

No. RITES/SECY/NSE
Date: September 04, 2021

To:	To:
Listing Department, National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block G, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051	Corporate Relationship Department, BSE Limited, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai - 400 001
Scrip Code- RITES	Scrip Code- 541556

Sub: 47th Annual General Meeting (AGM) Notice and Annual Report for the Financial Year 2020-21

We hereby enclose the Notice of 47th Annual General Meeting of the members of the Company, scheduled to be held on Wednesday, 29th September 2021, at 11:00 A.M. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the businesses as set out therein.

Further, pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, please find enclosed Annual Report for the Financial Year 2020-21.

Notice along with the Annual Report for the Financial Year 2020-21 is available on the website of the Company at www.rites.com under the heading: INVESTORS>SHAREHOLDERS MEETING or the same maybe accessed through following link:

<https://rites.com/ShareholdersMeeting>

Kindly take this information on record and acknowledge the same.

Thanking You,

Yours faithfully,
For RITES Limited


(Joshit Ranjan Sikidar)
Company Secretary & Compliance Officer
Membership No.: A32442



RITES LIMITED

(A Government of India Enterprise)

Registered office: SCOPE Minar, Laxmi Nagar, Delhi-110092, India

Corporate Office: RITES Bhawan, Plot No.1, Sector - 29, Gurugram - 122001, Haryana

Phone: +91 124 257 1666, Fax: +91 124 257 1660

Email: cs@rites.com, Website: www.rites.com

CIN: L74899DL1974GOI007227

NOTICE

Notice is hereby given that the 47th Annual General Meeting of the Members of RITES LIMITED will be held on Wednesday, September 29, 2021, at 11:00 AM through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the Financial Year ended 31st March 2021 along with the Reports of Board of Directors and Auditors thereon.
- (2) To confirm the first and second interim dividend declared for the Financial Year 2020-21 and to declare final dividend on equity shares for the financial year ended 31st March 2021.
- (3) To appoint a Director in place of Shri Anil Vij, Director Technical (DIN: 07145875), who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To take note of appointment of Statutory Auditors and Branch Auditors as appointed by Comptroller and Auditor General of India and to fix their remuneration for audit and other services.

SPECIAL BUSINESS:

- (5) To take note of appointment of Shri Gopi Sureshkumar Varadarajan, Director Projects, (DIN: 08241385) of the Company as the Chairman & Managing Director (Additional Charge) as appointed by the Ministry of Railways w.e.f. 01.07.2021 for a period of three months or till further orders whichever is earlier.

BY ORDER OF THE BOARD

(JOSHIT RANJAN SIKIDAR)

Company Secretary

Membership No. ACS:32442

Place: Gurugram
Dated: 12.08.2021

Regd. Office:
SCOPE Minar, Laxmi Nagar,
Delhi- 110092
CIN: L74899DL1974GOI007227

NOTES:

1. In view of the global COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its General Circular No. 02/2021 dated January 13, 2021 read with General Circular No. 20/2020 dated May 5, 2020, General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 and Circular number SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, issued by the Securities and Exchange Board of India (SEBI) (collectively referred to as Circulars), has further allowed companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.
2. Since this AGM is being held pursuant to MCA circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013 (Act).

4. Members under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/ OAVM. Corporate members are requested to send a scanned duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting through VC/ OAVM. The said Resolution/Authorization should be sent at **cs@rites.com**.
5. The Register of Members and Share Transfer books of the Company will remain closed from Wednesday, 22.09.2021 to Wednesday, 29.09.2021 (both days inclusive).
6. Brief resume of Directors seeking appointment as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Secretarial Standards issued by the Institute of Company Secretaries of India is annexed hereto and forms part of the notice.
7. The Annual Report of the Company is also available on the company's website **www.rites.com**.
8. None of the Directors of the Company is in any way related to each other.
9. Members are advised to submit their Electronic Clearing System (ECS) mandates to enable the Company to make remittance by means of ECS. Those holding shares in dematerialized form may send the ECS Mandate to their Depository Participants (DP). Those who have already furnished the ECS Mandate Form to the Company/ Depository Participant/ Registrar & Share Transfer Agent with complete details need not to send it again. Members holding shares in physical form may send the ECS Mandate Forms to the RTA of the Company.
10. Members holding shares in dematerialised form are requested to intimate all particulars of bank mandates, nominations, power of attorney, change of address, e-mail address, contact numbers, etc. to their Depository Participant (DP). Members holding shares in physical form are requested to intimate such details to the RTA.

