires were circulated and individual feedback meetings were held with various directors, committee members and the Chairman, all of which were compiled into detailed reports at the end of the financial year, the consolidated report being once again finally discussed and reviewed and thereupon documented and preserved in records.

## **Remuneration Policy**

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results.

The Company's Nomination, Appointment and Remuneration Policy for Directors, Executive Directors and Senior Management Personnel is accessible on the Company's website at the <https://www.rattanindiaenterprises.com/investors/policies/>.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the SEBI Regulations, the Committee is responsible for *inter alia* formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has adopted the Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other senior employees of the Company.

Company's remuneration policy is market-led and takes into account the competitive circumstances of the business so as to attract and retain quality talent and leverage performance significantly. However while fixing the remuneration for its key managerial personnel and other senior management personnel, care is taken to ensure that the financial prudence is not compromised with and that a reasonable parity commensurate with the level of responsibility and quantum of work handled, is maintained between the remuneration of personnel at different hierarchical level.

## **Remuneration of Directors**

### **(i) Remuneration of Executive Directors**

Mr. Rajiv Rattan, Whole-time Director in the Company did not draw any remuneration from the Company during the financial year 2020-21. There is no other executive director on the Board of the Company.

### **(ii) Remuneration of Non-Executive Directors**

Non-Executive Directors have not been paid any remuneration/sitting fees during the Financial Year 2020-21.

## **(C) Stakeholders Relationship Committee Composition**

The Stakeholders Relationship Committee of the Board as on March 31, 2021 comprised of Mr. Sanjiv Chhikara as the Chairperson and member, Mr. Rajiv Rattan and Mrs. Namita as the other two members. Mr. Sanjiv Chhikara is a Non-Executive Independent Director and Mr. Rajiv Rattan is Executive Director and Mrs. Namita is a Non-executive Director.

## **Terms of reference**

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The terms of reference of the Stakeholders Relationship Committee, inter-alia are as follows;

- (a) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- (b) Review of measures taken for effective exercise of voting rights by shareholders.
- (c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (d) Review of the various measures and initiatives taken by the Company for annual reports/ statutory notices by the shareholders of the company.

## Report on Corporate Governance (Contd.)

The Committee in order to meaningfully serve the purpose of its creation and effectively discharge its responsibility works in close coordination with the Company Secretarial Department of the Company and the Registrar and Transfer Agent appointed by the Company. The emphasis is always on working in closely with each other so that not only the investor grievances are resolved meaningfully and in time, to their utmost satisfaction, but also that suitable measures are taken to prevent the possibility of recurrence of such grievances.

Additionally, the Committee has been vested with the responsibility of approving the requests for share transfers and transmissions, requests pertaining to rematerialization of shares/subdivision/consolidation of shares/issue of renewed and duplicate certificates etc. for which purpose the authority at the basic operational level has been delegated by the Committee to Mr. Sanjiv Chhikara, the Chairman of the Committee.

### Meetings and Attendance during the year

During the FY 2020-21, the Stakeholders Relationship Committee met four times. The dates of the meetings being April 13, 2020, July 15, 2020, October 15, 2020 and January 13, 2021.

The attendance record of the committee members to the meetings so held is depicted in the table given below:

| Sr. No. | Name of the Director | Meetings held during the tenure | No. of Meetings attended |
|---------|----------------------|---------------------------------|--------------------------|
| 1.      | Mr. Rajiv Rattan     | 4                               | 2                        |
| 2.      | Mrs. Namita          | 4                               | 4                        |
| 3.      | Mr. Sanjiv Chhikara  | 4                               | 4                        |

The Chairman of the Stakeholders Relationship Committee was present at the Tenth Annual General Meeting of the Company held on September 30, 2020.

### Name and designation of compliance officer

Mr. R.K. Agarwal, Company Secretary is the Compliance Officer, pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Details of queries/complaints received and resolved

During the FY 2020-21, no complaint was received.

### (D) Corporate Social Responsibility (CSR) Committee Composition

The Corporate Social Responsibility Committee (CSR Committee) of the Board on March 31, 2021 comprised of Mr. Sanjiv Chhikara as the Chairperson and member, Mrs. Neha Poonia and Mrs. Namita as the other two members.

CSR Committee is primarily responsible for formulating and monitoring the implementation of the framework of Corporate Social Responsibility Policy and matters related to its overall governance.

### Terms of reference

The terms of reference of the CSR Committee inter-alia, include:

- to recommend to the Board, the CSR activity to be undertaken by the Company;
- to recommend the amount of expenditure to be incurred on the CSR activity;
- to oversee and review the effective implementation of the CSR activity;
- to ensure compliance of all related applicable regulatory requirements.

The CSR Policy of the Company may be accessed on its website at the link: <https://www.rattanindiaenterprises.com/investors/policies/>

### Meetings and Attendance during the year

During the FY 2020-21, no meeting of the Corporate Social Responsibility Committee was held.



## 5. GENERAL BODY MEETINGS

### A. Location and time of the last three Annual General Meetings (AGMs)

The location and time of the last three Annual General Meetings are as follows:

| Annual General Meeting (AGM) | Year      | Location   | Date               | Time       |
|------------------------------|-----------|--|--------------------|------------|
| 8th AGM                      | 2017-2018 | Centaur Hotel, IGI Airport, Delhi- Gurgaon Road, New Delhi – 110 037 | September 28, 2018 | 12:00 Noon |
| 9th AGM                      | 2018-2019 | Centaur Hotel, IGI Airport, Delhi- Gurgaon Road, New Delhi – 110 037 | September 26, 2019 | 12:00 Noon |
| 10th AGM                     | 2019-2020 | Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) | September 30, 2020 | 5:00 P.M.  |

### B. Details of special resolutions passed in the previous three AGMs:

- (I) In the Eighth AGM of the Company for the FY 2017-2018 held on September 28, 2018, 3 special resolutions as briefly specified hereunder were passed:
  - (i) Private placement of Non-Convertible Debentures including Bonds.
  - (ii) Appointment of Mr. Raghunandan Kumar Sharma (PAN: AEZPS2240F) as the Manager of the Company.
  - (iii) Authorisation to provide financial assistance to RattanIndia Power Limited.
- (II) In the Ninth AGM of the Company for the FY 2018-19 held on September 26, 2019, 8 special resolutions as briefly specified hereunder were passed:
  - (i) Re-appointment of Mr. Jeevagan Narayana Swami Nadar (DIN:02393291) as an Independent Director for a second consecutive term of five years.
  - (ii) Re-appointment of Mr. Sanjiv Chhikara (DIN:06966429) as an Independent Director for a second term of five years.
  - (iii) Private placement of Non-Convertible Debentures.
  - (iv) Approval to the institution of RattanIndia Enterprises Limited Limited Employees Stock Option Plan 2019.
  - (v) Approval of RattanIndia Enterprises Limited Limited Employees Stock Option Plan 2019 for employees of subsidiary(ies) of the Company or its Holding Company, if any in future.
  - (vi) Authorisation under Section 186 of the Companies Act, 2013, to provide financial assistance to RattanIndia Power Limited.
  - (vii) Authorisation under Section 185 of the Companies Act, 2013, to provide financial assistance to RattanIndia Power Limited.
  - (viii) Authorization to provide financial assistance to Sinnar Thermal Power Limited
- (III) In the Tenth AGM of the Company for the FY 2019-20 held on September 26, 2019, 8 special resolutions as briefly specified hereunder were passed:
  - (i) Alteration of the Objects Clause of the Memorandum of Association of the Company.
  - (ii) Change of the name of the Company.
  - (iii) Approval to the appointment and remuneration of Mr. Rajiv Rattan as an Executive Director and by virtue of the same, as the Executive Chairman.
  - (iv) Authorisation for a QIP Issue.

During the FY 2020-21, no approval of shareholders was taken through Postal Ballot.

## 6. DISCLOSURES

### (i) Details on materially significant related party transactions

All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee

## Report on Corporate Governance (Contd.)

is obtained on a yearly basis for the transactions which are repetitive in nature. The actual transactions entered into pursuant to the omnibus approval so granted are placed at quarterly meetings of the Audit Committee.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <https://www.rattanindiaenterprises.com/investors/policies>.

### **(ii) Details of non-compliance, penalties etc. imposed by Stock Exchange, SEBI etc. on any matter related to capital markets, during the last three years**

During FY 2018-19, the Company was non-compliant with Regulation 38 of LODR for a brief period i.e. there was a decrease in the Minimum Public Shareholding which was consequent to an open offer made by the Promoters of the Company. A fine of ₹ 2,00,600/- (inclusive of taxes) each by NSE and BSE was imposed on the Company due to the said non-compliance. The Company had paid the fine within time to both the exchanges.

During FY 2020-21, the Company was non-compliant with Regulation 17 of LODR w.r.t. appointment of Independent Woman Director by April 1, 2020 as per Market Capitalization of the Company falling in top 1000 Companies list. Both the stock exchanges imposed penalty on the Company for the period of non-compliance upto July 29, 2020. Mrs. Neha Poonia was appointed as an Independent Woman Director on the Board of the Company w.e.f. July 30, 2020. The Company had made a representation to the exchanges seeking relief on the penalty imposed, as due to Covid pandemic situation prevailing at that time and the even on the efforts made by the Company, Independent Woman Director was not appointed. BSE accepted the representation and the penalty was waived by it, however NSE rejected the waiver request and a fine of ₹ 7,08,000 was paid to NSE.

Except above there has been no instance of any non-compliance by the Company on any matter related to capital markets or any other statute and hence, of any penalties or strictures being imposed on the Company by SEBI or the Stock Exchanges or any other statutory authorities on any such matters.

### **(iii) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee**

The Company has in place a highly effective Whistle Blower Policy which sets out the process and mechanism whereby employees at various levels in the organization can bring to the notice of the management any violations of the applicable laws, regulations as also any unethical or unprofessional conduct.

All such reports are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported so that adequate rectifying measures can be initiated in the right earnest, at the appropriate levels.

Further, in order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees, identity of the employees is kept strictly confidential.

It would be pertinent to mention here that the Audit Committee set by the Board, constitutes a vital component of the Whistle Blower Mechanism and instances of financial misconduct, if any, are reported to the Audit committee. No employee is denied to have a direct access to the Chairman of the Audit Committee. The Policy on vigil mechanism/ Whistle Blower Policy may be accessed on the Company's website at the link: <https://www.rattanindiaenterprises.com/investors/policies/>

### **(iv) As on March 31, 2021 there is a Subsidiary of the Company namely, Neotec Enterprises Limited which was incorporated as on March 19, 2021.**

### **(v) Details of compliance with mandatory requirements and adoption of the discretionary requirements**

The Company has complied with all the mandatory requirements of the applicable/relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for the non-compliance as referred in 6(ii) above. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the discretionary requirements is given at the end of the Report.

### **(vi) Disclosures in relation to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a. Number of complaints filed during the financial year 2020-21 – Nil
- b. Number of complaints disposed of during the financial year 2020-21 - Nil
- c. Number of complaints pending as on end of the financial year 2020-21 – Nil

## (vii) Fees paid to the Statutory Auditors

Total fees for all services, paid by the Company to statutory auditors of the Company during the year ended March 31, 2021, was ₹ 15,50,000/- (Rupees Fifteen Lakh Fifty Thousand only).

## 7. MEANS OF COMMUNICATION

- (i) **Publication of Results:** The quarterly/annual results of the Company are published in Financial Express and Jansatta, leading newspapers.
- (ii) **News, Release, etc:** The Company has its own website <https://www.rattanindiaenterprises.com/> and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations, corporate announcements etc. are regularly posted on the website.
- (iii) **Management's Discussion and Analysis Report:** The same has been included in a separate section, which forms a part of the Annual Report.
- (iv) **Investor Relation:** The Company's website contains a separate dedicated section 'Investors' and 'News & Media' where general information to the shareholders of the Company is available.
- (v) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, etc. are filed electronically on NEAPS.
- (vi) **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report etc. are filed electronically on the Listing Centre.
- (vii) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system.

## 8. GENERAL SHAREHOLDERS' INFORMATION

### (A) Company Registration Details

The Company is registered in the State of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74110DL2010PLC210263.

### (B) Date and Time of Annual General Meeting (AGM)

The date and time of the AGM which will be held through VC/OAVM means has been indicated in the Notice convening the AGM, which forms a part of the Annual Report.

### (C) Profile of Directors seeking appointment/re-appointment

#### (i) Mr. Rajesh Kumar, Non-Executive Director

Mr. Rajesh Kumar is a B. Tech (Mechanical), from Bangalore University and also holds post graduate diploma in management with specialisation in marketing and materials management from Indian Institute of Business Management, Patna.

He carries with him, 30 rich years of experience in thermal Power projects, varied from pre bid & post bid activities post award activities project execution projects material procurements preparation of detailed project reports(dpr) looking direct taxes & indirect taxes for mega status project and special economy zone project(sez) contracts & commercial management site management. He is an astute professional with significant exposure in executing and spearheading projects involving engineering, development, administration, resource planning with a flair for adopting modern methodologies in compliance to Quality standards.

Mr. Rajesh Kumar is also on the Board of Albina Power Limited and Amravati Power Transmission Company Limited.

## Report on Corporate Governance (Contd.)

Membership/Chairpersonship of Mr. Rajesh Kumar in committees of various companies is as under:

| Name of the Company                         | Name of Committee                                       | Chairperson/Member |
|---|---|--------------------|
| Amravati Power Transmission Company Limited | Audit Committee and Nomination & Remuneration Committee | Member             |
| RattanIndia Enterprises Limited             | Risk Management Committee                               | Member             |

Mr. Rajesh Kumar does not hold share in the Company and is not related to any other director of the Company.

### (ii) Mrs. Namita, Non-Executive Director

Mrs. Namita is a Management and Law graduate with rich experience in the field of Human Resource Development in various industrial sectors such as power, cement, mining etc.

Mrs. Namita is also on the Board of RattanIndia Power Limited and Diana Energy Limited.

Membership/Chairpersonship of Mrs. Namita in committees of various companies is as under:

| Name of the Company             | Name of Committee   | Chairperson/Member |
|---------------------------------|---|--------------------|
| RattanIndia Power Limited       | Nomination & Remuneration Committee and Corporate Social Responsibility Committee                                       | Member             |
| RattanIndia Enterprises Limited | Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee | Member             |

Mrs. Namita does not hold share in the Company and is not related to any other director of the Company.

### (D) Financial Year

The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

### (E) Date of Book Closure

Book Closure dates have been provided in the Notice convening the AGM forming part of this Annual Report.

### (F) Dividend Payment date

No dividend has been recommended by the Board for the FY 2020-21.

### (G) (i) Distribution of shareholding as on March 31, 2021

| Sr. No. | Shareholding of nominal value (in ₹) | No. of holders | % to total holders | Value (in ₹)      | % to nominal value |
|---------|--------------------------------------|----------------|--------------------|-------------------|--------------------|
|         | <b>From - To</b>                     |                |                    |                   |                    |
| 1       | 1 – 5000                             | 66,653         | 90.36              | 5,14,42,790.00    | 1.86               |
| 2       | 5001 - 10000                         | 3,335          | 4.52               | 2,50,66,578.00    | 0.91               |
| 3       | 10001 - 20000                        | 1,730          | 2.35               | 2,67,58,148.00    | 0.97               |
| 4       | 20001 - 30000                        | 582            | 0.79               | 1,46,85,648.00    | 0.53               |
| 5       | 30001 - 40000                        | 332            | 0.45               | 1,21,89,806.00    | 0.44               |
| 6       | 40001 - 50000                        | 228            | 0.31               | 1,05,17,240.00    | 0.38               |
| 7       | 50001 - 100000                       | 425            | 0.58               | 3,15,12,576.00    | 1.14               |
| 8       | 100001 and Above                     | 475            | 0.64               | 259,23,66,398.00  | 93.77              |
|         | <b>TOTAL</b>                         | <b>73,760</b>  | <b>100.00</b>      | <b>2764539184</b> | <b>100.00</b>      |

## (ii) Shareholding pattern as on March 31, 2021

| Sr. No. | Category                                   | No. of Shares        | % holding     |
|---------|--|----------------------|---------------|
| 1       | Promoters                                  | 103,32,36,772        | 74.75         |
| 2       | Financial Institutions/Banks/ Mutual Funds | 1,032                | 0.00          |
| 3       | FII's/Foreign Portfolio Investors          | 12,49,64,188         | 9.04          |
| 4       | Private Bodies Corporate                   | 2,21,82,258          | 1.60          |
| 5       | Indian Public                              | 16,25,00,315         | 11.76         |
| 6       | NRIs                                       | 1,68,77,219          | 1.22          |
| 7       | Other foreign entities                     | 1,95,46,987          | 1.41          |
| 8       | Clearing Members                           | 29,60,231            | 0.21          |
|         | <b>Total</b>                               | <b>138,22,69,592</b> | <b>100.00</b> |

## (H) Dematerialization of shares and liquidity

Shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the depositories i.e. NSDL and CDSL.

99.99% Equity shares of the Company representing 138,20,90,987 out of a total of 138,22,69,592 Equity shares as on March 31 2021, were held in dematerialized form with NSDL & CDSL with a miniscule balance of 1,78,605 Equity shares, constituting about 0.01% of the total outstanding Equity shares, being held in physical form.

## (I) Outstanding Convertible Instruments

There are 1,00,000 stock options outstanding which were granted on June 30, 2021 i.e. post closure of the financial year.

## (J) Commodity price risk or foreign exchange risk and hedging activities

Not applicable

## (K) Listing on Stock Exchanges

The Company's shares are listed on the following stock exchanges:

National Stock Exchange of India Limited (NSE)

"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Payment of Listing Fee

Annual listing fee for the Financial Year 2021-22 has been paid by the Company to BSE and NSE, within the stipulated time.