In order to enable the Company to remit dividend electronically through National Automated Clearing House (NACH), National Electronic Funds Transfer (NEFT), etc., Members holding shares in physical form are requested to provide/ update details of their bank accounts indicating the name of the bank, branch, account number and the nine digit MICR code and IFSC code (as appearing on the cheque) along with scanned copy of the cheque/ cancelled cheque at **vinay.kumar@linkintime.co.in**.

Members holding shares in dematerialised form are requested to provide the said details to their DP. The Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by Company after April 1, 2020 shall be taxable in the hands of the Shareholders.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
12. Non-Resident Indian members are requested to inform Company/RTA, regarding:
 - I. Change in their residential status on return to India for permanent settlement.
 - II. Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code and address of the Bank with pin code number, if not furnished earlier.
13. The Board of Directors of the Company in its meetings held on December 30, 2020 and March 12, 2021 declared first interim dividend and second interim dividend of Rs. 120.15 crore i.e. Rs. 5 per share of Rs. 10 each and Rs. 96.12 crore i.e. Rs. 4 per share of Rs. 10 each respectively. Final dividend of Rs. 96.12 crore i.e. Rs. 4 per share of Rs.10 each on equity shares, as recommended by the Board of Directors in its meeting held on 16.06.2021, for the year ended on 31.03.2021, if approved by the members at the Annual General Meeting, will be paid subject to deduction of tax at source:
 - (i) To those members holding shares in physical form and whose names appear in the Register of Members of the Company as on Tuesday, 21.09.2021.
 - (ii) To those members whose names appear in the Statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the end of business hours on 21.09.2021.
14. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Link Intime India Private Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to **vinay.kumar@linkintime.co.in** till 05:00 PM IST on 21.09.2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