## (L) Stock/Scrip Code

|  |                |
|--|----------------|
| BSE Limited                              | - 534597       |
| National Stock Exchange of India Limited | - RTNINDIA     |
| ISIN for Dematerialization               | - INE834M01019 |

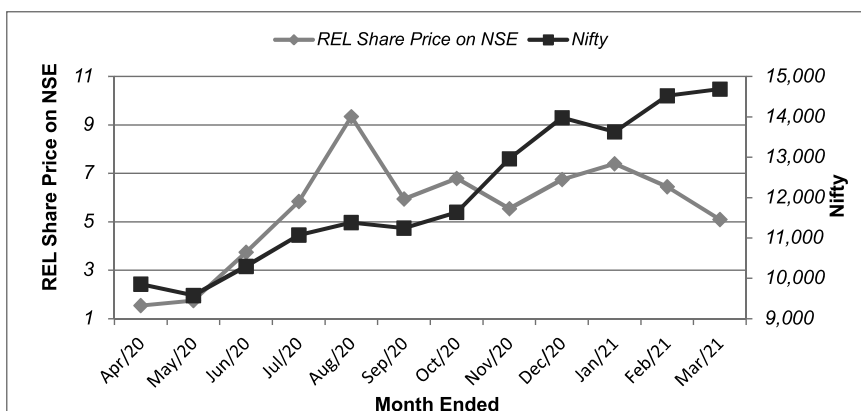
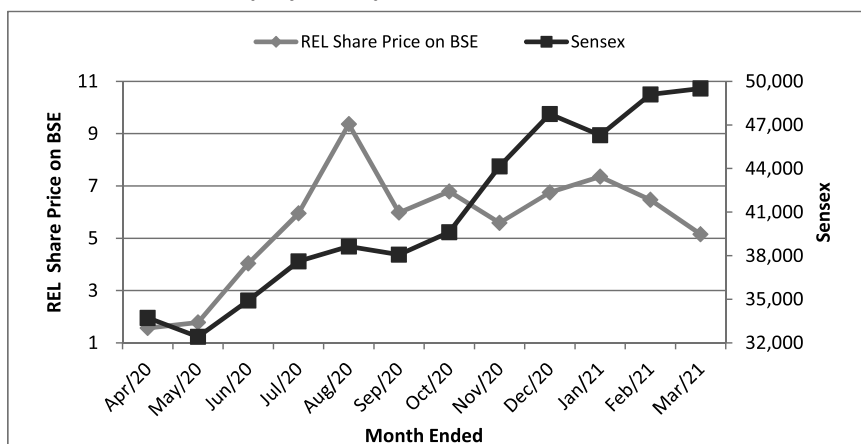
## Report on Corporate Governance (Contd.)

### (M) Stock Market Price at National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE)

The monthly high and low market prices of shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2021 are as under:

| Month           | NSE      |         | BSE      |         |
|-----------------|----------|---------|----------|---------|
|                 | High (₹) | Low (₹) | High (₹) | Low (₹) |
| April, 2020     | 1.95     | 1.55    | 2.05     | 1.55    |
| May, 2020       | 1.75     | 1.50    | 1.78     | 1.48    |
| June, 2020      | 3.75     | 1.75    | 4.04     | 1.85    |
| July, 2020      | 5.85     | 2.85    | 6.09     | 2.99    |
| August, 2020    | 11.35    | 6.10    | 11.47    | 6.10    |
| September, 2020 | 8.90     | 5.25    | 8.90     | 5.18    |
| October, 2020   | 7.10     | 4.80    | 7.32     | 4.81    |
| November, 2020  | 7.10     | 5.45    | 7.12     | 5.51    |
| December, 2020  | 7.45     | 5.55    | 7.36     | 5.47    |
| January, 2021   | 8.45     | 6.40    | 8.70     | 6.31    |
| February, 2021  | 8.00     | 6.20    | 8.25     | 6.30    |
| March, 2021     | 7.55     | 4.70    | 7.55     | 4.75    |

### N) Performance of the Company in comparison to broad-based indices



## (O) Registrar and Transfer Agents

KFin Technologies Private Limited are acting as the Registrar and Transfer Agents of the Company for handling the share related matters, both in physical and dematerialised mode.

**The contact details are as under:**

**KFin Technologies Private Limited**

Unit : RattanIndia Enterprises Limited  
Karvy Selenium, Tower-B, Plot No. 31 & 32,  
Gachibowli, Financial District, Nanakramguda  
Serilingampally, Hyderabad-500032

Contact Person: Ms. C Shobha Anand, DGM  
Tel : 040-67162222  
Fax: 040-23001153  
E-mail: einward.ris@kfintech.com

## (P) Share Transfer System

The Share transfer system in the Company comprises of two components viz the Stakeholders' Relationship Committee (the Committee) and the Registrar and Transfer Agent of the Company (RTA) which work hand in hand to process and approve the requests received for transfer or transmission of the shares in the physical segment. Share transfer/ transmission requests are being processed within the stipulated time, with the RTA sending the requests which have already been scrutinized by it and found to be in order, to the Committee for its approval and the Committee approves the same and communicates its approval to the RTA. The Committee receives from the RTA, the details and documents pertaining to the requests which have not been found to be in order, for its information and examination. The certificates pertaining to the transferred shares are mailed to the concerned investors by the RTA immediately upon approval of transfers, so as to reach such investors well within the time stipulated under the Listing Regulations.

## (Q) Address for Correspondence Registered Office:

H.No. 9, First Floor,  
Vill. Hauz Khas,  
New Delhi- 110 016  
Email: rel@rattanindia.com  
Tel: 011-46611666, Fax: 011-46611777  
Website: [www.rattanindiaenterprises.com](http://www.rattanindiaenterprises.com)

## (R) Demat suspense account/ Unclaimed suspense account

| S. No. | Particulars  | No. of Shareholders | No. of shares |
|--------|--|---------------------|---------------|
| 1      | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | 28                  | 2780          |
| 2      | Number of shareholders who approached listed entity for transfer of shares from suspense account during the year       | 0                   | 0             |
| 3      | Number of shareholders to whom shares were transferred from suspense account during the year                           | 0                   | 0             |
| 4      | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year       | 28                  | 2780          |

## (S) "No Disqualification Certificate" from Company Secretary in Practice

Certificate from S.Khandelwal & Co., Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.



## Report on Corporate Governance (Contd.)

### 9. COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to and forms a part of the Annual Report.

### 10. EXECUTIVE DIRECTOR & EXECUTIVE CHAIRMAN CERTIFICATION

The certificate in compliance with Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, signed by the Executive Director and Executive Chairman, was placed before the Board of Directors and annexed herewith.

### 11. DISCRETIONARY REQUIREMENTS

Status of Compliance of Discretionary requirements in compliance with Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

#### (A) Non-Executive Chairman

Not applicable. Mr. Rajiv Rattan who was earlier a non-executive Chairman, is currently the Executive Chairman and Whole-time director of the Company w.e.f. September 4, 2020.

#### (B) Separate Posts of Chairman and Chief Executive Officer

The Company does not have any Chief Executive Officer.

#### (C) Shareholders' Rights

The Company is getting its quarterly/half yearly and annual financial results published in leading newspapers with wide circulation across the country and regularly updates the same and other important information on its public domain website. In view of the same, individual communication of quarterly/half yearly and annual financial results to the shareholders is not being made at present.

#### (D) Unmodified Audit Report

The Auditors' Report on the audited annual accounts of the Company does not contain any qualification and it shall be the endeavor of the Company to continue the trend by strengthening the existing accounting systems and controls as well as ensuring complete adherence to the applicable accounting standards, procedures and practices to have unmodified audit opinion.

#### (E) Reporting of Internal Auditor

The Company has an Internal Auditor, who was appointed by the Board of Directors, on the recommendation of the Audit Committee. The Internal Auditor reports directly to the Audit Committee with his reports being subsequently forwarded to the Board of Directors by the Audit Committee.

### DECLARATION AS REQUIRED UNDER THE LISTING REGULATIONS

All Directors and senior management of the Company have affirmed compliance with the RattanIndia Enterprises Limited Code of Conduct for the financial year ended 31st March, 2021.

Sd/-  
**Rajiv Rattan**  
Chairman

## CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To  
**The Members**  
**RattanIndia Enterprises Limited**

We have examined the compliance of conditions of Corporate Governance by RattanIndia Enterprises Limited ("the Company"), for the year ended March 31, 2021, as prescribed in Regulations 17 to 27, 46(2)(b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") for the period ended March 31, 2021

We state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management and 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 an 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 LODR.

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

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **S. Khandelwal & Co.**  
Company Secretaries

Sd/-  
**Sanjay Khandelwal**  
Proprietor  
Membership No: FCS-5945  
CP No.: 6128  
UDIN: F005945C000728997

Date : August 3, 2021  
Place : New Delhi

# Report on Corporate Governance (Contd.)

## EXECUTIVE DIRECTOR AND EXECUTIVE CHAIRMAN CERTIFICATION

To  
**The Board of Directors**  
**RattanIndia Enterprises Limited**

I, the undersigned, in my capacity as Executive Director and Executive Chairman of RattanIndia Enterprises Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and to the best of our knowledge and belief, I state that:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) 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) I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and having evaluated the same, state there was nothing to disclose to the Auditors and the Audit Committee as to deficiencies in the design or operation of internal controls as no such deficiencies were to the best of our knowledge and information, found.
- (d) It has been indicated to the Audit Committee and the Auditors that:
  - (1) there have not been any significant changes in internal control over financial reporting during the year ended March 31, 2021;
  - (2) there have not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (3) I am not aware of any instances of significant fraud with involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: June 18, 2021  
Place: New Delhi

Sd/-  
**Rajiv Rattan**  
Executive Director and Executive Chairman

### NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

To  
The Members,  
**RattanIndia Enterprises Limited,**  
H. No. 9, First Floor,  
Vill. Hauz Khas,  
New Delhi – 110016

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **RattanIndia Enterprises Limited** having CIN: L74110DL2010PLC210263 and having registered office at H. No. 9, First Floor, Vill. Hauz Khas, New Delhi-110016 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, for the financial year ending on 31 March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. Khandelwal & Co.**  
Company Secretaries

Sd/-  
**Sanjay Khandelwal**  
Proprietor

Membership No: FCS-5945  
CP No.: 6128  
UDIN: F005945C000729030

Date : August 3, 2021  
Place : New Delhi

# Independent Auditor's Report

**TO THE MEMBERS OF RATTANINDIA ENTERPRISES LIMITED  
(FORMERLY RATTANINDIA INFRASTRUCTURE LIMITED)  
REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

**Opinion**

- 1) We have audited the accompanying standalone financial statements of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
- 2) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matter – COVID 19**

- 4) We draw attention to Note 42 of the accompanying financial Statement, which describes the uncertainties due to the outbreak of COVID-19 pandemic and the management's evaluation of the same on the standalone financial results as at reporting date. In view of these uncertainties, the impact on the value of investment is significantly dependent on future developments.

Our opinion is not modified in respect of this matter.

**Key Audit Matter**

- 5) Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- 6) We have determined that there are no key audit matters to communicate in our report.

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

- 7) The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

- 8) The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 9) In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 10) Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

- 11) Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 12) As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

## Independent Auditor's Report (contd.)

- 13) 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.
- 14) 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.
- 15) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

- 16) The standalone financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, Sharma Goel & Co LLP, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 26 June 2020.

### Report on Other Legal and Regulatory Requirements

- 17) Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
- 18) As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 19) Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, 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 purpose of our audit of the accompanying standalone financial statements;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 18 June 2021 as per Annexure B expressed unmodified opinion; and
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i) the Company does not have any pending litigation which would impact its financial position as at 31 March 2021;
    - ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
    - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and



- iv) the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

UDIN: 21504774AAAAEG7722

**Place:** New Delhi

**Date:** 18 June 2021

## Annexure A to the Independent Auditor's Report

### ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF RATTANINDIA ENTERPRISES LIMITED (FORMERLY RATTANINDIA INFRASTRUCTURE LIMITED), ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
- c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments and guarantee. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans and security.
- v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii) a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- b) There are no dues in respect of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

- xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Place:** New Delhi  
**Date:** 18 June 2021

**Rohit Arora**  
Partner  
Membership No.: 504774  
UDIN: 21504774AAAAEG7722

## Annexure B to the Independent Auditor's Report

### **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF RATTANINDIA ENTERPRISES LIMITED (FORMERLY RATTANINDIA INFRASTRUCTURE LIMITED), ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

- 1) In conjunction with our audit of the standalone financial statements of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

#### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

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

#### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

- 3) Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
- 4) Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- 5) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with Reference to Financial Statements**

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

#### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

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

### Opinion

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

UDIN: 21504774AAAAEG7722

**Place:** New Delhi

**Date:** 18 June 2021

# Balance Sheet

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

|  | Note | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------|------------------------|------------------------|
| <b>ASSETS</b>                                      |      |                        |                        |
| <b>Non-current assets</b>                          |      |                        |                        |
| Property, plant and equipment                      | 4    | 4.87                   | 5.04                   |
| Financial assets                                   |      |                        |                        |
| Investments  | 5    | 59,251.00              | 59,250.00              |
| Deferred tax assets (net)                          | 6    | 20.32                  | 20.32                  |
| Non-current tax assets (net)                       | 7    | 54.41                  | 60.01                  |
| Other non-current assets                           | 8    | -                      | 6,825.21               |
|  |      | <b>59,330.60</b>       | <b>66,160.58</b>       |
| <b>Current assets</b>                              |      |                        |                        |
| Financial assets                                   |      |                        |                        |
| Investments  | 9    | 8,434.97               | -                      |
| Cash and cash equivalents                          | 10   | 3.28                   | 5.44                   |
| Bank balances other than cash and cash equivalents | 11   | -                      | 1,554.11               |
| Other current assets                               | 8    | 0.13                   | 3.80                   |
|  |      | <b>8,438.38</b>        | <b>1,563.35</b>        |
| <b>TOTAL ASSETS</b>                                |      | <b>67,768.98</b>       | <b>67,723.93</b>       |
| <b>EQUITY AND LIABILITIES</b>                      |      |                        |                        |
| <b>Equity</b>                                      |      |                        |                        |
| Equity share capital                               | 12   | 27,645.39              | 27,645.39              |
| Other equity                                       | 13   | 40,060.87              | 40,065.41              |
|  |      | <b>67,706.26</b>       | <b>67,710.80</b>       |
| <b>Non-current liabilities</b>                     |      |                        |                        |
| Provisions   | 14   | 8.57                   | 1.77                   |
|  |      | <b>8.57</b>            | <b>1.77</b>            |
| <b>Current liabilities</b>                         |      |                        |                        |
| Financial liabilities                              |      |                        |                        |
| Other financial liabilities                        | 15   | 27.52                  | 9.55                   |
| Other current liabilities                          | 16   | 26.44                  | 1.76                   |
| Provisions   | 17   | 0.19                   | 0.05                   |
|  |      | <b>54.15</b>           | <b>11.36</b>           |
| <b>TOTAL EQUITY AND LIABILITIES</b>                |      | <b>67,768.98</b>       | <b>67,723.93</b>       |

Significant accounting policies and accompanying notes are integral part of the standalone financial statements

This is the balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Rohit Arora**

Partner

Membership No.: 504774

Place: New Delhi

Date: 18 June 2021

For and on behalf of the Board of Directors

**Rajiv Rattan**

Chairman

DIN: 00010849

Place: London, UK

Date: 18 June 2021

**Rajesh Kumar**

Director

DIN: 03291545

Place: New Delhi

Date: 18 June 2021

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021

# Statement of Profit and Loss

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)



|  | Note | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|------|-------------------------------------|-------------------------------------|
| <b>Revenue</b>   |      |                                     |                                     |
| Revenue from operations                                | 18   | 10.00                               | -                                   |
| Other income   | 19   | 172.02                              | 156.59                              |
|  |      | <b>182.02</b>                       | <b>156.59</b>                       |
| <b>Expenses</b>  |      |                                     |                                     |
| Employee benefits expense                              | 20   | 99.14                               | 9.32                                |
| Finance costs  | 21   | 0.01                                | 122.71                              |
| Depreciation expense                                   | 4    | 0.17                                | 0.16                                |
| Other expenses   | 22   | 81.88                               | 62.33                               |
|  |      | <b>181.20</b>                       | <b>194.52</b>                       |
| <b>Profit/ (loss) before tax</b>                       |      | <b>0.82</b>                         | <b>(37.93)</b>                      |
| <b>Tax expense</b>                                     | 36   |                                     |                                     |
| Current tax  |      | -                                   | -                                   |
| Deferred Tax   |      | -                                   | -                                   |
| <b>Net profit/ (loss) for the year</b>                 |      | <b>0.82</b>                         | <b>(37.93)</b>                      |
| <b>Other comprehensive income</b>                      |      |                                     |                                     |
| Items that will not be reclassified to profit and loss |      |                                     |                                     |
| Re-measurement of post-employment benefit obligations  |      | (5.36)                              | (0.11)                              |
| <b>Other comprehensive loss for the year</b>           |      | <b>(5.36)</b>                       | <b>(0.11)</b>                       |
| <b>Total comprehensive loss for the year</b>           |      | <b>(4.54)</b>                       | <b>(38.04)</b>                      |
| <b>Earnings/ (loss) per equity share</b>               | 25   |                                     |                                     |
| Basic (₹)  |      | 0.000                               | (0.003)                             |
| Diluted (₹)  |      | 0.000                               | (0.003)                             |

Significant accounting policies and accompanying notes are integral part of the standalone financial statements

This is the statement of profit and loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Rohit Arora**

Partner

Membership No.: 504774

Place: New Delhi

Date: 18 June 2021

For and on behalf of the Board of Directors

**Rajiv Rattan**

Chairman

DIN: 00010849

Place: London, UK

Date: 18 June 2021

**Rajesh Kumar**

Director

DIN: 03291545

Place: New Delhi

Date: 18 June 2021

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021



# Statement of Changes in Equity

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## A Equity share capital (refer note 12)

| Particulars          | Balance as at<br>1 April 2019 | Movement<br>during the year | Balance as at<br>31 March 2020 | Movement<br>during the year | Balance as at<br>31 March 2021 |
|----------------------|-------------------------------|-----------------------------|--------------------------------|-----------------------------|--------------------------------|
| Equity share capital | 27,645.39                     | -                           | 27,645.39                      | -                           | 27,645.39                      |

## B Other equity (refer note 13)

| Particulars                        | Reserves and Surplus |                       |  |                      | Total            |
|------------------------------------|----------------------|-----------------------|--|----------------------|------------------|
|                                    | Capital<br>Reserve   | Securities<br>Premium | Employee's<br>stock options<br>outstanding | Retained<br>Earnings |                  |
| <b>Balance as at 1 April 2019</b>  | <b>37,928.46</b>     | <b>3,296.34</b>       | <b>0.29</b>                                | <b>(1,121.64)</b>    | <b>40,103.45</b> |
| Loss for the year                  | -                    | -                     | -  | (37.93)              | (37.93)          |
| Other comprehensive loss           | -                    | -                     | -  | (0.11)               | (0.11)           |
| <b>Balance as at 31 March 2020</b> | <b>37,928.46</b>     | <b>3,296.34</b>       | <b>0.29</b>                                | <b>(1,159.68)</b>    | <b>40,065.41</b> |
| Profit for the year                | -                    | -                     | -  | 0.82                 | 0.82             |
| Other comprehensive loss           | -                    | -                     | -  | (5.36)               | (5.36)           |
| <b>Balance as at 31 March 2021</b> | <b>37,928.46</b>     | <b>3,296.34</b>       | <b>0.29</b>                                | <b>(1,164.22)</b>    | <b>40,060.87</b> |

Significant accounting policies and accompanying notes are integral part of the standalone financial statements

This is the statement of changes in equity referred to in our report of even date.