15. Pursuant to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company are to be appointed/ re-appointed by the Comptroller and Auditor General (C&AG) of India and, in terms of provisions contained in Section 142 of the Companies Act 2013, their remuneration shall be fixed by the company in a General Meeting or in such manner as the company in a General Meeting may determine. **As the appointment/reappointment of statutory auditors and branch auditors is yet to be done by CAG, the members may authorize Board of Directors to confirm the appointment/reappointment and fix their remuneration as per the communication to be received from CAG**
16. Pursuant to General Circular No. 02/2021 dated January 13, 2021 issued by the MCA read with General Circular No. 20/2020 dated May 5, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Notice of the AGM and Annual Report for the year ended March 31, 2021 are being sent electronically to those Members whose email addresses are registered with the DP/ RTA. Notice of the AGM along with the Explanatory Statement and the Annual Report for the year ended March 31, 2021, circulated to Members is also available on the websites of the Company **www.rites.com** and on the websites of BSE Limited and National Stock Exchange of India Limited, **www.bseindia.com** and **www.nseindia.com**, respectively
17. All relevant documents and registers referred to in the Notice will be available for inspection by the Members without payment of any fee from the date of circulation of this notice upto the date of the AGM i.e. September 29, 2021. Members seeking to inspect such documents are requested to send an email to **cs@rites.com**. Inspection shall be provided when it is mutually suitable.
18. Members desiring any information as regards the Financial Statements are requested to write to the Company at least 7 days before the date of meeting at **cs@rites.com** to enable the management to keep the information readily available at the duration of the meeting.
19. Members holding shares in physical form in single name are advised to make nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to RTA of the Company in prescribed form i.e. Form No. SH -13 as per the Companies (Share Capital and Debentures) Rules, 2014.
20. In case of shares held in dematerialized form, the nomination form has to be lodged directly with the respective Depository Participant (DP).
The Company's Registrar & Transfer Agent (RTA) is M/s Link Intime India Private Limited. The Communication address of the RTA is Noble Heights, 1st Floor, NH -2, C1- Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, email: **vinay.kumar@linkintime.co.in** Please write Unit: RITES Limited.
21. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
22. Members are requested to: -
 - a. Quote DP ID and Client ID/Ledger Folio numbers in all their correspondence;
 - b. Approach the RTA for consolidation of multiple ledger folios into one; and
 - c. To avoid inconvenience, get shares transferred in joint names, if they are held in a single name and/or appoint a nominee.
23. In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system will be provided by Link Intime India Private Limited.
24. Kindly note that the members can opt for only one mode of voting i.e. either through Remote e-voting or voting at the AGM through VC or OAVM. Therefore, members who have cast their votes by remote e-voting prior to the AGM may attend the AGM through VC or OAVM but shall not be entitled to cast their votes again. If a member casts votes by both modes then voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
25. Members desiring to exercise their vote by e-voting are requested to carefully read the enclosed instructions which *inter-alia* provide the process and manner for e-voting, login ID, generating password and time schedule, including the time period during which the votes may be cast, etc.
26. In order to scrutinize the e-voting process in a fair and transparent manner and to carry out the required activities the Company has appointed Shri Sachin Agarwal, M/s. Agarwal S. & Associates, Company Secretaries, as the Scrutinizer. Further, the company has also appointed Ms. Anuradha Jain of M/s Agarwal S. & Associates, Company Secretaries as the alternate scrutinizer.
27. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialized shares with the Depository through their concerned Depository Participants.
28. Annual listing fee for the year 2021-22 has been paid to the Stock Exchanges wherein shares of the company are listed.

29. Members are requested to notify immediately any change in their address:
- to their Depository Participants (DP) in respect of shares held in dematerialized form, and
 - to the company at its registered office or its Registrar and Share transfer Agent, Link Intime India Private Limited in respect of their physical shares, if any, quoting their Folio Number.
30. Since the AGM will be held through VC/ OAVM, the route map is not annexed in this notice.
31. Information and other Instructions relating to e-voting are given with e-voting communication.
The remote e-voting facility will be available during the following voting period:
- Commencement of remote e-voting: From 9.00 a.m. (IST) on Sunday, 26.09.2021.
 - End of remote e-voting: Up to 5:00 p.m. (IST) on Tuesday, 28.09.2021.
32. As shares of the Company are traded under compulsory demat, Members are requested to dematerialize their shareholding to avoid inconvenience.

Remote E-voting Instructions

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	- If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. - After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	- Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) & login through their depository participants	- You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. - Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	- Open the internet browser and launch the URL: https://instavote.linkintime.co.in - Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. - Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). - Click "confirm" (Your password is now generated). - Click on 'Login' under 'SHARE HOLDER' tab. - Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. - After successful login, you will be able to see the notification for e-voting. Select 'View' icon. - E-voting page will appear. - Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). - After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Institutional Shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'**.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one number, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Process and Manner for Attending the Annual General Meeting through InstaMeet:

I. Open the internet browser and launch the URL: https://instameet.linkintime.co.in	
	Select the "Company" and 'Event Date' and register with your following details: -
A. Demat Account No. or Folio No:	Enter your 16 digit Demat Account No. or Folio No.
	• Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID • Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID • Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
B. PAN:	Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.
C. Mobile No.:	Enter your mobile number.
D. Email ID:	Enter your email id, as recorded with your DP/Company.
II Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).	

Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request at least 3 days in advance with the company on the email id: **cs@rites.com** on or before 5:00 p.m. (IST) on 26.09.2021.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
6. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to **instameet@linkintime.co.in** or contact on: - Tel: 022-49186175.

GENERAL GUIDELINES FOR SHAREHOLDERS

- The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of i.e. Tuesday, 21.09.2021.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at **instameet@linkintime.co.in**

- The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the 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 and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the company i.e. www.rites.com and on the website of Link Intime India Private Limited immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE and BSE, Mumbai.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

To take note of appointment of Shri Gopi Sureshkumar Varadarajan, Director Projects, (DIN: 08241385) of the Company as the Chairman & Managing Director (Additional Charge) as appointed by the Ministry of Railways w.e.f. 01.07.2021 for a period of three months or till further orders whichever is earlier.

Since Shri Rajeev Mehrotra, Chairman & Managing Director of the Company had superannuated on 30.06.2021, Ministry of Railways vide their letter no. 2008/E(O)/II/40/19 dated 30.06.2021 has entrusted the additional charge of Chairman & Managing Director to Shri Gopi Sureshkumar Varadarajan, Director Projects, (DIN: 08241385) w.e.f. 01.07.2021 for a period of three months or till further orders whichever is earlier.

Shri Gopi Sureshkumar Vardarajan (DIN: 08241385) holds NIL shares in RITES Limited. None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except to the extent that he is a Director of the Company.

Brief resume of Shri Gopi Sureshkumar Vardarajan is annexed.

Additional information on Directors being appointed/re-appointed as required under Regulation 36(3) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in the order of the items mentioned in the Notice:

1. Shri Gopi Sureshkumar Varadarajan, Director Projects

Age	59 years
Date of first appointment on Board	27.09.2018
Qualification	Civil Engineering from REC, Trichy, Short Term Course on Design, Construction and Management of Pre-Stressed Bridges from Indian Railway Institute of Civil Engineering, Pune. Course on General Management from IIM, Indore
Brief Resume including experience	In 1984 obtained a first class degree in Civil Engineering from REC (now NIT) Trichy. He joined IRCON International Limited as an Assistant Manager in 1985 and got elevated upto General Manager serving for 26 years in various capacities for projects in India and abroad. In Oct - 2011 selected by EPI as Executive Director, where served as regional Head for Southern Region including overseas projects for Sri Lanka, and Executive Director/Business Development.
Nature of his expertise in specific functional areas	Comprehensive expertise in multiple fields of engineering, innovation, project management and resources planning.
Other Directorship	Railway Energy Management Company Limited and Indian Railway Stations Development Corporation Limited.
Chairmanship/Membership of Committees in RITES	Four (4)
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	Shri Gopi Sureshkumar Vardarajan is not related to any other director of the Company.
No. of equity shares held in the Company	NIL
No. of board meetings attended during the year	9 out of 9
Terms and conditions of appointment or re-appointment including remuneration	Appointment as per the order of The President of India vide Ministry of Railways 2017/E(O)/II/40/23 dated 24.9.2018 and entrusted additional charge of CMD vide letter no. 2008/E(O)/II/40/19 dated 30.06.2021.

2. Shri Anil Vij, Director Technical

Age	58 years
Date of first appointment on Board	04.11.2019
Qualification	Mechanical Engineer, IRSME
Brief Resume including experience	He possesses graduate qualification in three disciplines of engineering – Mechanical, Electrical and Electronics & Communications (Gold Medalist). He has also done full time MBA at the Management Development Institute, Gurugram specialising in Operations & Finance. He has done Management/ Leadership training at Railway Staff College, Baroda, ISB and ASCI, Hyderabad. In addition to the above, he had also undergone extensive technical training including in modern diesel locomotive technology at General Motors, USA.
Nature of his expertise in specific functional areas	He has over 36 years of work experience, having joined the Indian Railways service of Mechanical Engineering (IRSME) as a Group “A” officer in May 1985 after successful completion of the four year integrated training at the Indian Railways Institute of Mechanical and Electrical Engineering (IRIMEE), Jamalpur.
Other Directorship	Nil
Chairmanship/Membership of Committees in RITES	Four (4)
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	Shri Anil Vij is not related to any other Director of the Company.
No. of equity shares held in the Company	NIL
No. of board meetings attended during the year	9 out of 9
Terms and conditions of appointment or re-appointment including remuneration	Appointment as per the order of The President of India vide Ministry of Railways Order No.2018/E(O)II/40/22 dt. 04.11.2019



RITES LIMITED

(A Government of India Enterprise)

CIN: L74899DL1974GOI007227

Registered office: SCOPE Minar, Laxmi Nagar, Delhi-110092, India

Corporate Office: RITES Bhawan, Plot No.1, Sector - 29, Gurgaon - 122001, Haryana

Email: cs@rites.com, Website: www.rites.com

Phone: +91 124 257 1665, Fax: +91 124 257 1187

E-COMMUNICATION REGISTRATION FORM

Folio No. / DP ID & Client ID : _____

Name of 1st Registered Holder: _____

Name of Joint Holder(s) : _____

Registered Address : _____

E-mail ID (to be registered) : _____

I/we shareholder(s) of RITES Limited agree to receive communication from the Company in electronic mode.

Please register my above e-mail in your records for sending communication through e-mail.

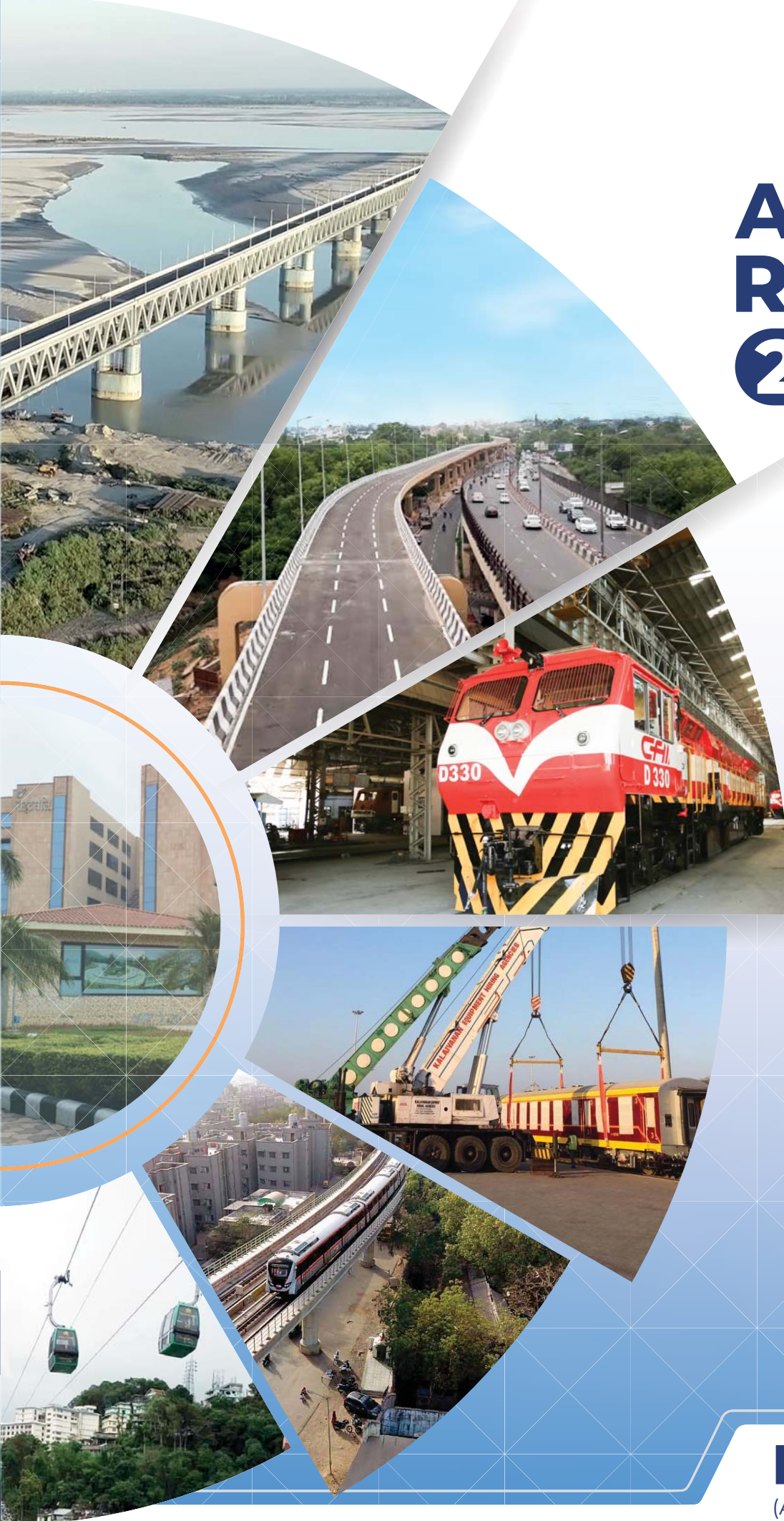
Signature _____

(First Holder)

Date: _____

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.

ANNUAL REPORT 2020-21



MISSION

PROVIDE concept to commissioning consultancy, design, engineering and turnkey solutions including knowledge management in the field of Transport, Transportation Infrastructure and related technologies of highest professional standards.

ESTABLISH new national / international trends and practices and assimilate state-of-the-art technologies to provide quality and value to client.

BE A THINK TANK for development of National policies, priorities and strategies in the Transportation and Infrastructure sector.

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Reference Information

Registered Office: SCOPE Minar, Laxmi Nagar, Delhi-110092, India Phone No.: +91 1122024610 Fax: +91 1122024660	Company Secretary & Compliance Officer Mr. Joshit Ranjan Sikidar