**For Walker Chandio & Co LLP**  
Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Rohit Arora**  
Partner

Membership No.: 504774

Place: New Delhi  
Date: 18 June 2021

**Rajiv Rattan**  
Chairman  
DIN: 00010849

Place: London, UK  
Date: 18 June 2021

**Rajesh Kumar**  
Director  
DIN: 03291545

Place: New Delhi  
Date: 18 June 2021

**Ram Kumar Agarwal**  
Company Secretary

Place: New Delhi  
Date: 18 June 2021

# Cash Flow Statement

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)



|  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>   |                                     |                                     |
| Net profit/ (loss) before tax  | 0.82                                | (37.93)                             |
| <b>Adjustment for:</b>   |                                     |                                     |
| Provision for employee benefits and others   | 1.58                                | 0.27                                |
| Interest income on fixed deposit   | (42.31)                             | (148.44)                            |
| Gain on mutual fund  | (128.39)                            | -                                   |
| Finance costs  | 0.01                                | 122.71                              |
| Provision/ liabilities written back  | -                                   | (5.91)                              |
| Depreciation expense   | 0.17                                | 0.16                                |
| <b>Operating loss before working capital changes</b>   | <b>(168.12)</b>                     | <b>(69.14)</b>                      |
| <b>Movement in working capital:</b>  |                                     |                                     |
| Decrease/ (increase) in other current assets   | 3.67                                | (0.46)                              |
| Decrease/ (increase) in other non-current assets   | 6,825.21                            | (1,608.71)                          |
| Increase/ (decrease) in other financial liabilities  | 17.97                               | (2.29)                              |
| Increase/ (decrease) in other current liabilities  | 24.68                               | (0.40)                              |
| <b>Cash flow generated from/ (used in) operating activities post working capital changes</b> | <b>6,703.41</b>                     | <b>(1,681.00)</b>                   |
| Income tax refund/ (paid) (net)  | 5.60                                | (14.84)                             |
| <b>Net cash flow generated from/ (used in) operating activities (A)</b>                      | <b>6,709.01</b>                     | <b>(1,695.84)</b>                   |
| <b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                                     |                                     |
| Movement in fixed deposits (net)   | 1,546.00                            | (46.00)                             |
| Interest income  | 50.42                               | 172.10                              |
| Purchase of investments (net)  | (8,306.58)                          | -                                   |
| Investment in subsidiary company   | (1.00)                              | -                                   |
| Movement in inter corporate deposits   | -                                   | 1,696.50                            |
| <b>Net cash flow (used in)/ generated from investing activities (B)</b>                      | <b>(6,711.16)</b>                   | <b>1,822.60</b>                     |
| <b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                                     |                                     |
| Finance costs  | (0.01)                              | (122.71)                            |
| <b>Net cash flow used in financing activities (C)</b>  | <b>(0.01)</b>                       | <b>(122.71)</b>                     |
| <b>D (Decrease)/ increase in cash and cash equivalents (A+B+C)</b>                           | <b>(2.16)</b>                       | <b>4.05</b>                         |
| <b>E Cash and cash equivalents at the beginning of the year</b>                              | <b>5.44</b>                         | <b>1.39</b>                         |
| <b>F Cash and cash equivalents at the end of the year (refer note 10)</b>                    | <b>3.28</b>                         | <b>5.44</b>                         |

This is the cash flow statement referred to in our report of even date.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No.: 504774

**Rajiv Rattan**

Chairman

DIN: 00010849

**Rajesh Kumar**

Director

DIN: 03291545

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021

Place: London, UK

Date: 18 June 2021

Place: New Delhi

Date: 18 June 2021

Place: New Delhi

Date: 18 June 2021

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## 1. Corporate Information

### Nature of Operations

RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) ("the Company") was incorporated on 9 November 2010.

During the year, in the Annual General Meeting ('AGM') of the Company held on 30 September 2020, the shareholders passed a resolution altering the Objects Clause of its Memorandum of Association so as to remove the Power and other Infrastructure related business activities therefrom and incorporating therein, a wide range of business activities inter alia from software, legal, financial, human resources, consultancy, to supply of manpower (skilled, semiskilled and unskilled), software designing and development, design development and implementation of payment systems and gateways, etc..

General information and statement of compliance with Ind AS.

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies [Indian Accounting Standards ("Ind AS")] Rules, 2015 and relevant amendment rules issued thereafter. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended 31 March 2021 were approved by the Board of Directors on 18 June 2021.

## 2. Recent Indian Accounting Standards (Ind AS)

Ministry of Company Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2021.

## 3. Summary of significant accounting policies

### Overall consideration

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

#### a) Basis of preparation

The financial statements have been prepared on going concern basis under the historical cost basis except for the following:

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans – liability of which is recognised as per actuarial valuation; and
- Share based payments which are measured at fair value of the options

#### b) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company, and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

##### *Service income*

Revenue from services rendered is recognised when services are rendered.

##### *Interest income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

##### *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

#### c) Borrowing costs

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/ development of the qualifying asset up to the date of capitalisation of such asset are added to the cost

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

of the assets. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

## d) Property, plant and equipment

### **Recognition and initial measurement**

Properties, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation **criteria** are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. 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. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

### **Subsequent measurement (depreciation and useful lives)**

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Act.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **De-recognition**

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

## e) Intangible assets

### **Recognition and initial measurement**

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

### **Subsequent measurement (amortisation)**

The cost of capitalized software is amortized over a period in the range of three to five years from the date of its acquisition.

## f) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

## g) Financial instruments

### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, unless the financial instrument is designated to be measured at fair value through profit or loss or fair value through other comprehensive income.

### **Financial assets**

### **Subsequent measurement**

**Financial assets at amortised cost** – The financial assets are measured at the amortised cost if both the following conditions are met:

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

- The 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 payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model. All investments in mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

## ***De-recognition of financial assets***

A financial asset is primarily de-recognised 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.

## **Financial liabilities**

### ***Subsequent measurement***

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

### ***De-recognition of financial liabilities***

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **h) Investments in subsidiaries and associates**

The Company has accounted for its subsidiaries and associates at cost in its financial statements in accordance with Ind AS 27, Separate Financial Statements.

Profit/ loss on sale of investments are recognised on the date of the transaction of sale and are computed with reference to the original cost of the investment sold.

## **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 for financial assets carried at amortised cost.

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

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

### ***Other financial assets***

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided otherwise provides for 12 month expected credit losses.

## **j) Inventories**

Inventories are valued at the lower of cost derived on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of consumption, including octroi and other levies, transit insurance and receiving charges.

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

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

## **k) Income taxes**

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ("OCI") or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

## **l) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

## **m) Post-employment, long term and short term employee benefits**

### ***Defined contribution plans***

The Company makes contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

### ***Defined benefit plans***

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit actuarial method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

### ***Other long-term employee benefits***

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

### ***Short-term employee benefits***

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

## **n) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

## **o) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

## **p) Leases**

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

### ***Classification of leases***

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

### ***Recognition and initial measurement***

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

### ***Subsequent measurement***

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

## **q) Significant management judgment in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.



# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## ***Significant management judgments***

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties under the relevant tax jurisdiction (refer note 6).

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Recoverability of advances/receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Provisions** – At each balance sheet date on the basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions. However the actual future outcome may be different from this judgment.

## ***Significant estimates***

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

### **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### **Useful lives of depreciable/ amortisable assets**

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

## Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

### 4. Property, plant and equipment

| Particulars                        | Freehold land | Furniture and fixtures | Office equipment | Computers   | Total       |
|------------------------------------|---------------|------------------------|------------------|-------------|-------------|
| <b>Gross carrying amount</b>       |               |                        |                  |             |             |
| <b>Balance as on 1 April 2019</b>  | <b>4.77</b>   | <b>1.86</b>            | <b>0.21</b>      | <b>2.65</b> | <b>9.49</b> |
| Additions                          | -             | -                      | -                | -           | -           |
| Disposals/ adjustments             | -             | -                      | -                | -           | -           |
| <b>Balance as on 31 March 2020</b> | <b>4.77</b>   | <b>1.86</b>            | <b>0.21</b>      | <b>2.65</b> | <b>9.49</b> |
| Additions                          | -             | -                      | -                | -           | -           |
| Disposals/ adjustments             | -             | -                      | -                | -           | -           |
| <b>Balance as on 31 March 2021</b> | <b>4.77</b>   | <b>1.86</b>            | <b>0.21</b>      | <b>2.65</b> | <b>9.49</b> |
| <b>Accumulated depreciation</b>    |               |                        |                  |             |             |
| <b>Balance as on 1 April 2019</b>  | -             | <b>1.44</b>            | <b>0.21</b>      | <b>2.65</b> | <b>4.30</b> |
| Additions                          | -             | 0.16                   | -                | -           | 0.16        |
| Disposals/ adjustments             | -             | 0.01                   | -                | -           | 0.01        |
| <b>Balance as on 31 March 2020</b> | -             | <b>1.59</b>            | <b>0.21</b>      | <b>2.65</b> | <b>4.45</b> |
| Additions                          | -             | 0.17                   | -                | -           | 0.17        |
| Disposals/ adjustments             | -             | -                      | -                | -           | -           |
| <b>Balance as on 31 March 2021</b> | -             | <b>1.76</b>            | <b>0.21</b>      | <b>2.65</b> | <b>4.62</b> |
| <b>Net carrying amount</b>         |               |                        |                  |             |             |
| <b>Balance as on 31 March 2021</b> | <b>4.77</b>   | <b>0.10</b>            | -                | -           | <b>4.87</b> |
| <b>Balance as on 31 March 2020</b> | <b>4.77</b>   | <b>0.25</b>            | -                | -           | <b>5.04</b> |

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

| 5. Non-current investments                                  | As at 31 March 2021 |                  | As at 31 March 2020 |                  |
|---|---------------------|------------------|---------------------|------------------|
|   | No. of shares       | Amount           | No. of shares       | Amount           |
| <b>Investment in fully paid equity instruments</b>          |                     |                  |                     |                  |
| <b>Investment in associate company (at cost), quoted</b>    |                     |                  |                     |                  |
| RattanIndia Power Limited *                                 | 1,185,000,000       | 59,250.00        | 1,185,000,000       | 59,250.00        |
| <b>Investment in subsidiary company (at cost), unquoted</b> |                     |                  |                     |                  |
| Neotec Enterprises Limited                                  | 10,000              | 1.00             | -                   | -                |
|   |                     | <b>59,251.00</b> |                     | <b>59,250.00</b> |
| Aggregate amount of market value of quoted investments      |                     | 30,217.50        |                     | 15,997.50        |
| Aggregate amount of quoted investments                      |                     | 59,250.00        |                     | 59,250.00        |
| Aggregate amount of impairment in the value of investments  |                     | -                |                     | -                |

\* Out of total holding, 1,174,843,916 (31 March 2020: 1,174,843,916) equity shares of RattanIndia Power Limited are pledged in favour of the lenders of RattanIndia Power Limited.

| 6. Deferred tax assets (net)                                | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>Tax effect of items constituting deferred tax assets</b> |                        |                        |
| Tax credit (minimum alternative tax)                        | 20.32                  | 20.32                  |
|   | <b>20.32</b>           | <b>20.32</b>           |

## Movement in deferred tax assets

|   | As at<br>31 March 2020 | Recognized<br>in profit<br>or loss | Recognized<br>in other<br>comprehensive<br>income | As at<br>31 March 2021 |
|---|------------------------|------------------------------------|---|------------------------|
| <b>Tax effect of items constituting deferred tax assets</b> |                        |                                    |   |                        |
| Tax credit (minimum alternative tax)                        | 20.32                  | -                                  | -   | 20.32                  |
| <b>Deferred tax assets (net)</b>                            | <b>20.32</b>           | <b>-</b>                           | <b>-</b>  | <b>20.32</b>           |

|   | As at<br>1 April 2019 | Recognized<br>in profit<br>or loss | Recognized<br>in other<br>comprehensive<br>income | As at<br>31 March 2020 |
|---|-----------------------|------------------------------------|---|------------------------|
| <b>Tax effect of items constituting deferred tax assets</b> |                       |                                    |   |                        |
| Tax credit (minimum alternative tax)                        | 20.32                 | -                                  | -   | 20.32                  |
| <b>Deferred tax assets (net)</b>                            | <b>20.32</b>          | <b>-</b>                           | <b>-</b>  | <b>20.32</b>           |

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

|   |                                |                |                                |                |
|---|--------------------------------|----------------|--------------------------------|----------------|
| <b>7. Non current tax assets (net)</b>                          | <b>As at<br/>31 March 2021</b> |                | <b>As at<br/>31 March 2020</b> |                |
| Advance income tax (net of provision)                           | 54.41                          |                | 60.01                          |                |
|   | <b>54.41</b>                   |                | <b>60.01</b>                   |                |
| <b>8. Other assets<br/>(Unsecured, considered good)</b>         | <b>As at 31 March 2021</b>     |                | <b>As at 31 March 2020</b>     |                |
|   | <b>Non-current</b>             | <b>Current</b> | <b>Non-current</b>             | <b>Current</b> |
| Other advances  | -                              | 0.13           | 6,825.21                       | 0.10           |
| Prepaid expenses  | -                              | -              | -                              | 3.70           |
|   | <b>-</b>                       | <b>0.13</b>    | <b>6,825.21</b>                | <b>3.80</b>    |
| <b>9. Current investments</b>                                   | <b>As at<br/>31 March 2021</b> |                | <b>As at<br/>31 March 2020</b> |                |
| <b>Unquoted, non trade</b>                                      |                                |                |                                |                |
| Investments in mutual funds                                     | 8,434.97                       |                | -                              |                |
|   | <b>8,434.97</b>                |                | <b>-</b>                       |                |
| Aggregate amount of quoted investments and market value thereof | -                              |                | -                              |                |
| Aggregate amount of unquoted investments                        | 8,434.97                       |                | -                              |                |
| Aggregate amount of impairment in the value of investments      | -                              |                | -                              |                |
| <b>10. Cash and cash equivalents</b>                            | <b>As at<br/>31 March 2021</b> |                | <b>As at<br/>31 March 2020</b> |                |
| Cash on hand  | 0.57                           |                | 0.57                           |                |
| Balances with banks   |                                |                |                                |                |
| In current accounts   | 2.71                           |                | 4.87                           |                |
|   | <b>3.28</b>                    |                | <b>5.44</b>                    |                |
| <b>11. Bank balances other than cash and cash equivalents</b>   | <b>As at<br/>31 March 2021</b> |                | <b>As at<br/>31 March 2020</b> |                |
| Fixed deposit with bank (refer note (i))                        | -                              |                | 1,554.11                       |                |
|   | <b>-</b>                       |                | <b>1,554.11</b>                |                |
| (i) Lien marked against bank guarantee (refer note 29 (c))      |                                |                |                                |                |

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## 12. Equity share capital

|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>Authorised capital</b>   |                        |                        |
| 2,000,000,000 (31 March 2020: 1,750,000,000)<br>equity shares of ₹ 2 each               | 40,000.00              | 35,000.00              |
|   | <b>40,000.00</b>       | <b>35,000.00</b>       |
| <b>Issued, subscribed and fully paid up capital</b>                                     |                        |                        |
| 1,382,269,592 (31 March 2020: 1,382,269,592)<br>equity shares of ₹ 2 each fully paid up | 27,645.39              | 27,645.39              |
|   | <b>27,645.39</b>       | <b>27,645.39</b>       |

### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

|   | As at 31 March 2021  |                  | As at 31 March 2020  |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | No of shares         | Amount           | No of shares         | Amount           |
| Equity shares at the beginning of the year  | 1,382,269,592        | 27,645.39        | 1,382,269,592        | 27,645.39        |
| Add : Change during the year                | -                    | -                | -                    | -                |
| <b>Equity shares at the end of the year</b> | <b>1,382,269,592</b> | <b>27,645.39</b> | <b>1,382,269,592</b> | <b>27,645.39</b> |

### b) Rights/ restrictions attached to equity shares

The Company has only one class of equity shares with voting rights, having a par value of ₹ 2 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c) Details of shareholders holding more than 5% equity shares

|  | As at 31 March 2021 |           | As at 31 March 2020 |           |
|--|---------------------|-----------|---------------------|-----------|
|  | No of shares        | % Holding | No of shares        | % Holding |
| <b>Equity shares of ₹ 2 each fully paid up</b> |                     |           |                     |           |
| Laurel Energetics Private Limited              | 543,338,386         | 39.31%    | 543,338,386         | 39.31%    |
| Arbutus Consultancy LLP                        | 383,362,902         | 27.73%    | 383,362,902         | 27.73%    |
| Yantra Energetics Private Limited              | 104,765,484         | 7.58%     | 104,765,484         | 7.58%     |

### d) No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceding the reporting date.

### e) During the current year, the authorised share capital of the Company was increased vide approval of equity share holders from ₹ 35,000 lakhs divided into 1,750,000,000 equity shares of ₹ 2 each to ₹ 40,000 lakhs divided into 2,000,000,000 equity shares of ₹ 2 each.