Corporate Office: RITES Bhawan, Plot No.1, Sector - 29, Gurugram - 122001, (Haryana) Phone No. : +91 1242571666, Fax: +91 1242571660	Website: www.rites.com E-mail ID: cs@rites.com
Registrar & Share Transfer Agent: Link Intime India Private Limited Communication address of the RTA Noble Heights 1st Floor, Plot No. NH2 LSC, C-1 Block Near Savitri Market Janakpuri, New Delhi - 110058 Ph: +91 11 41410592; Fax: +91 11 41410591 Website: www.linkintime.co.in E-mail: swapann@linkintime.co.in	
Shares Listed at: National Stock Exchange of India Limited BSE Limited	Scrip Code: NSE: RITES BSE: 541556
Depositories: National Securities Depository Limited Central Depository Services (India) Limited	ISIN No. INE320J01015

FOR THE FINANCIAL YEAR UNDER REVIEW 2020-21

Statutory Auditor: M/s J.C. Bhalla & Co. Chartered Accountants B-5, Sector - 6, Noida - 201301 (U.P.) Phone No. : +91 120 4241000, Fax : +91 120 - 4241007 E-Mail: taxaid@jcbhalla.com	Branch Auditors: 1. M/s S.N. Guha & Co. Chartered Accountants 12, Waterloo Street, Kolkata - 700069 Phone No. : +91 33 22488032/8033 & 22101134 Fax : +91 33 22488033 Email : snguha23@dataone.in snguha1949@gmail.com 2. M/s N.S. Gokhale & Co. Chartered Accountants 104, Siddharth Darshan, Dada Patilwadi, Dada Patil Marg, Navpada, Thana (West) 400602, Mumbai Phone No. : +91 22 25445752, 25432771 E-mail: nsgokhale.ca@gmail.com 3. M/s Nisar & Kumar Chartered Accountants Flat IIC Royal Court No. 41, Venkat Narayana Road, T. Nagar, Chennai - 600017 Phone No. : +91 44 24313811, 42083811 Mobile : 9840276525 E-mail : nisarandkumar@gmail.com	Bankers: Axis Bank HDFC Bank ICICI Bank Indian Bank IndusInd Bank State Bank of India EXIM Bank Bank of Baroda
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Board of Directors