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of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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| 13. Other Equity                            | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>Capital reserve</b>                      |                        |                        |
| Opening balance                             | 37,928.46              | 37,928.46              |
| Change during the year                      | -                      | -                      |
| <b>Closing balance</b>                      | <b>37,928.46</b>       | <b>37,928.46</b>       |
| <b>Securities premium</b>                   |                        |                        |
| Opening balance                             | 3,296.34               | 3,296.34               |
| Change during the year                      | -                      | -                      |
| <b>Closing balance</b>                      | <b>3,296.34</b>        | <b>3,296.34</b>        |
| <b>Employee's stock options outstanding</b> |                        |                        |
| Opening balance                             | 0.29                   | 0.29                   |
| Change during the year                      | -                      | -                      |
| <b>Closing balance</b>                      | <b>0.29</b>            | <b>0.29</b>            |
| <b>Retained earnings</b>                    |                        |                        |
| Opening balance                             | (1,159.68)             | (1,121.64)             |
| Add : Net profit / (loss) for the year      | 0.82                   | (37.93)                |
| Add : Other comprehensive income            | (5.36)                 | (0.11)                 |
| <b>Closing balance</b>                      | <b>(1,164.22)</b>      | <b>(1,159.68)</b>      |
|   | <b>40,060.87</b>       | <b>40,065.41</b>       |

## Nature and purpose of other reserves

### Capital reserve

Capital reserve which is created out of the capital profit. It is created out of the profit earned from some specific transactions of capital nature. Capital reserve is not available for the distribution to the shareholders.

### Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

### Employee's stock options reserve

The reserve account is used to recognise the grant date value of options issued to employees under Employee stock option plan.

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)



| <b>14. Non-current provisions</b>                      | <b>As at<br/>31 March 2021</b> | <b>As at<br/>31 March 2020</b> |
|--|--------------------------------|--------------------------------|
| <b>Provision for employee benefits (refer note 24)</b> |                                |                                |
| Provision for compensated absences (unfunded)          | 1.11                           | 0.17                           |
| Provision for gratuity (unfunded)                      | 7.46                           | 1.60                           |
|  | <u><b>8.57</b></u>             | <u><b>1.77</b></u>             |
|  | <u><u><b>8.57</b></u></u>      | <u><u><b>1.77</b></u></u>      |
| <b>15. Other financial liabilities</b>                 | <b>As at<br/>31 March 2021</b> | <b>As at<br/>31 March 2020</b> |
| Expenses payable                                       | 27.52                          | 9.55                           |
|  | <u><b>27.52</b></u>            | <u><b>9.55</b></u>             |
|  | <u><u><b>27.52</b></u></u>     | <u><u><b>9.55</b></u></u>      |
| <b>16. Other current liabilities</b>                   | <b>As at<br/>31 March 2021</b> | <b>As at<br/>31 March 2020</b> |
| Statutory dues   | 26.44                          | 1.76                           |
|  | <u><b>26.44</b></u>            | <u><b>1.76</b></u>             |
|  | <u><u><b>26.44</b></u></u>     | <u><u><b>1.76</b></u></u>      |
| <b>17. Current provisions</b>                          | <b>As at<br/>31 March 2021</b> | <b>As at<br/>31 March 2020</b> |
| <b>Provision for employee benefits (refer note 24)</b> |                                |                                |
| Provision for compensated absences (unfunded)          | 0.02                           | 0.01                           |
| Provision for gratuity (unfunded)                      | 0.17                           | 0.04                           |
|  | <u><b>0.19</b></u>             | <u><b>0.05</b></u>             |
|  | <u><u><b>0.19</b></u></u>      | <u><u><b>0.05</b></u></u>      |



# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

|  |   |   |
|--|---|---|
| <b>18. Revenue from operations</b>           | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| Payroll management service                   | 10.00                                       | -   |
|  | <u>10.00</u>                                | <u>-</u>                                    |
| <b>19. Other income</b>                      | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| Interest on fixed deposits                   | 42.31                                       | 148.44                                      |
| Interest on income tax refund                | 1.31  | -   |
| Capital gain on mutual fund                  | 128.39                                      | -   |
| Provision/ liabilities written back          | -   | 5.91  |
| Miscellaneous income                         | 0.01  | 2.24  |
|  | <u>172.02</u>                               | <u>156.59</u>                               |
| <b>20. Employee benefits expense</b>         | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| Salaries and wages                           | 97.48                                       | 8.93  |
| Contribution to provident and other funds    | 0.07  | 0.11  |
| Provision for gratuity/ compensated absences | 1.58  | 0.27  |
| Staff welfare expenses                       | 0.01  | 0.01  |
|  | <u>99.14</u>                                | <u>9.32</u>                                 |
| <b>21. Finance costs</b>                     | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| Interest on inter corporate deposits         | -   | 122.71                                      |
| Interest on delayed payment of taxes         | 0.01  | -   |
|  | <u>0.01</u>                                 | <u>122.71</u>                               |
| <b>22. Other expenses</b>                    | <b>For the year ended<br/>31 March 2021</b> | <b>For the year ended<br/>31 March 2020</b> |
| Rates and taxes                              | 41.69                                       | 24.70                                       |
| Legal and professional charges               | 14.74                                       | 4.12  |
| Advertisement expenses                       | 1.81  | 1.84  |
| Rent expenses                                | 2.40  | 2.40  |
| Electricity expenses                         | 0.40  | -   |
| Printing and stationery                      | 0.27  | 3.78  |
| Postage and telegram                         | -   | 1.18  |
| Payments to statutory auditors - for audit   | 15.50                                       | 5.90  |
| Bank charges                                 | 3.71  | 17.00                                       |
| Miscellaneous expenses                       | 1.36  | 1.41  |
|  | <u>81.88</u>                                | <u>62.33</u>                                |

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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23. As per Ind AS-24 "Related Party Disclosure", the related parties, identified by the Management, where control exists or where significant influence exists and with whom transactions have taken place are as below:

## A. List of related parties

| Name of related party         | Nature of relationship   |
|-------------------------------|--|
| Neotec Enterprises Limited    | Subsidiary company   |
| RattanIndia Power Limited     | Associate  |
| RR Infralands Private Limited | Enterprises over which Key Management Personnel have significant influence |
| Rajiv Rattan *                | Executive Director and Executive Chairman                                  |
| Vikas Kumar Adukia            | Chief Financial Officer (upto 29 April 2021)                               |
| Raghunandan Kumar Sharma      | Manager (upto 30 June 2020)  |
| Ram Kumar Agarwal             | Company Secretary  |

\* Designation changed to Executive Director and Executive Chairman of the Company w.e.f. 4 September 2020

## B. Summary of transactions:

| Name                          | Nature of transaction | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|-------------------------------|-----------------------|-----------------------------|-----------------------------|
| RR Infralands Private Limited | Advance given         | -                           | 6,825.21                    |
|                               | Advance received back | 6,825.21                    | -                           |

## C. Outstanding balances

| Name                          | Nature of balance | As at<br>31 March 2021 | As at<br>31 March 2020 |
|-------------------------------|-------------------|------------------------|------------------------|
| RR Infralands Private Limited | Advance given     | -                      | 6,825.21               |

## 24. Employee benefits

### Defined contribution:

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the Company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The Company has recognized in the Statement of Profit and Loss an amount of ₹ 0.07 lakhs (31 March 2020: ₹ 0.11 lakhs) towards employer's contribution towards provident fund.

### Defined benefits:

Provision for unfunded Gratuity payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2021. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the other comprehensive income as identified by the Management of the Company.

### Other benefits:

Provision for unfunded compensated absences payable to eligible employees on availment/ retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2021. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Actuarial Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss as identified by the Management of the Company.

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Based on the actuarial valuation obtained in this respect, the following table sets out the status of Gratuity and Compensated Absences and the amounts recognised in the financial statements for the year ended 31 March 2021:

| Particulars   | Gratuity<br>(Unfunded) |               | Compensated Absences<br>(Unfunded) |               |
|---|------------------------|---------------|------------------------------------|---------------|
|   | 31 March 2021          | 31 March 2020 | 31 March 2021                      | 31 March 2020 |
| <b>Liability recognised in the balance sheet:</b>                                 |                        |               |                                    |               |
| Present value of obligation as at the beginning of the year                       | 1.64                   | 1.30          | 0.18                               | 0.14          |
| Current service cost  | 0.52                   | 0.13          | 0.09                               | 0.01          |
| Interest cost   | 0.11                   | 0.10          | 0.01                               | 0.01          |
| Benefits paid   | -                      | -             | -                                  | -             |
| Actuarial losses  | 5.36                   | 0.11          | 0.85                               | 0.02          |
| <b>Present value of obligation at the end of the year</b>                         | <b>7.63</b>            | <b>1.64</b>   | <b>1.13</b>                        | <b>0.18</b>   |
| <b>Expenses during the year</b>   |                        |               |                                    |               |
| Current service cost  | 0.52                   | 0.13          | 0.09                               | 0.01          |
| Interest cost   | 0.11                   | 0.10          | 0.01                               | 0.01          |
| Actuarial losses  | -                      | -             | 0.85                               | 0.02          |
| <b>Component of defined benefit cost charged to statement of profit and loss</b>  | <b>0.63</b>            | <b>0.23</b>   | <b>0.95</b>                        | <b>0.04</b>   |
| <b>Remeasurement of post-employment benefit obligations:</b>                      |                        |               |                                    |               |
| Actuarial losses  | 5.36                   | 0.11          | -                                  | -             |
| <b>Component of defined benefit cost recognized in other comprehensive income</b> | <b>5.36</b>            | <b>0.11</b>   | <b>-</b>                           | <b>-</b>      |

| Particulars   | Gratuity<br>(Unfunded) |               | Compensated Absences<br>(Unfunded) |               |
|---|------------------------|---------------|------------------------------------|---------------|
|   | 31 March 2021          | 31 March 2020 | 31 March 2021                      | 31 March 2020 |
| <b>Actuarial (gains)/ losses on obligation</b>                        |                        |               |                                    |               |
| Actuarial (gain)/ loss arising from change in demographic assumptions | -                      | -             | -                                  | -             |
| Actuarial (gain)/ loss arising from change in financial assumptions   | -                      | 0.21          | -                                  | 0.03          |
| Actuarial (gain)/ loss arising from change in experience adjustments  | 5.36                   | (0.10)        | 0.85                               | (0.01)        |

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The actuarial valuation in respect of commitments and expenses relating to unfunded gratuity and compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses;

| (a) Economic Assumptions         | 31 March 2021 | 31 March 2020 |
|----------------------------------|---------------|---------------|
| Discount rate                    | 6.79%         | 6.80%         |
| Expected return on plan assets   | -             | -             |
| Expected rate of salary increase | 5.00%         | 5.00%         |

| (b) Demographic assumptions | 31 March 2021          | 31 March 2020          |
|-----------------------------|------------------------|------------------------|
| Retirement age              | 60 years               | 60 years               |
| Mortality table             | 100% IALM<br>(2012-14) | 100% IALM<br>(2012-14) |
| Ages                        | Withdrawal rate<br>(%) | Withdrawal rate<br>(%) |
| Upto 30 years               | 3.00                   | 3.00                   |
| From 31 to 44 years         | 2.00                   | 2.00                   |
| Above 44 years              | 1.00                   | 1.00                   |

The employer's best estimate of contributions expected to be paid during the annual period beginning after the balance sheet date, towards gratuity and compensated absences is ₹ 1.95 lakhs (31 March 2020 : ₹ 0.25 lakhs) and ₹ 0.67 lakhs (31 March 2020: ₹ 0.04 lakhs) respectively.

## (a) Sensitivity analysis of defined benefit obligation

| Particulars  | 31 March 2021 | 31 March 2020 |
|--|---------------|---------------|
| <b>a) Impact of the change in discount rate</b>                |               |               |
| i) Impact due to increase of 0.50%<br>(31 March 2020: 0.50%)   | (0.22)        | (0.15)        |
| ii) Impact due to decrease of 0.50%<br>(31 March 2020: 0.50%)  | 0.23          | 0.16          |
| <b>b) Impact of the change in salary increase</b>              |               |               |
| iii) Impact due to increase of 0.50%<br>(31 March 2020: 0.50%) | 0.23          | 0.16          |
| iv) Impact due to decrease of 0.50%<br>(31 March 2020: 0.50%)  | (0.22)        | (0.15)        |

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

## b) Maturity profile of defined benefit obligation

| Particulars       | 31 March 2021 | 31 March 2020 |
|-------------------|---------------|---------------|
| Less than 1 year  | 0.19          | 0.05          |
| Year 1 to 5       | 6.96          | 0.15          |
| More than 5 years | 1.62          | 1.62          |

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## 25. Earnings Per Equity Share (EPS):

| Particulars   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---|-------------------------------------|-------------------------------------|
| Profit/ (loss) for the year   | 0.82                                | (37.93)                             |
| Weighted average number of shares used in computing basic earnings per equity share   | 1,382,269,592                       | 1,382,269,592                       |
| Weighted average number of Shares used in computing diluted earnings per equity share | 1,382,269,592                       | 1,387,132,980                       |
| Basic earnings per equity share (₹)   | 0.000                               | (0.003)                             |
| Diluted earnings per equity share (₹)   | 0.000                               | (0.003)                             |
| Face value per equity share (₹)   | 2                                   | 2                                   |

\* During the previous year, 20,000,000 stock option granted to eligible employees and the potential equity shares are anti-dilutive in nature as at 31 March 2020 as it decreases loss per share from continuing ordinary activities. Hence the effect of these anti-dilutive potential equity shares is ignored while calculating earnings per share.

26. Consequent to the issuance of a fresh certificate of incorporation by the Registrar of Companies NCT of Delhi & Haryana (RoC), the name of the Company stood changed from the previous RattanIndia Infrastructure Limited to RattanIndia Enterprises Limited with effect from 22 March 2021. The shareholders of the Company had earlier approved the change in the name as aforesaid, in their Annual General Meeting held on 30 September 2020 post which the Company had applied to the RoC for the change in its name.
27. In the annual general meeting of the Company held on 30 September 2020, the shareholders passed a resolution altering the Objects Clause of its Memorandum of Association so as to remove the Power and other Infrastructure related business activities therefrom and incorporating therein, a wide range of business activities inter alia from software, legal, financial, human resources, consultancy, to supply of manpower (skilled, semiskilled and unskilled), software designing and development, design development and implementation of payment systems and gateways, etc.. The Company is constantly in the process of evaluating its options of undertaking a business activity which ensures generation of revenues and profitability in rapid time. In pursuance of the same the business of human resource/manpower supply, payroll management and other related services (the "Manpower Business") has already been commenced in the quarter ended 31 March 2021, which has enabled the Company to earn revenues.
28. The Board of Directors reviews the operation at Company level. Currently operation of the Company falls under "Manpower Business" and allocation of resources towards business has been commensurate with the size of the business, so far achieved. The allocation of resources and assessment of performance by the Board of Directors based thereon for the other business as taken up in future, would depend upon the business that is decided to be undertaken in future. For the period under review the expenses incurred, were of ordinary nature, not attributable to any specific business activity or segment.

## 29. Contingent liabilities

- a) The Company has executed a Deed of Guarantee dated 26 April 2017, as a Guarantor for and on behalf of Sinnar Power Transmission Company Limited (SPTCL) in favour of Power Finance Corporation Limited (PFC). As per the terms of the Deed of Guarantee the Company (Guarantor) shall ensure that SPTCL, the borrower, duly and punctually pays and discharges the Secured Obligations in accordance with the terms, conditions and provisions of the Facility Agreement failing which the Secured Obligations shall be discharged by the Guarantor in accordance with the terms and conditions contained herein and/ or the Financing Documents.
- b) The Company has executed a Deed of Guarantee dated 31 December 2019 as a Sponsor of RattanIndia Power Limited (RPL) in favour of Vistra ITCL (India) Limited (Security Trustee). As per the terms of Deed of Guarantee the Company (Sponsor) has guaranteed the Backstopped Liabilities; liabilities of the borrower and claims made by the existing lenders against the borrower in relation to the existing lenders Redeemable preference shares, including but not limited to the payment of any dividend or the redemption of the existing lenders redeemable preference shares).

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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- c) During the previous financial year, for initiation of Swiss Challenge Process of RPL, the Company had provided the Bank Guarantee (Bid Guarantee) of ₹ 1,500.00 lakhs in December 2018 for performance of obligations under the Bid Document and the Bid Process in favour of Power Finance Corporation Limited. Post successful culmination of one-time settlement process in RPL, PFC has agreed to release the Bank Guarantee and same has been released by PFC as on 26 June 2020.
30. In respect of amounts as mentioned under Section 125 of the Act, there are no amount required to be transferred to the Investor Education and Protection Fund as at 31 March 2021 and as at 31 March 2020.
31. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:

| Particulars   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| i) Principal amount remaining unpaid to any supplier as at the end of the accounting year;  | Nil                    | Nil                    |
| ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year;   | Nil                    | Nil                    |
| iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day;  | Nil                    | Nil                    |
| iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;   | Nil                    | Nil                    |
| v) The amount of interest accrued and remaining unpaid at the end of the accounting year;   | Nil                    | Nil                    |
| vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006. | Nil                    | Nil                    |

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

32. The Company has not entered into any derivative instruments during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument as at 31 March 2021 and 31 March 2020.
33. The disclosure as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Loans and advances in the nature of loans given to subsidiaries, associates and others and investments in shares of the Company by such parties is covered in the related party disclosures. (refer note 23).
34. The Company is covered under Section 135 of the Act and accordingly constituted a Corporate Social Responsibility Committee of the Board. However, as the Company did not have average net profits based on the immediately preceding three financial years, the Company is not required to spend amounts towards Corporate Social Responsibility in terms of the Act.
35. The Company considers its investment in associates as strategic and long term in nature and accordingly, in the view of the Management, there is no impairment loss that needs to be recorded for such investments.

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## 36. Effective tax reconciliation

| Particulars   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---|-------------------------------------|-------------------------------------|
| Profit/ (loss) before tax   | 0.82                                | (37.93)                             |
| Domestic tax rate   | 26.00%                              | 26.00%                              |
| <b>Expected tax expense [A]</b>                                   | <b>0.21</b>                         | <b>(9.86)</b>                       |
| Deferred tax not recognised on unabsorbed losses and other items  | (0.21)                              | 9.86                                |
| <b>Total adjustments [B]</b>                                      | <b>(0.21)</b>                       | <b>9.86</b>                         |
| <b>Actual tax expense [C=A+B]</b>                                 | <b>-</b>                            | <b>-</b>                            |
| <b>Tax expense comprises:</b>                                     |                                     |                                     |
| Current tax expense   | -                                   | -                                   |
| Deferred tax  | -                                   | -                                   |
| <b>Tax expense recognized in Statement of profit and loss [D]</b> | <b>-</b>                            | <b>-</b>                            |

## 37. Employees Stock Options Schemes

### Stock Option Schemes of RattanIndia Power Limited ("RPL")

The Company's associate company, RattanIndia Power Limited ("RPL") has formulated ESOS/ ESOP schemes for applicable/ eligible employees. The schemes so formulated are also applicable to the eligible employees of its subsidiaries and of other companies under common control with the Company. The Company has adopted the said schemes of RPL which are administered by a Compensation Committee constituted by the Board of Directors of RPL. RPL does not seek reimbursement of expenses from the Company for ESOP granted to employees of the Company.

### Stock Option Schemes of RattanIndia Power Limited ("RPL")

On 10 January 2008 the erstwhile Indiabulls Power Services Limited ("IPSL"), had established the IPSL ESOS Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of ₹ 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at 1 April 2008.

Pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Act, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated 1 September 2008, and during the year ended 31 March 2015, pursuant to the name change of the ultimate holding company to RattanIndia Power Limited, the name of the plan was changed to RattanIndia Power Limited Employees' Stock Option Plan 2008 ("RPL ESOP 2008"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

During the financial year ended 31 March 2010, RattanIndia Power Limited had established the "Indiabulls Power Limited Employees' Stock Option Scheme 2009" ("IPL ESOS 2009") under which, IPSL was authorised to issue equity settled options at an exercise price of ₹ 14 per option to eligible employees. During the year ended 31 March 2015, the name of the ESOS scheme IPL ESOS 2009 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2009 ("RPL ESOS 2009"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

During the Financial Year ended 31 March 2012, RattanIndia Power Limited has established the "Indiabulls Power Limited Employee Stock Option Scheme -2011" ("IPL ESOS -2011") under which, IPSL was authorised to issue equity settled options at an exercise price of ₹ 12 per option to eligible employees. During the year ended 31 March 2015, the name of the ESOS scheme IPL ESOS 2011 was changed to RattanIndia Power Limited Employees' Stock.

Option Scheme 2011 ("RPL ESOS 2011"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

### Stock Option Schemes of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) ("RIL ESOP 2019"):

During the financial year 2019-20, the Company has established an Employee Stock Option Scheme RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) Employee stock option plan -2019 ("RIL ESOP 2019") Scheme in accordance with the provisions of Rule 12 of the Companies (Share Capital And Debentures) Rules, 2014 read with Sections 2(37) and 62 (1) (b) of the Act. The schemes so formulated are also applicable to the eligible employees of its holding/

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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subsidiaries company, if any in future (Collectively referred to as Group) and of other Companies under common control with the Company. The number of equity shares to be issued and allotted under RIL ESOP 2019 shall not exceed four hundred fourteen lakh equity share of the Company.

During the financial year 2019-20, the Nomination and remuneration committee (also acting as compensation committee) has approved the grant of 20,000,000 stock options representing an equal number of equity shares of face value 2 each, to the eligible employees, at an exercise price of 2 per equity share, being the intrinsic value as on grant date i.e. 02 January 2020. The stock option shall vest in equal slab of 20% per year over a period of five years. Such grants are lapsed during the year.

Set out below is a summary of options granted under the plan:

| Particulars  | 31 March 2021  | 31 March 2020  |
|--|--|--|
| <b>Total options under the scheme (nos.)</b>                   | <b>41,400,000</b>  | <b>41,400,000</b>  |
| Vesting period and percentage                                  | Uniformly over a period of five years                        | Uniformly over a period of five years                        |
| Option available for grant                                     | 20,000,000   | 20,000,000   |
| Vesting date   | 1 <sup>st</sup> January each year, commencing 1 January 2021 | 1 <sup>st</sup> January each year, commencing 1 January 2021 |
| Exercise price (₹)   | 2.00   | 2.00   |
| <b>Outstanding options at the beginning of the year (nos.)</b> | <b>20,000,000</b>  | <b>-</b>   |
| Options granted during the year (nos.)                         | -  | 20,000,000   |
| Options vested during the year (nos.)                          | -  | -  |
| Options exercised during the year (nos.)                       | -  | -  |
| Options lapsed/cancelled during the year (nos.)                | 20,000,000 *   | -  |
| <b>Outstanding options at the end of the year (nos.)</b>       | <b>-</b>   | <b>20,000,000</b>  |

\* All the options which are earlier granted are lapsed during the year and are available for grant.

## 38. Financial instruments

### i) Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**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 rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### Valuation technique used to determine fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (Financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.



# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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## Financial assets and liabilities measured at fair value - recurring fair value measurements:

| As at 31 March 2021        | Level 1  | Level 2 | Level 3 | Total           |
|----------------------------|----------|---------|---------|-----------------|
| <b>Assets</b>              |          |         |         |                 |
| Investment in mutual funds | 8,434.97 | -       | -       | <b>8,434.97</b> |

There are no liabilities measured at fair value as at 31 March 2021 and 31 March 2020. Also, there were no assets measured at fair value as at 31 March 2020.

## ii) Fair value of financial assets and liabilities measured at amortised cost.

The carrying amount of financial assets and financial liabilities are measured at amortised cost in the financial statements are a reasonable approximation of their fair values.

## 39. Financial risk management

### (i) Financial instruments by category

| Particulars  | 31 March 2021   |          |                | 31 March 2020 |          |                 |
|--|-----------------|----------|----------------|---------------|----------|-----------------|
|  | FVTPL           | FVOCI    | Amortised cost | FVTPL         | FVOCI    | Amortised cost  |
| <b>Financial assets</b>                            |                 |          |                |               |          |                 |
| Investment   | 8,434.97        | -        | -              | -             | -        | -               |
| Cash and cash equivalents                          | -               | -        | 3.28           | -             | -        | 5.44            |
| Bank balances other than cash and cash equivalents | -               | -        | -              | -             | -        | 1,554.11        |
| <b>Total</b>                                       | <b>8,434.97</b> | <b>-</b> | <b>3.28</b>    | <b>-</b>      | <b>-</b> | <b>1,559.55</b> |
| <b>Financial liabilities</b>                       |                 |          |                |               |          |                 |
| Other financial liabilities                        | -               | -        | 27.52          | -             | -        | 9.55            |
| <b>Total</b>                                       | <b>-</b>        | <b>-</b> | <b>27.52</b>   | <b>-</b>      | <b>-</b> | <b>9.55</b>     |

Investment in subsidiary and associate are measured as cost as per Ind AS 27, 'Separate Financial Statements' and hence, not presented here.

## ii) Risk management

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk and liquidity risk. The most significant financial risks to which the Company is exposed are described below:

### Credit risk

Credit risk is the risk that a counter party fails to discharge an obligation to the Company. Credit risk arises from investments, cash and cash equivalents and loans. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March, as summarised below:

| Particulars  | 31 March 2021 | 31 March 2020 |
|--|---------------|---------------|
| Investment   | 8,434.97      | -             |
| Cash and cash equivalents                          | 3.28          | 5.44          |
| Bank balances other than cash and cash equivalents | -             | 1,554.11      |

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Company's management considers that all of the above financial assets that are not impaired and/ or past due for each of the above assets reporting dates under review are of good credit quality

### Liquidity risk

The tables below analyse the Company's financial assets and liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial assets and liabilities.

# Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| 31 March 2021                | Less than 1 year | 1-5 year | More than 5 years | Total           |
|------------------------------|------------------|----------|-------------------|-----------------|
| <b>Financial assets</b>      |                  |          |                   |                 |
| Cash and cash equivalent     | 3.28             | -        | -                 | <b>3.28</b>     |
| Other bank balances          | -                | -        | -                 | -               |
| Investment                   | 8,434.97         | -        | -                 | <b>8,434.97</b> |
| <b>Financial liabilities</b> |                  |          |                   |                 |
| Other financial liabilities  | 27.52            | -        | -                 | <b>27.52</b>    |

| 31 March 2020                | Less than 1 year | 1-5 year | More than 5 years | Total           |
|------------------------------|------------------|----------|-------------------|-----------------|
| <b>Financial assets</b>      |                  |          |                   |                 |
| Cash and cash equivalent     | 5.44             | -        | -                 | <b>5.44</b>     |
| Other bank balances          | 1,554.11         | -        | -                 | <b>1,554.11</b> |
| Investment                   | -                | -        | -                 | -               |
| <b>Financial liabilities</b> |                  |          |                   |                 |
| Other financial liabilities  | 9.55             | -        | -                 | <b>9.55</b>     |

## Price risk

### Exposure

The Company is exposed to price risk in respect of its investment in mutual funds (refer note 9). The mutual funds are unquoted investments.

### Sensitivity

Below is the sensitivity of profit or loss and equity changes in fair value of investments, assuming no change in other variables:

| Particulars   | 31 March 2021 | 31 March 2020 |
|---|---------------|---------------|
| <b>Price sensitivity</b>  |               |               |
| Price increase by 1000 basis points<br>(31 March 2020: 1000 basis points) | 843.50        | -             |
| Price decrease by 1000 basis points<br>(31 March 2020: 1000 basis points) | (843.50)      | -             |

## 40. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company monitors capital using a 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 and current investments. The Company does not have any debt and also any sub-ordinated liabilities.

41. Deferred tax assets have not been recognised in respect of unabsorbed business loss amounting to ₹ 1,228.40 lakhs as at 31 March 2021 (31 March 2020: ₹ 1,104.86 lakhs). These unabsorbed business losses will expire over a period of eight years from the end of respective reporting periods.
42. COVID-19, a global pandemic has affected the world economy including India, leading to significant decline and volatility in financial markets and decline in economic activities. The business of RPL, an associate, is expected to be impacted by lower power generation revenue. The impact of COVID-19 on RPL's result remain uncertain and dependent on extent of spread of COVID-19, steps taken by the Government, steps taken by the Company and the time it takes for economic activities to

## Notes Forming Part of the Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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resume at normal levels as a result of which, actual results may differ. RPL's capital and liquidity position remains strong and would continue to be the focus area for the Company. However, for the short-term period the demand of power is expected to be lower and accordingly, RPL may have lower demand than earlier periods and has to operate power plants at lower load factor. On long term basis, RPL does not anticipate any major challenge in meeting its financial obligations.

Basis above, the management of the Company believes that there is no impact on Company including investment made in the RPL. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

- 43.** With effect from 17 March 2021, a wholly owned subsidiary of the Company by the name Neotec Enterprises Limited, came into existence.
- 44.** Subsequent to the balance sheet date, the Company acquired 33% equity stake in Revolt Intellicorp Private Limited.
- 45.** Previous year figures have been regrouped/ reclassified wherever required.

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As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Rohit Arora**

Partner

Membership No.: 504774

Place: New Delhi

Date: 18 June 2021

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

**Rajiv Rattan**

Chairman

DIN: 00010849

Place: London, UK

Date: 18 June 2021

**Rajesh Kumar**

Director

DIN: 03291545

Place: New Delhi

Date: 18 June 2021

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021

## TO THE MEMBERS OF RATTANINDIA ENTERPRISES LIMITED

### (FORMERLY RATTANINDIA INFRASTRUCTURE LIMITED)

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

- 1) We have audited the accompanying consolidated financial statements of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') and its associate, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
- 2) In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group and its associates, as at 31 March 2021, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Basis for Opinion

- 3) We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in paragraph 15 of the Other Matter(s) section below, is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matter

- 4) Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiary, were of most significance in our audit of the 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.
- 5) We have determined that there are no key audit matters to communicate in our report.

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

- 6) The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

# Independent Auditor's Report (contd.)

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

- 7) The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management of the companies included in the Group and its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
- 8) In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
- 9) Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.

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

- 10) Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 11) As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements 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 ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the

Group and its associates and joint ventures to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, and its associate, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
- 12) 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.
- 13) 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.
- 14) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matter

- 15) We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of ₹ 1.00 lakh and net assets of ₹ 0.88 lakh as at 31 March 2021, total revenues of ₹ Nil and net cash inflows amounting to ₹ 1.00 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

- 16) The consolidated financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, Sharma Goel & Co LLP, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 26 June 2020.

## Report on Other Legal and Regulatory Requirements

- 17) As required by section 197(16) of the Act, based on our audit and on the consideration of the report of the other auditor, referred to in paragraph 15, on separate financial statements of the subsidiary, we report that the associate company covered under the Act paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that Holding Company and 1 subsidiary company covered under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of Holding Company and such subsidiary company.
- 18) As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, associate, we report, to the extent applicable, that:

## Independent Auditor's Report (contd.)

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the reports of the other auditor;
- c) the consolidated financial statements 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 Ind AS specified under section 133 of the Act;
- e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company and its associate company covered under the Act, none of the directors of the Group companies and its associate company, companies covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures:
  - i) there were no pending litigations as at 31 March 2021 which would impact the consolidated financial position of the Group;
  - ii) the Holding Company, its subsidiary company and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
  - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company and associate company, companies covered under the Act, during the year ended 31 March 2021; and
  - iv) the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

UDIN: 21504774AAAAEF3683

Place: New Delhi

Date: 18 June 2021

## Annexure 1

### List of entities included in the Consolidated Financial Statement

#### Name of Holding Company

RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited)

#### Name of subsidiary

Neotec Enterprises Limited

#### Name of associate

RattanIndia Power Limited



# Annexure A to the Independent Auditor's Report

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF RATTANINDIA ENTERPRISES LIMITED (FORMERLY RATTANINDIA INFRASTRUCTURE LIMITED) ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

### **Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

- 1) In conjunction with our audit of the consolidated financial statements of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) ('the Holding Company') and its subsidiary (the Holding Company and its subsidiaries together referred to as 'the Group') and its associate as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its associate company, which are companies covered under the Act, as at that date.

### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

- 2) The respective Board of Directors of the Holding Company, its subsidiary company and its associate company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

- 3) Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its associate company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
- 4) Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- 5) We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its associate company, as aforesaid.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

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

## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

## Opinion

- 8) In our opinion and based on the consideration of the report of the other auditors on internal financial controls with reference to financial statements of the subsidiary company, the Holding Company, its subsidiary company and its associate company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI').

## Other Matter

- 9) We did not audit the internal financial controls with reference to financial statements insofar as it relates to 1 subsidiary company, which is company covered under the Act, whose financial statements reflect total assets of ₹ 1.00 lakh and net assets of ₹ 0.88 lakh as at 31 March 2021, total revenues of ₹ Nil and net cash inflows amounting to ₹ 1.00 lakh for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditors whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary company and its associate company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company, is based solely on the reports of the auditors of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

UDIN: 21504774AAAAEF3683

Place: New Delhi

Date: 18 June 2021

# Consolidated Balance Sheet

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

|  | Note | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|------|------------------------|------------------------|
| <b>ASSETS</b>                                      |      |                        |                        |
| <b>Non-current assets</b>                          |      |                        |                        |
| Property, plant and equipment                      | 5    | 4.87                   | 5.04                   |
| Financial assets                                   |      |                        |                        |
| Investment   | 6    | -                      | -                      |
| Deferred tax assets (net)                          | 7A   | 20.32                  | 20.32                  |
| Non-current tax assets (net)                       | 7B   | 54.41                  | 60.01                  |
| Other non-current assets                           | 8    | -                      | 6,825.21               |
|  |      | <b>79.60</b>           | <b>6,910.58</b>        |
| <b>Current assets</b>                              |      |                        |                        |
| Financial assets                                   |      |                        |                        |
| Investments  | 9    | 8,434.97               | -                      |
| Cash and cash equivalents                          | 10   | 4.28                   | 5.44                   |
| Bank balances other than cash and cash equivalents | 11   | -                      | 1,554.11               |
| Other current assets                               | 8    | 0.13                   | 3.80                   |
|  |      | <b>8,439.38</b>        | <b>1,563.35</b>        |
| <b>TOTAL ASSETS</b>                                |      | <b>8,518.98</b>        | <b>8,473.93</b>        |
| <b>EQUITY AND LIABILITIES</b>                      |      |                        |                        |
| <b>Equity</b>                                      |      |                        |                        |
| Equity share capital                               | 12   | 27,645.39              | 27,645.39              |
| Other equity                                       | 13   | (19,189.25)            | (19,184.59)            |
|  |      | <b>8,456.14</b>        | <b>8,460.80</b>        |
| <b>Non-current liabilities</b>                     |      |                        |                        |
| Provisions   | 14   | 8.57                   | 1.77                   |
|  |      | <b>8.57</b>            | <b>1.77</b>            |
| <b>Current liabilities</b>                         |      |                        |                        |
| Financial liabilities                              |      |                        |                        |
| Other financial liabilities                        | 15   | 27.64                  | 9.55                   |
| Other current liabilities                          | 16   | 26.44                  | 1.76                   |
| Provisions   | 17   | 0.19                   | 0.05                   |
|  |      | <b>54.27</b>           | <b>11.36</b>           |
| <b>TOTAL EQUITY AND LIABILITIES</b>                |      | <b>8,518.98</b>        | <b>8,473.93</b>        |

Significant accounting policies and accompanying notes are integral part of the consolidated financial statements

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Rohit Arora**

Partner

Membership No.: 504774

Place: New Delhi

Date: 18 June 2021

For and on behalf of the Board of Directors

**Rajiv Rattan**

Chairman

DIN: 00010849

Place: London, UK

Date: 18 June 2021

**Rajesh Kumar**

Director

DIN: 03291545

Place: New Delhi

Date: 18 June 2021

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021

# Consolidated Statement of Profit and Loss

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)



|   | Note | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---|------|-------------------------------------|-------------------------------------|
| <b>Revenue</b>  |      |                                     |                                     |
| Revenue from operations   | 18   | 10.00                               | -                                   |
| Other income  | 19   | 172.02                              | 156.59                              |
|   |      | <b>182.02</b>                       | <b>156.59</b>                       |
| <b>Expenses</b>   |      |                                     |                                     |
| Employee benefits expense   | 20   | 99.14                               | 9.32                                |
| Finance costs   | 21   | 0.01                                | 122.71                              |
| Depreciation expense  | 5    | 0.17                                | 0.16                                |
| Other expenses  | 22   | 82.00                               | 62.33                               |
|   |      | <b>181.32</b>                       | <b>194.52</b>                       |
| <b>Profit/ (loss) before share of profit/ (loss) in associate</b> |      | <b>0.70</b>                         | <b>(37.93)</b>                      |
| Share of loss in associate  |      | -                                   | (15,265.98)                         |
| <b>Profit/ (loss) before tax</b>                                  |      | <b>0.70</b>                         | <b>(15,303.91)</b>                  |
| <b>Tax expense</b>  | 33   |                                     |                                     |
| Current tax   |      | -                                   | -                                   |
| Deferred Tax  |      | -                                   | -                                   |
| <b>Net profit/ (loss) for the year</b>                            |      | <b>0.70</b>                         | <b>(15,303.91)</b>                  |
| <b>Other comprehensive income</b>                                 |      |                                     |                                     |
| Items that will not be reclassified to profit and loss            |      |                                     |                                     |
| Re-measurement of post-employment benefit obligations             |      | (5.36)                              | (0.11)                              |
| <b>Other comprehensive loss for the year</b>                      |      | <b>(5.36)</b>                       | <b>(0.11)</b>                       |
| <b>Total comprehensive loss for the year</b>                      |      | <b>(4.66)</b>                       | <b>(15,304.02)</b>                  |
| <b>Earnings/ (loss) per equity share</b>                          | 24   |                                     |                                     |
| Basic (₹)   |      | 0.000                               | (1.107)                             |
| Diluted (₹)   |      | 0.000                               | (1.107)                             |

Significant accounting policies and accompanying notes are integral part of the consolidated financial statements

This is the consolidated statement of profit and loss referred to in our report of even date.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No.: 504774

**Rajiv Rattan**

Chairman

DIN: 00010849

**Rajesh Kumar**

Director

DIN: 03291545

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021

Place: London, UK

Date: 18 June 2021

Place: New Delhi

Date: 18 June 2021

Place: New Delhi

Date: 18 June 2021

# Consolidated Statement of Changes in Equity

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## A Equity share capital (refer note 12)

| Particulars          | Balance as at<br>1 April 2019 | Movement<br>during the year | Balance as at<br>31 March 2020 | Movement<br>during the year | Balance as at<br>31 March 2021 |
|----------------------|-------------------------------|-----------------------------|--------------------------------|-----------------------------|--------------------------------|
| Equity share capital | 27,645.39                     | -                           | 27,645.39                      | -                           | 27,645.39                      |

## B Other Equity (refer note 13)

| Particulars                 | Reserves and Surplus |                    |                                      |                   | Total       |
|-----------------------------|----------------------|--------------------|--------------------------------------|-------------------|-------------|
|                             | Capital Reserve      | Securities Premium | Employee's stock options outstanding | Retained Earnings |             |
| Balance as at 1 April 2019  | 204,913.31           | 3,296.13           | (23.15)                              | (212,066.86)      | (3,880.57)  |
| Loss for the year           | -                    | -                  | -                                    | (15,303.91)       | (15,303.91) |
| Other comprehensive loss    | -                    | -                  | -                                    | (0.11)            | (0.11)      |
| Balance as at 31 March 2020 | 204,913.31           | 3,296.13           | (23.15)                              | (227,370.88)      | (19,184.59) |
| Profit for the year         | -                    | -                  | -                                    | 0.70              | 0.70        |
| Other comprehensive loss    | -                    | -                  | -                                    | (5.36)            | (5.36)      |
| Balance as at 31 March 2021 | 204,913.31           | 3,296.13           | (23.15)                              | (227,375.54)      | (19,189.25) |

Significant accounting policies and accompanying notes are integral part of the standalone financial statements

This is the consolidated statement of changes in equity referred to in our report of even date.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No.: 504774

Place: New Delhi

Date: 18 June 2021

**Rajiv Rattan**

Chairman

DIN: 00010849

Place: London, UK

Date: 18 June 2021

**Rajesh Kumar**

Director

DIN: 03291545

Place: New Delhi

Date: 18 June 2021

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021

# Consolidated Cash Flow Statement

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)



|  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>   |                                     |                                     |
| Net profit/ (loss) before tax  | 0.70                                | (15,303.91)                         |
| <b>Adjustment for:</b>   |                                     |                                     |
| Provision for employee benefits and others   | 1.58                                | 0.27                                |
| Interest income on fixed deposit   | (42.31)                             | (148.44)                            |
| Share in net loss of associate   | -                                   | 15,265.98                           |
| Gain on mutual fund  | (128.39)                            | -                                   |
| Finance costs  | 0.01                                | 122.71                              |
| Provision/ liabilities written back  | -                                   | (5.91)                              |
| Depreciation expense   | 0.17                                | 0.16                                |
| <b>Operating loss before working capital changes</b>   | <b>(168.24)</b>                     | <b>(69.14)</b>                      |
| <b>Movement in working capital:</b>  |                                     |                                     |
| Decrease/ (increase) in other current assets   | 3.67                                | (0.46)                              |
| Decrease/ (increase) in other non-current assets   | 6,825.21                            | (1,608.71)                          |
| Increase/ (decrease) in other financial liabilities  | 18.09                               | (2.29)                              |
| Increase/ (decrease) in other current liabilities  | 24.68                               | (0.40)                              |
| <b>Cash flow generated from/ (used in) operating activities post working capital changes</b> | <b>6,703.41</b>                     | <b>(1,681.00)</b>                   |
| Income tax refund/ (paid) (net)  | 5.60                                | (14.84)                             |
| <b>Net cash flow generated from/ (used in) operating activities (A)</b>                      | <b>6,709.01</b>                     | <b>(1,695.84)</b>                   |
| <b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                                     |                                     |
| Movement in fixed deposits (net)   | 1,546.00                            | (46.00)                             |
| Interest income  | 50.42                               | 172.10                              |
| Purchase of investments (net)  | (8,306.58)                          | -                                   |
| Movement in inter corporate deposits   | -                                   | 1,696.50                            |
| <b>Net cash flow (used in)/ generated from investing activities (B)</b>                      | <b>(6,710.16)</b>                   | <b>1,822.60</b>                     |
| <b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                                     |                                     |
| Finance costs  | (0.01)                              | (122.71)                            |
| <b>Net cash flow used in financing activities (C)</b>  | <b>(0.01)</b>                       | <b>(122.71)</b>                     |
| <b>D (Decrease)/ increase in cash and cash equivalents (A+B+C)</b>                           | <b>(1.16)</b>                       | <b>4.05</b>                         |
| <b>E Cash and cash equivalents at the beginning of the year</b>                              | <b>5.44</b>                         | <b>1.39</b>                         |
| <b>F Cash and cash equivalents at the end of the year (refer note 10)</b>                    | <b>4.28</b>                         | <b>5.44</b>                         |

Significant accounting policies and accompanying notes are integral part of the standalone financial statements

This is the consolidated cash flow statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

For and on behalf of the Board of Directors

**Rohit Arora**

Partner

Membership No.: 504774

**Rajiv Rattan**

Chairman

DIN: 00010849

**Rajesh Kumar**

Director

DIN: 03291545

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021

Place: London, UK

Date: 18 June 2021

Place: New Delhi

Date: 18 June 2021

Place: New Delhi

Date: 18 June 2021

# Notes Forming Part of the Consolidated Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## 1. Corporate information

### Nature of operations

RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) ("the Holding Company") was incorporated on 9 November 2010. The consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries and associate collectively hereinafter referred to as the 'Group'.

During the year, in the Annual General Meeting ('AGM') of the Holding Company held on 30 September 2020, the shareholders passed a resolution altering the Objects Clause of its Memorandum of Association so as to remove the Power and other Infrastructure related business activities therefrom and incorporating therein, a wide range of business activities inter alia from software, legal, financial, human resources, consultancy, to supply of manpower (skilled, semiskilled and unskilled), software designing and development, design development and implementation of payment systems and gateways, etc..

### General information and statement of compliance with Ind AS

These consolidated financial statements ('financial statements') of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies [Indian Accounting Standards ("Ind AS")] Rules, 2015 and relevant amendment rules issued thereafter. The Group and associate have uniformly applied the accounting policies during the periods presented.

The consolidated financial statements for the year ended 31 March 2021 were approved by the Board of Directors on 18 June 2021.

## 2. Basis of consolidation

The consolidated financial statements relate to the Holding Company, its subsidiary and associate. The financial statements have been prepared on the following basis:

- The financial statements of the Holding Company and its subsidiary are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intragroup transactions.
- Profits or losses resulting from intra-group transactions that are recognised in assets are eliminated in full.
- The financial statements of subsidiary company are drawn upto the same reporting date as that of the Holding Company i.e. 31 March 2021.
- The consolidated financial statements of the associate company used in the consolidation are drawn upto the same reporting date as that of the Holding Company i.e. 31 March 2021.
- Investment in Associate is dealt with in accordance with Ind AS 28 'Investments in Associates and Joint Ventures'. Effect has been given to the carrying amount of investments in associates using the 'Equity method'. The Holding Company's share of the post-acquisition profits or losses is included in the carrying cost of investments.
- The excess of share of equity in the associate company as on the date of investment in excess of cost of investments of the Group, is recognized as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.
- Following entities have been considered in the preparation of the consolidated financial statements:

| Name of the Company        | Country of Incorporation | % of Holding As at 31 March 2021 |
|----------------------------|--------------------------|----------------------------------|
| Neotec Enterprises Limited | India                    | 100%                             |
| RattanIndia Power Limited  | India                    | 22.07%                           |

## 3. Recent Indian Accounting Standards (Ind AS)

Ministry of Company Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2021.

## 4. Summary of significant accounting policies

### Overall consideration

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

# Notes Forming Part of the Consolidated Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## a) Basis of preparation

The financial statements have been prepared on going concern basis under the historical cost basis except for the following:

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans – liability of which is recognised as per actuarial valuation; and
- Share based payments which are measured at fair value of the options

## b) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group, and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Group applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

### **Service income**

Revenue from services rendered is recognised when services are rendered.

### **Interest income**

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

### **Dividend income**

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

## c) Borrowing costs

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/ development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

## d) Property, plant and equipment

### **Recognition and initial measurement**

Properties, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation **criteria** are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. 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 Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

### **Subsequent measurement (depreciation and useful lives)**

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Act.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **De-recognition**

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



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of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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## e) Intangible assets

### **Recognition and initial measurement**

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

### **Subsequent measurement (amortisation)**

The cost of capitalized software is amortized over a period in the range of three to five years from the date of its acquisition.

## f) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

## g) Financial instruments

### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, unless the financial instrument is designated to be measured at fair value through profit or loss or fair value through other comprehensive income.

### **Financial assets**

#### **Subsequent measurement**

**Financial assets at amortised cost** – The financial assets are measured at the amortised cost if both the following conditions are met:

- The 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 payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Group's business model. All investments in mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

#### **De-recognition of financial assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

### **Financial liabilities**

#### **Subsequent measurement**

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

#### **De-recognition of financial liabilities**

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

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of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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## Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### h) Investments in subsidiaries and associates

The Group has accounted for its subsidiaries and associates at cost in its financial statements in accordance with Ind AS 27, Separate Financial Statements.

Profit/ loss on sale of investments are recognised on the date of the transaction of sale and are computed with reference to the original cost of the investment sold.

### i) Impairment of financial assets

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

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group considers:

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

### Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided otherwise provides for 12 month expected credit losses.

### j) Inventories

Inventories are valued at the lower of cost derived on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of consumption, including octroi and other levies, transit insurance and receiving charges.

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

### k) Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ("OCI") or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

# Notes Forming Part of the Consolidated Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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## l) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

## m) Post-employment, long term and short term employee benefits

### *Defined contribution plans*

The Group makes contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

### *Defined benefit plans*

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit actuarial method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

### *Other long-term employee benefits*

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

### *Short-term employee benefits*

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

## n) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

## o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

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## p) Leases

A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’.

### **Classification of leases**

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee’s option to extend/purchase etc.

### **Recognition and initial measurement**

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

### **Subsequent measurement**

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company’s incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

## q) Significant management judgment in applying accounting policies and estimation uncertainty

The preparation of the Group’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

### **Significant management judgments**

The following are significant management judgments in applying the accounting policies of the Group that have the most significant effect on the financial statements.

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties under the relevant tax jurisdiction (refer note 7A).

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Recoverability of advances/receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Defined benefit obligation (DBO)** – Management’s estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm’s length transaction

at the reporting date.

**Provisions** – At each balance sheet date on the basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions. However the actual future outcome may be different from this judgment.

***Significant estimates***

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

**Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Useful lives of depreciable/ amortisable assets**

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

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of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
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### 5. Property, plant and equipment

| Particulars                        | Freehold land | Furniture and fixtures | Office equipment | Computers   | Total       |
|------------------------------------|---------------|------------------------|------------------|-------------|-------------|
| <b>Gross carrying amount</b>       |               |                        |                  |             |             |
| Balance as on 1 April 2019         | 4.77          | 1.86                   | 0.21             | 2.65        | 9.49        |
| Additions                          | -             | -                      | -                | -           | -           |
| Disposals/ adjustments             | -             | -                      | -                | -           | -           |
| <b>Balance as on 31 March 2020</b> | <b>4.77</b>   | <b>1.86</b>            | <b>0.21</b>      | <b>2.65</b> | <b>9.49</b> |
| Additions                          | -             | -                      | -                | -           | -           |
| Disposals/ adjustments             | -             | -                      | -                | -           | -           |
| <b>Balance as on 31 March 2021</b> | <b>4.77</b>   | <b>1.86</b>            | <b>0.21</b>      | <b>2.65</b> | <b>9.49</b> |
| <b>Accumulated depreciation</b>    |               |                        |                  |             |             |
| Balance as on 1 April 2019         | -             | 1.44                   | 0.21             | 2.65        | 4.30        |
| Additions                          | -             | 0.16                   | -                | -           | 0.16        |
| Disposals/ adjustments             | -             | 0.01                   | -                | -           | 0.01        |
| <b>Balance as on 31 March 2020</b> | <b>-</b>      | <b>1.59</b>            | <b>0.21</b>      | <b>2.65</b> | <b>4.45</b> |
| Additions                          | -             | 0.17                   | -                | -           | 0.17        |
| Disposals/ adjustments             | -             | -                      | -                | -           | -           |
| <b>Balance as on 31 March 2021</b> | <b>-</b>      | <b>1.76</b>            | <b>0.21</b>      | <b>2.65</b> | <b>4.62</b> |
| <b>Net carrying amount</b>         |               |                        |                  |             |             |
| Balance as on 31 March 2021        | 4.77          | 0.10                   | -                | -           | 4.87        |
| Balance as on 31 March 2020        | 4.77          | 0.25                   | -                | -           | 5.04        |

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of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

| 6. Non-current investments  | As at 31 March 2021 |                  | As at 31 March 2020 |                  |
|---|---------------------|------------------|---------------------|------------------|
|   | No. of shares       | Amount           | No. of shares       | Amount           |
| <b>Investment in equity instruments</b>                             |                     |                  |                     |                  |
| <b>Quoted, fully paid equity instruments of associate (at cost)</b> |                     |                  |                     |                  |
| RattanIndia Power Limited *   | 1,185,000,000       | 59,250.00        | 1,185,000,000       | 59,250.00        |
| Less: Share of loss   |                     | 59,250.00        |                     | 59,250.00        |
|   |                     | -                |                     | -                |
|   |                     | <u>30,217.50</u> |                     | <u>15,997.50</u> |
| Aggregate amount of market value of quoted investments              |                     | 30,217.50        |                     | 15,997.50        |
| Aggregate amount of quoted investments                              |                     | -                |                     | -                |
| Aggregate amount of impairment in the value of investments          |                     | -                |                     | -                |

\* Out of total holding, 1,174,843,916 (31 March 2020: 1,174,843,916) equity shares of RattanIndia Power Limited are pledged in favour of the lenders of RattanIndia Power Limited.

| 7A. Deferred tax assets (net)                               | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>Tax effect of items constituting deferred tax assets</b> |                        |                        |
| Tax credit (minimum alternative tax)                        | 20.32                  | 20.32                  |
|   | <u>20.32</u>           | <u>20.32</u>           |

### Movement in deferred tax assets

|   | As at<br>31 March 2020 | Recognized<br>in profit<br>or loss | Recognized<br>in other<br>comprehensive<br>income | As at<br>31 March 2021 |
|---|------------------------|------------------------------------|---|------------------------|
| <b>Tax effect of items constituting deferred tax assets</b> |                        |                                    |   |                        |
| Tax credit (minimum alternative tax)                        | 20.32                  | -                                  | -   | 20.32                  |
| <b>Deferred tax assets (net)</b>                            | <u>20.32</u>           | <u>-</u>                           | <u>-</u>  | <u>20.32</u>           |

|   | As at<br>1 April 2019 | Recognized<br>in profit<br>or loss | Recognized<br>in other<br>comprehensive<br>income | As at<br>31 March 2020 |
|---|-----------------------|------------------------------------|---|------------------------|
| <b>Tax effect of items constituting deferred tax assets</b> |                       |                                    |   |                        |
| Tax credit (minimum alternative tax)                        | 20.32                 | -                                  | -   | 20.32                  |
| <b>Deferred tax assets (net)</b>                            | <u>20.32</u>          | <u>-</u>                           | <u>-</u>  | <u>20.32</u>           |

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| 7B Non current tax assets (net)                                 |  | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|--|------------------------|------------------------|
| Advance income tax (net of provision)                           |  | 54.41                  | 60.01                  |
|   |  | <u>54.41</u>           | <u>60.01</u>           |
| 8. Other assets   |  |                        |                        |
| (Unsecured, considered good)                                    |  |                        |                        |
|   |  | As at 31 March 2021    |                        |
|   |  | Non-current            | Current                |
| Other advances  |  | -                      | 0.13                   |
| Prepaid expenses  |  | -                      | -                      |
|   |  | <u>-</u>               | <u>0.13</u>            |
|   |  | <u>6,825.21</u>        | <u>3.80</u>            |
| 9. Current investments  |  |                        |                        |
|   |  | As at<br>31 March 2021 | As at<br>31 March 2020 |
| Unquoted, non trade   |  |                        |                        |
| Investments in mutual funds                                     |  | 8,434.97               | -                      |
|   |  | <u>8,434.97</u>        | <u>-</u>               |
| Aggregate amount of quoted investments and market value thereof |  | -                      | -                      |
| Aggregate amount of unquoted investments                        |  | 8,434.97               | -                      |
| Aggregate amount of impairment in the value of investments      |  | -                      | -                      |
| 10. Cash and cash equivalents                                   |  |                        |                        |
|   |  | As at<br>31 March 2021 | As at<br>31 March 2020 |
| Cash on hand  |  | 0.57                   | 0.57                   |
| Balances with banks   |  |                        |                        |
| In current accounts   |  | 3.71                   | 4.87                   |
|   |  | <u>4.28</u>            | <u>5.44</u>            |
| 11. Bank balances other than cash and cash equivalents          |  |                        |                        |
|   |  | As at<br>31 March 2021 | As at<br>31 March 2020 |
| Fixed deposit with bank (refer note (i))                        |  | -                      | 1,554.11               |
|   |  | <u>-</u>               | <u>1,554.11</u>        |
| (i) Lien marked against bank guarantee (refer note 29 (c))      |  |                        |                        |



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### 12. Equity share capital

|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>Authorised capital</b>   |                        |                        |
| 2,000,000,000 (31 March 2020: 1,750,000,000)<br>equity shares of ₹ 2 each               | 40,000.00              | 35,000.00              |
|   | <b>40,000.00</b>       | <b>35,000.00</b>       |
| <b>Issued, subscribed and fully paid up capital</b>                                     |                        |                        |
| 1,382,269,592 (31 March 2020: 1,382,269,592)<br>equity shares of ₹ 2 each fully paid up | 27,645.39              | 27,645.39              |
|   | <b>27,645.39</b>       | <b>27,645.39</b>       |

#### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

|   | As at 31 March 2021  |                  | As at 31 March 2020  |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | No of shares         | Amount           | No of shares         | Amount           |
| Equity shares at the beginning of the year  | 1,382,269,592        | 27,645.39        | 1,382,269,592        | 27,645.39        |
| Add : Change during the year                | -                    | -                | -                    | -                |
| <b>Equity shares at the end of the year</b> | <b>1,382,269,592</b> | <b>27,645.39</b> | <b>1,382,269,592</b> | <b>27,645.39</b> |

#### b) Rights/ restrictions attached to equity shares

The Holding Company has only one class of equity shares with voting rights, having a par value of ₹ 2 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### c) Details of shareholders holding more than 5% equity shares

|  | As at 31 March 2021 |           | As at 31 March 2020 |           |
|--|---------------------|-----------|---------------------|-----------|
|  | No of shares        | % Holding | No of shares        | % Holding |
| <b>Equity shares of ₹ 2 each fully paid up</b> |                     |           |                     |           |
| Laurel Energetics Private Limited              | 543,338,386         | 39.31%    | 543,338,386         | 39.31%    |
| Arbutus Consultancy LLP                        | 383,362,902         | 27.73%    | 383,362,902         | 27.73%    |
| Yantra Energetics Private Limited              | 104,765,484         | 7.58%     | 104,765,484         | 7.58%     |

- d) No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceding the reporting date.
- e) During the current year, the authorised share capital of the Holding Company was increased vide approval of equity share holders from ₹ 35,000 lakhs divided into 1,750,000,000 equity shares of ₹ 2 each to ₹ 40,000 lakhs divided into 2,000,000,000 equity shares of ₹ 2 each.

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## 13. Other Equity

|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>Capital reserve</b>                      |                        |                        |
| Opening balance                             | 204,913.31             | 204,913.31             |
| Change during the year                      | -                      | -                      |
| <b>Closing balance</b>                      | <b>204,913.31</b>      | <b>204,913.31</b>      |
| <b>Securities premium</b>                   |                        |                        |
| Opening balance                             | 3,296.13               | 3,296.13               |
| Change during the year                      | -                      | -                      |
| <b>Closing balance</b>                      | <b>3,296.13</b>        | <b>3,296.13</b>        |
| <b>Employee's stock options outstanding</b> |                        |                        |
| Opening balance                             | (23.15)                | (23.15)                |
| Change during the year                      | -                      | -                      |
| <b>Closing balance</b>                      | <b>(23.15)</b>         | <b>(23.15)</b>         |
| <b>Retained earnings</b>                    |                        |                        |
| Opening balance                             | (227,370.88)           | (212,066.86)           |
| Add : Net profit / (loss) for the year      | 0.70                   | (15,303.91)            |
| Add : Other comprehensive income            | (5.36)                 | (0.11)                 |
| <b>Closing balance</b>                      | <b>(227,375.54)</b>    | <b>(227,370.88)</b>    |
|   | <b>(19,189.25)</b>     | <b>(19,184.59)</b>     |

### Nature and purpose of other reserves

#### Capital reserve

Capital reserve which is created out of the capital profit. It is created out of the profit earned from some specific transactions of capital nature. Capital reserve is not available for the distribution to the shareholders.

#### Securities premium

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

#### Employee's stock options reserve

The reserve account is used to recognise the grant date value of options issued to employees under Employee stock option plan.

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| <b>14. Non-current provisions</b>                      | <b>As at<br/>31 March 2021</b> | <b>As at<br/>31 March 2020</b> |
|--|--------------------------------|--------------------------------|
| <b>Provision for employee benefits (refer note 24)</b> |                                |                                |
| Provision for compensated absences (unfunded)          | 1.11                           | 0.17                           |
| Provision for gratuity (unfunded)                      | 7.46                           | 1.60                           |
|  | <b>8.57</b>                    | <b>1.77</b>                    |
| <b>15. Other financial liabilities</b>                 | <b>As at<br/>31 March 2021</b> | <b>As at<br/>31 March 2020</b> |
| Expenses payable                                       | 27.64                          | 9.55                           |
|  | <b>27.64</b>                   | <b>9.55</b>                    |
| <b>16. Other current liabilities</b>                   | <b>As at<br/>31 March 2021</b> | <b>As at<br/>31 March 2020</b> |
| Statutory dues   | 26.44                          | 1.76                           |
|  | <b>26.44</b>                   | <b>1.76</b>                    |
| <b>17. Current provisions</b>                          | <b>As at<br/>31 March 2021</b> | <b>As at<br/>31 March 2020</b> |
| <b>Provision for employee benefits (refer note 24)</b> |                                |                                |
| Provision for compensated absences (unfunded)          | 0.02                           | 0.01                           |
| Provision for gratuity (unfunded)                      | 0.17                           | 0.04                           |
|  | <b>0.19</b>                    | <b>0.05</b>                    |

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| 18. Revenue from operations                  | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| Payroll management service                   | 10.00                               | -                                   |
|  | <u>10.00</u>                        | <u>-</u>                            |
|  | <u>10.00</u>                        | <u>-</u>                            |
| 19. Other income                             | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
| Interest on fixed deposits                   | 42.31                               | 148.44                              |
| Interest on income tax refund                | 1.31                                | -                                   |
| Capital gain on mutual fund                  | 128.39                              | -                                   |
| Provision/ liabilities written back          | -                                   | 5.91                                |
| Miscellaneous income                         | 0.01                                | 2.24                                |
|  | <u>172.02</u>                       | <u>156.59</u>                       |
|  | <u>172.02</u>                       | <u>156.59</u>                       |
| 20. Employee benefits expense                | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
| Salaries and wages                           | 97.48                               | 8.93                                |
| Contribution to provident and other funds    | 0.07                                | 0.11                                |
| Provision for gratuity/ compensated absences | 1.58                                | 0.27                                |
| Staff welfare expenses                       | 0.01                                | 0.01                                |
|  | <u>99.14</u>                        | <u>9.32</u>                         |
|  | <u>99.14</u>                        | <u>9.32</u>                         |
| 21. Finance costs                            | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
| Interest on inter corporate deposits         | -                                   | 122.71                              |
| Interest on delayed payment of taxes         | 0.01                                | -                                   |
|  | <u>0.01</u>                         | <u>122.71</u>                       |
|  | <u>0.01</u>                         | <u>122.71</u>                       |
| 22. Other expenses                           | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
| Rates and taxes                              | 41.69                               | 24.70                               |
| Legal and professional charges               | 14.74                               | 4.12                                |
| Advertisement expenses                       | 1.81                                | 1.84                                |
| Rent expenses                                | 2.40                                | 2.40                                |
| Electricity expenses                         | 0.40                                | -                                   |
| Printing and stationery                      | 0.27                                | 3.78                                |
| Postage and telegram                         | -                                   | 1.18                                |
| Payments to statutory auditors - for audit   | 15.62                               | 5.90                                |
| Bank charges                                 | 3.71                                | 17.00                               |
| Miscellaneous expenses                       | 1.36                                | 1.41                                |
|  | <u>82.00</u>                        | <u>62.33</u>                        |
|  | <u>82.00</u>                        | <u>62.33</u>                        |

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23. As per Ind AS-24 “Related Party Disclosure”, the related parties, identified by the Management, where control exists or where significant influence exists and with whom transactions have taken place are as below:

### A. List of related parties

| Name of related party         | Nature of relationship   |
|-------------------------------|--|
| RR Infralands Private Limited | Enterprises over which Key Management Personnel have significant influence |
| RattanIndia Power Limited     | Associate Company  |
| Rajiv Rattan *                | Executive Director and Executive Chairman                                  |
| Vikas Kumar Adukia            | Chief Financial Officer (upto 29 April 2021)                               |
| Raghunandan Kumar Sharma      | Manager (upto 30 June 2020)  |
| Ram Kumar Agarwal             | Company Secretary  |

\* Designation changed to Executive Director and Executive Chairman of the Holding Company w.e.f. 4 September 2020

### B. Summary of transactions:

| Name                          | Nature of transaction | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|-------------------------------|-----------------------|-----------------------------|-----------------------------|
| RR Infralands Private Limited | Advance given         | -                           | 6,825.21                    |
|                               | Advance received back | 6,825.21                    | -                           |

### C. Outstanding balances

| Name                          | Nature of balance | As at<br>31 March 2021 | As at<br>31 March 2020 |
|-------------------------------|-------------------|------------------------|------------------------|
| RR Infralands Private Limited | Advance given     | -                      | 6,825.21               |

## 24. Employee benefits

### Defined contribution:

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the Group make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The Group has recognized in the Statement of Profit and Loss an amount of ₹ 0.07 lakhs (31 March 2020: ₹ 0.11 lakhs) towards employer's contribution towards provident fund.

### Defined benefits:

Provision for unfunded Gratuity payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2021. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the other comprehensive income as identified by the Management of the Group.

### Other benefits:

Provision for unfunded compensated absences payable to eligible employees on availment/ retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2021. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Actuarial Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss as identified by the Management of the Group.

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Based on the actuarial valuation obtained in this respect, the following table sets out the status of Gratuity and Compensated Absences and the amounts recognised in the financial statements for the year ended 31 March 2021:

| Particulars   | Gratuity<br>(Unfunded) |               | Compensated Absences<br>(Unfunded) |               |
|---|------------------------|---------------|------------------------------------|---------------|
|   | 31 March 2021          | 31 March 2020 | 31 March 2021                      | 31 March 2020 |
| <b>Liability recognised in the balance sheet:</b>                                 |                        |               |                                    |               |
| Present value of obligation as at the beginning of the year                       | 1.64                   | 1.30          | 0.18                               | 0.14          |
| Current service cost  | 0.52                   | 0.13          | 0.09                               | 0.01          |
| Interest cost   | 0.11                   | 0.10          | 0.01                               | 0.01          |
| Benefits paid   | -                      | -             | -                                  | -             |
| Actuarial losses  | 5.36                   | 0.11          | 0.85                               | 0.02          |
| <b>Present value of obligation at the end of the year</b>                         | <b>7.63</b>            | <b>1.64</b>   | <b>1.13</b>                        | <b>0.18</b>   |
| <b>Expenses during the year</b>   |                        |               |                                    |               |
| Current service cost  | 0.52                   | 0.13          | 0.09                               | 0.01          |
| Interest cost   | 0.11                   | 0.10          | 0.01                               | 0.01          |
| Actuarial losses  | -                      | -             | 0.85                               | 0.02          |
| <b>Component of defined benefit cost charged to statement of profit and loss</b>  | <b>0.63</b>            | <b>0.23</b>   | <b>0.95</b>                        | <b>0.04</b>   |
| <b>Remeasurement of post-employment benefit obligations:</b>                      |                        |               |                                    |               |
| Actuarial losses  | 5.36                   | 0.11          | -                                  | -             |
| <b>Component of defined benefit cost recognized in other comprehensive income</b> | <b>5.36</b>            | <b>0.11</b>   | <b>-</b>                           | <b>-</b>      |

| Particulars   | Gratuity<br>(Unfunded) |               | Compensated Absences<br>(Unfunded) |               |
|---|------------------------|---------------|------------------------------------|---------------|
|   | 31 March 2021          | 31 March 2020 | 31 March 2021                      | 31 March 2020 |
| <b>Actuarial (gains)/ losses on obligation</b>                        |                        |               |                                    |               |
| Actuarial (gain)/ loss arising from change in demographic assumptions | -                      | -             | -                                  | -             |
| Actuarial (gain)/ loss arising from change in financial assumptions   | -                      | 0.21          | -                                  | 0.03          |
| Actuarial (gain)/ loss arising from change in experience adjustments  | 5.36                   | (0.10)        | 0.85                               | (0.01)        |

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The actuarial valuation in respect of commitments and expenses relating to unfunded gratuity and compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses;

| (a) Economic Assumptions         | 31 March 2021 | 31 March 2020 |
|----------------------------------|---------------|---------------|
| Discount rate                    | 6.79%         | 6.80%         |
| Expected return on plan assets   | -             | -             |
| Expected rate of salary increase | 5.00%         | 5.00%         |

| (b) Demographic assumptions | 31 March 2021       | 31 March 2020       |
|-----------------------------|---------------------|---------------------|
| Retirement age              | 60 years            | 60 years            |
| Mortality table             | 100% IALM (2012-14) | 100% IALM (2012-14) |
| Ages                        | Withdrawal rate (%) | Withdrawal rate (%) |
| Upto 30 years               | 3.00                | 3.00                |
| From 31 to 44 years         | 2.00                | 2.00                |
| Above 44 years              | 1.00                | 1.00                |

The employer's best estimate of contributions expected to be paid during the annual period beginning after the balance sheet date, towards gratuity and compensated absences is ₹ 1.95 lakhs (31 March 2020 : ₹ 0.25 lakhs) and ₹ 0.67 lakhs (31 March 2020: ₹ 0.04 lakhs) respectively.

### (a) Sensitivity analysis of defined benefit obligation

| Particulars   | 31 March 2021 | 31 March 2020 |
|---|---------------|---------------|
| <b>a) Impact of the change in discount rate</b>             |               |               |
| i) Impact due to increase of 0.50% (31 March 2020: 0.50%)   | (0.22)        | (0.15)        |
| ii) Impact due to decrease of 0.50% (31 March 2020: 0.50%)  | 0.23          | 0.16          |
| <b>b) Impact of the change in salary increase</b>           |               |               |
| iii) Impact due to increase of 0.50% (31 March 2020: 0.50%) | 0.23          | 0.16          |
| iv) Impact due to decrease of 0.50% (31 March 2020: 0.50%)  | (0.22)        | (0.15)        |

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

### b) Maturity profile of defined benefit obligation

| Particulars       | 31 March 2021 | 31 March 2020 |
|-------------------|---------------|---------------|
| Less than 1 year  | 0.19          | 0.05          |
| Year 1 to 5       | 6.96          | 0.15          |
| More than 5 years | 1.62          | 1.62          |

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## 25. Earnings Per Equity Share (EPS):

| Particulars   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---|-------------------------------------|-------------------------------------|
| Profit/ (loss) for the year   | 0.70                                | (15,303.91)                         |
| Weighted average number of shares used in computing basic earnings per equity share   | 1,382,269,592                       | 1,382,269,592                       |
| Weighted average number of Shares used in computing diluted earnings per equity share | 1,382,269,592                       | 1,387,132,980                       |
| Basic earnings per equity share (₹)   | 0.000                               | (1.107)                             |
| Diluted earnings per equity share (₹)   | 0.000                               | (1.107)                             |
| Face value per equity share (₹)   | 2                                   | 2                                   |

\* During the previous year, 20,000,000 stock option granted to eligible employees and the potential equity shares are anti-dilutive in nature as at 31 March 2020 as it decreases loss per share from continuing ordinary activities. Hence the effect of these anti-dilutive potential equity shares is ignored while calculating earnings per share.

26. Consequent to the issuance of a fresh certificate of incorporation by the Registrar of Companies NCT of Delhi & Haryana (RoC), the name of the Holding Company stood changed from the previous RattanIndia Infrastructure Limited to RattanIndia Enterprises Limited with effect from 22 March 2021. The shareholders of the Holding Company had earlier approved the change in the name as aforesaid, in their Annual General Meeting held on 30 September 2020 post which the Holding Company had applied to the RoC for the change in its name.
27. In the annual general meeting of the Holding Company held on 30 September 2020, the shareholders passed a resolution altering the Objects Clause of its Memorandum of Association so as to remove the Power and other Infrastructure related business activities therefrom and incorporating therein, a wide range of business activities inter alia from software, legal, financial, human resources, consultancy, to supply of manpower (skilled, semiskilled and unskilled), software designing and development, design development and implementation of payment systems and gateways, etc.. The Holding Company is constantly in the process of evaluating its options of undertaking a business activity which ensures generation of revenues and profitability in rapid time. In pursuance of the same the business of human resource/manpower supply, payroll management and other related services (the "Manpower Business") has already been commenced in the quarter ended 31 March 2021, which has enabled the Holding Company to earn revenues.
28. Board of Directors reviews the operation at Group level. Currently operation of the Group falls under "Manpower Business" and allocation of resources towards business has been commensurate with the size of the business, so far achieved. The allocation of resources and assessment of performance by the Board of Directors based thereon for the other business as taken up in future, would depend upon the business that is decided to be undertaken in future. For the period under review the expenses incurred, were of ordinary nature, not attributable to any specific business activity or segment.

## 29. Contingent liabilities

- a) The Holding Company has executed a Deed of Guarantee dated 26 April 2017, as a Guarantor for and on behalf of Sinner Power Transmission Company Limited (SPTCL) in favour of Power Finance Corporation Limited (PFC). As per the terms of the Deed of Guarantee the Holding Company (Guarantor) shall ensure that SPTCL the borrower duly and punctually pays and discharges the Secured Obligations in accordance with the terms, conditions and provisions of the facility agreement failing which the secured obligations shall be discharged by the guarantor in accordance with the terms and conditions contained herein and/ or the financing documents.
- b) The Holding Company has executed a Deed of Guarantee dated 31 December 2019 as a Sponsor of RattanIndia Power Limited (RPL), the associate, in favour of Vistra ITCL (India) Limited (Security Trustee). As per the terms of Deed of Guarantee the Holding Company (Sponsor) has guaranteed the Backstopped Liabilities; liabilities of the borrower and claims made by the existing lenders against the borrower in relation to the existing lenders Redeemable preference shares, including but not limited to the payment of any dividend or the redemption of the existing lenders Redeemable preference shares).



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- c) During the previous financial year, for initiation of Swiss Challenge Process of RPL, the Holding Company had provided the Bank Guarantee (Bid Guarantee) of Rs. 1,500.00 lakhs in December 2018 for performance of obligations under the Bid Document and the Bid Process in favour of Power Finance Corporation Limited. Post successful culmination of one-time settlement process in RPL, PFC has agreed to release the Bank Guarantee and same has been released by PFC as on 26 June 2020.

30. In respect of amounts as mentioned under Section 125 of the Act, there are no amount required to be transferred to the Investor Education and Protection Fund as at 31 March 2021 and as at 31 March 2020.

31. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:

| Particulars   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| i) Principal amount remaining unpaid to any supplier as at the end of the accounting year;  | Nil                    | Nil                    |
| ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year;   | Nil                    | Nil                    |
| iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day;  | Nil                    | Nil                    |
| iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;   | Nil                    | Nil                    |
| v) The amount of interest accrued and remaining unpaid at the end of the accounting year;   | Nil                    | Nil                    |
| vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006. | Nil                    | Nil                    |

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

32. The Group has not entered into any derivative instruments during the year. The Group does not have any foreign currency exposures towards receivables, payables or any other derivative instrument as at 31 March 2021 and 31 March 2020.

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### 33. Effective tax reconciliation

| Particulars   | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|---|-------------------------------------|-------------------------------------|
| Profit/ (loss) before tax   | 0.70                                | (15,303.91)                         |
| Domestic tax rate   | 26.00%                              | 26.00%                              |
| <b>Expected tax expense [A]</b>                                   | <b>0.18</b>                         | <b>(3,979.02)</b>                   |
| Deferred tax not recognised on unabsorbed losses and other items  | (0.18)                              | 3,979.02                            |
| <b>Total adjustments [B]</b>                                      | <b>(0.18)</b>                       | <b>3,979.02</b>                     |
| <b>Actual tax expense [C=A+B]</b>                                 | -                                   | -                                   |
| <b>Tax expense comprises:</b>                                     |                                     |                                     |
| Current tax expense   | -                                   | -                                   |
| Deferred tax  | -                                   | -                                   |
| <b>Tax expense recognized in Statement of profit and loss [D]</b> | -                                   | -                                   |

### 34. Employees Stock Options Schemes

#### Stock Option Schemes of RattanIndia Power Limited ("RPL")

The associate company, RPL, has formulated ESOS/ ESOP schemes for applicable/ eligible employees. The schemes so formulated are also applicable to the eligible employees of its subsidiaries and of other companies under common control with the Holding Company. The Holding Company has adopted the said schemes of RPL which are administered by a Compensation Committee constituted by the Board of Directors of RPL. RPL does not seek reimbursement of expenses from the Holding Company for ESOP granted to employees of the Holding Company.

#### Stock Option Schemes of RattanIndia Power Limited ("RPL")

On 10 January 2008 the erstwhile Indiabulls Power Services Limited ("IPSL"), had established the IPSL ESOS Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of ₹ 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at 1 April 2008.

Pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Act, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated 1 September 2008, and during the year ended 31 March 2015, pursuant to the name change of the ultimate holding company to RattanIndia Power Limited, the name of the plan was changed to RattanIndia Power Limited Employees' Stock Option Plan 2008 ("RPL ESOP 2008"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

During the financial year ended 31 March 2010, RattanIndia Power Limited had established the "Indiabulls Power Limited Employees' Stock Option Scheme 2009" ("IPL ESOS 2009") under which, IPSL was authorised to issue equity settled options at an exercise price of ₹ 14 per option to eligible employees. During the year ended 31 March 2015, the name of the ESOS scheme IPL ESOS 2009 was changed to RattanIndia Power Limited Employees' Stock Option Scheme 2009 ("RPL ESOS 2009"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

During the Financial Year ended 31 March 2012, RattanIndia Power Limited has established the "Indiabulls Power Limited Employee Stock Option Scheme -2011" ("IPL ESOS -2011") under which, IPSL was authorised to issue equity settled options at an exercise price of ₹ 12 per option to eligible employees. During the year ended 31 March 2015, the name of the ESOS scheme IPL ESOS 2011 was changed to RattanIndia Power Limited Employees' Stock.

Option Scheme 2011 ("RPL ESOS 2011"). These options vest uniformly over a period of 10 years commencing one year after the date of grant.

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## Stock Option Schemes of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) ("RIL ESOP 2019"):

During the financial year 2019-20, the Holding Company has established an Employee Stock Option Scheme RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) Employee stock option plan -2019 ("RIL ESOP 2019") Scheme" in accordance with the provisions of Rule 12 of the Companies (Share Capital And Debentures) Rules, 2014 read with Sections 2(37) and 62 (1) (b) of the Act. The schemes so formulated are also applicable to the eligible employees of its holding/ subsidiaries company, if any in future and of other Companies under common control with the Group. The number of equity shares to be issued and allotted under RIL ESOP 2019 shall not exceed four hundred fourteen lakh equity share of the Holding Company.

During the financial year 2019-20, the Nomination and remuneration committee (also acting as compensation committee) has approved the grant of 20,000,000 stock options representing an equal number of equity shares of face value Rs. 2 each, to the eligible employees, at an exercise price of ₹ 2 per equity share, being the intrinsic value as on grant date i.e. 02 January 2020. The stock option shall vest in equal slab of 20% per year over a period of five years. Such grants are lapsed during the year.

Set out below is a summary of options granted under the plan:

| Particulars  | 31 March 2021  | 31 March 2020  |
|--|--|--|
| <b>Total options under the scheme (nos.)</b>                   | <b>41,400,000</b>  | <b>41,400,000</b>  |
| Option available for grant                                     | 20,000,000   | 20,000,000   |
| Vesting period and percentage                                  | Uniformly over a period of five years                        | Uniformly over a period of five years                        |
| Vesting date   | 1 <sup>st</sup> January each year, commencing 1 January 2021 | 1 <sup>st</sup> January each year, commencing 1 January 2021 |
| Exercise price (₹)   | 2.00   | 2.00   |
| <b>Outstanding options at the beginning of the year (nos.)</b> | <b>20,000,000</b>  | <b>-</b>   |
| Options granted during the year (nos.)                         | -  | 20,000,000   |
| Options vested during the year (nos.)                          | -  | -  |
| Options exercised during the year (nos.)                       | -  | -  |
| Options lapsed/cancelled during the year (nos.)                | 20,000,000 *   | -  |
| <b>Outstanding options at the end of the year (nos.)</b>       | <b>-</b>   | <b>20,000,000</b>  |

\* All the options which are earlier granted are lapsed during the year and are available for grant.

## 35. Financial instruments

### i) Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**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 rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### Valuation technique used to determine fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (Financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Group and other valuation models. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

# Notes Forming Part of the Consolidated Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

## Financial assets and liabilities measured at fair value - recurring fair value measurements:

| As at 31 March 2021        | Level 1  | Level 2 | Level 3 | Total           |
|----------------------------|----------|---------|---------|-----------------|
| <b>Assets</b>              |          |         |         |                 |
| Investment in mutual funds | 8,434.97 | -       | -       | <b>8,434.97</b> |

There are no liabilities measured at fair value as at 31 March 2021 and 31 March 2020. Also, there were no assets measured at fair value as at 31 March 2020.

## ii) Fair value of financial assets and liabilities measured at amortised cost.

The carrying amount of financial assets and financial liabilities are measured at amortised cost in the financial statements are a reasonable approximation of their fair values.

## 36. Financial risk management

### (i) Financial instruments by category

| Particulars  | 31 March 2021   |          |                | 31 March 2020 |          |                 |
|--|-----------------|----------|----------------|---------------|----------|-----------------|
|  | FVTPL           | FVOCI    | Amortised cost | FVTPL         | FVOCI    | Amortised cost  |
| <b>Financial assets</b>                            |                 |          |                |               |          |                 |
| Investment   | 8,434.97        | -        | -              | -             | -        | -               |
| Cash and cash equivalents                          | -               | -        | 4.28           | -             | -        | 5.44            |
| Bank balances other than cash and cash equivalents | -               | -        | -              | -             | -        | 1,554.11        |
| <b>Total</b>                                       | <b>8,434.97</b> | <b>-</b> | <b>4.28</b>    | <b>-</b>      | <b>-</b> | <b>1,559.55</b> |
| <b>Financial liabilities</b>                       |                 |          |                |               |          |                 |
| Other financial liabilities                        | -               | -        | 27.64          | -             | -        | 9.55            |
| <b>Total</b>                                       | <b>-</b>        | <b>-</b> | <b>27.64</b>   | <b>-</b>      | <b>-</b> | <b>9.55</b>     |

Investment in subsidiary and associate are measured as cost as per Ind AS 27, 'Separate Financial Statements' and hence, not presented here.

## ii) Risk management

The Group is exposed to various risks in relation to financial instruments. The main types of risks are credit risk and liquidity risk. The most significant financial risks to which the Group is exposed are described below:

### Credit risk

Credit risk is the risk that a counter party fails to discharge an obligation to the Group. Credit risk arises from investments, cash and cash equivalents and loans. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March, as summarised below:

| Particulars  | 31 March 2021 | 31 March 2020 |
|--|---------------|---------------|
| Investment   | 8,434.97      | -             |
| Cash and cash equivalents                          | 4.28          | 5.44          |
| Bank balances other than cash and cash equivalents | -             | 1,554.11      |

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Holding Company's management considers that all of the above financial assets that are not impaired and/ or past due for each of the above assets reporting dates under review are of good credit quality

### Liquidity risk

The tables below analyse the Group's financial assets and liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial assets and liabilities.

## Notes Forming Part of the Consolidated Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| 31 March 2021                | Less than 1 year | 1-5 year | More than 5 years | Total           |
|------------------------------|------------------|----------|-------------------|-----------------|
| <b>Financial assets</b>      |                  |          |                   |                 |
| Cash and cash equivalent     | 4.28             | -        | -                 | <b>4.28</b>     |
| Other bank balances          | -                | -        | -                 | -               |
| Investment                   | 8,434.97         | -        | -                 | <b>8,434.97</b> |
| <b>Financial liabilities</b> |                  |          |                   |                 |
| Other financial liabilities  | 27.64            | -        | -                 | <b>27.64</b>    |

| 31 March 2020                | Less than 1 year | 1-5 year | More than 5 years | Total           |
|------------------------------|------------------|----------|-------------------|-----------------|
| <b>Financial assets</b>      |                  |          |                   |                 |
| Cash and cash equivalent     | 5.44             | -        | -                 | <b>5.44</b>     |
| Other bank balances          | 1,554.11         | -        | -                 | <b>1,554.11</b> |
| Investment                   | -                | -        | -                 | -               |
| <b>Financial liabilities</b> |                  |          |                   |                 |
| Other financial liabilities  | 9.55             | -        | -                 | <b>9.55</b>     |

### Price risk

#### Exposure

The Group is exposed to price risk in respect of its investment in mutual funds (refer note 9). The mutual funds are unquoted investments.

#### Sensitivity

Below is the sensitivity of profit or loss and equity changes in fair value of investments, assuming no change in other variables:

| Particulars   | 31 March 2021 | 31 March 2020 |
|---|---------------|---------------|
| <b>Price sensitivity</b>  |               |               |
| Price increase by 1000 basis points<br>(31 March 2020: 1000 basis points) | 843.50        | -             |
| Price decrease by 1000 basis points<br>(31 March 2020: 1000 basis points) | (843.50)      | -             |

### 37. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group monitors capital using a 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 and current investments. The Holding Company and Subsidiary Company does not have any debt and also any sub-ordinated liabilities.

# Notes Forming Part of the Consolidated Financial Statements

of RattanIndia Enterprises Limited (formerly RattanIndia Infrastructure Limited) as at 31 March 2021  
(All amount in ₹ Lakhs, unless otherwise stated)



38. Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Act:

| Name of the entity              | Net assets (total assets minus total liabilities) |                                 | Net profit or (loss) |                                 | Other comprehensive income |                                 | Total comprehensive income |                                 |
|---------------------------------|---|---------------------------------|----------------------|---------------------------------|----------------------------|---------------------------------|----------------------------|---------------------------------|
|                                 | Amount  | As % of consolidated net assets | Amount               | As % of consolidated net assets | Amount                     | As % of consolidated net assets | Amount                     | As % of consolidated net assets |
| <b>Holding Company</b>          |   |                                 |                      |                                 |                            |                                 |                            |                                 |
| RattanIndia Enterprises Limited | 67,706.26   | 100.00%                         | 0.82                 | 117.14%                         | (5.36)                     | 100.00%                         | (4.54)                     | 97.42%                          |
| <b>Indian Subsidiary</b>        |   |                                 |                      |                                 |                            |                                 |                            |                                 |
| Neotec Enterprises Limited      | 0.88  | 0.00%                           | (0.12)               | (17.14%)                        | -                          | -                               | (0.12)                     | 2.58%                           |
| <b>Indian Associates</b>        |   |                                 |                      |                                 |                            |                                 |                            |                                 |
| RattanIndia Power Limited       | -   | -                               | -                    | -                               | -                          | -                               | -                          | -                               |
| Inter-company eliminations      | (59,251.00)                                       | -                               | -                    | -                               | -                          | -                               | -                          | -                               |
| <b>Total</b>                    | <b>67,707.14</b>                                  | <b>100.00%</b>                  | <b>0.70</b>          | <b>100.00%</b>                  | <b>(5.36)</b>              | <b>100.00%</b>                  | <b>(4.66)</b>              | <b>100.00%</b>                  |

39. Deferred tax assets have not been recognised in respect of unabsorbed business loss amounting to ₹ 1,228.52 lakhs as at 31 March 2021 (31 March 2020: ₹ 1,104.86 lakhs). These unabsorbed business losses will expire over a period of eight years from the end of respective reporting periods.

40. Due to ongoing impact of COVID-19 globally and in India, the Group has made initial assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Group has been monitoring the situation closely and has taken proactive measures to comply with various directions/ regulations/ guidelines issued by the government and local bodies to ensure safety of workforce across its offices and plants and offices of its associates. The management has estimated its future cash flows for the Group which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Group believes that there is no impact on its ability to continue as a going concern and meeting its liabilities as and when they fall due as of now.

However, the impact assessment of COVID-19 is a continuing process given in the uncertainties associated with its nature and duration. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Group, if any.

41. The disclosure as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Loans and advances in the nature of loans given to subsidiaries, associates and others and investments in shares of the Company by such parties is covered in the related party disclosures. (refer note 23).

42. The Holding Company is covered under Section 135 of the Act and accordingly constituted a Corporate Social Responsibility Committee of the Board. However, as the Holding Company did not have average net profits based on the immediately preceding three financial years, the Holding Company is not required to spend amounts towards Corporate Social Responsibility in terms of the Act.

43. Subsequent to the balance sheet date, the Holding Company acquired 33% equity stake in Revolt Intellicorp Private Limited.

44. Previous year figures have been regrouped/ reclassified wherever required.

As per our report of even date attached

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013

**Rohit Arora**

Partner

Membership No.: 504774

Place: New Delhi

Date: 18 June 2021

For and on behalf of the Board of Directors

**Rajiv Rattan**

Chairman

DIN: 00010849

Place: London, UK

Date: 18 June 2021

**Rajesh Kumar**

Director

DIN: 03291545

Place: New Delhi

Date: 18 June 2021

**Ram Kumar Agarwal**

Company Secretary

Place: New Delhi

Date: 18 June 2021

## Form AOC-1

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement Containing Salient features of the financial statement of subsidiaries/associates companies/ joint ventures

## Part "A": Subsidiaries

(Amount in ₹ Lakhs)

| S. No. | Name of Subsidiary         | Date of Acquisition | Reporting Period | Reporting Currency | Exchange rate | Share capital | Other Equity | Total Assets | Total Liability | Total Investments | Revenue from operations | Profit/(loss) before tax | Tax Expense | Profit/(loss) after Tax | Total Comprehensive Income | Proposed Dividend | % Shareholding |
|--------|----------------------------|---------------------|------------------|--------------------|---------------|---------------|--------------|--------------|-----------------|-------------------|-------------------------|--------------------------|-------------|-------------------------|----------------------------|-------------------|----------------|
| 1      | Neotec Enterprises Limited | 3/17/2021           | 31 March 2021    | INR                | 1             | 1.00          | (0.12)       | 1.00         | 0.12            | -                 | -                       | (0.12)                   | -           | (0.12)                  | -                          | -                 | 100%           |

## Additional Disclosures :

- Subsidiaries which have been sold during the year N.A.
- Subsidiaries which are yet to commence operation N.A.

## Part "B": Associates and Joint Ventures

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture)

(Amount in ₹ Lakhs)

| S. No. | Name of Associates/ Joint Ventures  | RattanIndia Power Limited |
|--------|---|---------------------------|
| 1      | Latest audited Balance Sheet Date   | 31 March 2021             |
| 2      | Date on which the Associate or Joint Venture was associated or acquired   | 25 November 2011          |
| 3      | Shares of Associate/Joint Ventures held by the company on the year end    |                           |
|        | No.   | 1,185,000,000             |
|        | Amount of Investment in Associates/Joint Venture                          | 59,250.00                 |
|        | Extend of Holding %   | 22.07%                    |
| 4      | Description of how there is significant influence                         | By Shares                 |
| 5      | Reason why the associate/joint venture is not consolidated                | Consolidated              |
| 6      | Networth attributable to Shareholding as per latest audited Balance Sheet |                           |
| 7      | Loss for the year   | (93,598.97)               |
| i      | Considered in Consolidation   |                           |
| ii     | Not Considered in Consolidation   | (93,598.97)               |

## Additional Disclosures:

- Names of associates or joint ventures which are yet to commence operations N.A.
- Names of associates or joint ventures which have been liquidated or sold during the year N.A.

## For and on behalf of the Board of Directors

**Rajiv Rattan**  
Chairman  
DIN: 00010849

**Rajesh Kumar**  
Director  
DIN: 03291545

**Ram Kumar Agarwal**  
Company Secretary

Place: London, UK  
Date: 18 June 2021

Place: New Delhi  
Date: 18 June 2021

Place: New Delhi  
Date: 18 June 2021



RattanIndia Enterprises Limited

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Registered Office:  
H.No. 9, First Floor,  
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