Chairman & Managing Director
(Addl. Charge) &
Director Projects
Mr. Gopi Sureshkumar Varadarajan
(w.e.f. 1st July, 2021)



Chairman & Managing Director and Chief Executive Officer
Mr. Rajeev Mehrotra
(Upto 30th June, 2021)

WHOLE TIME DIRECTORS



Mr. Anil Vij
Director Technical



Mr. Bibhu Prasad Nayak
Director Finance & Chief Financial Officer

GOVERNMENT NOMINEE DIRECTORS



Mr. Alok Kumar Tewari
(Upto 31st August, 2020)



Mr. Vinay Srivastava

NON-EXECUTIVE (INDEPENDENT) DIRECTORS



Dr. Pramod Kumar Anand
(Upto 18th September, 2020)



Ms. Geethakumary
(Upto 14th March, 2021)



Dr. Rajendra N. Goyal
(Upto 14th March, 2021)

Senior Executives



Mr. Virendra Singh
ED-Expotech



Mr. Ved Prakash
ED-Corporate Services



Mr. S.C. Singhal
ED-Quality Assurance



Mr. Pawan Chowdhary
ED-Buildings & Airports



Mr. D. Mazumdar
ED-Technical Services



Mr. Sanjay Aggarwal
ED-Regional Projects



Mr. Vijai Kishore
ED-Transport Infra



Mr. Manobendra Ghoshal
ED-P&C



Mr. Rajeev Kumar Dayal
ED-Urban Infra



Mr. Joshit Ranjan Sikidar
General Manager (Finance),
Company Secretary and
Compliance Officer

Financial Performance of a Decade at a Glance

(STANDALONE)

(₹ in crore)

Particulars	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21
Total Income (including other income)	934	1076	1246	1166	1278	1507	1587	2164	2665	1947
Expenditure (including increase/decrease in stock)	678	731	860	710	762	1019	1102	1487	1842	1385
Operating Margin	158	222	233	305	324	281	332	482	558	412
Depreciation	14	16	20	26	32	32	30	32	41	45
Profit Before Tax	256	345	386	456	516	488	485	677	823	562
Profit After Tax	164	245	264	306	339	331	332	445	596	424
Earning Per Share (EPS)-Basic & Diluted (₹)*	6.56	9.80	10.56	12.24	13.56	13.24	13.28	17.79	23.86	17.22
Dividend	33	50	53	62	77	146	148	215	330	366
General Reserve including Retained Earning	961	1095	1297	1528	1778	1834	1999	2184	2327	2082
Property, Plant & Equipment and Intangible Assets (Net Block)	162	185	209	217	262	261	263	339	389	391
Inventories	62	26	17	7	11	50	9	105	11	286
Foreign Exchange Earnings	310	342	444	189	233	422	308	278	633	172
Share Capital	40	100	100	100	100	200	200	200	250	240
Capital Employed	1001	1195	1397	1628	1878	2035	2199	2384	2577	2322
Government Investment**	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Net Worth	1001	1195	1397	1628	1878	2035	2199	2384	2577	2322
Profit Before Tax to Capital Employed (in %)	26	29	28	28	27	24	22	28	32	24
Operating Margin to Capital Employed (in %)	16	19	17	19	17	14	15	20	22	18
Profit After Tax to Share Capital (in %)	410	245	264	306	339	166	166	222	238	176
Profit After Tax to Net Worth (in %)	16	21	19	19	18	16	15	19	23	18
Expenditure to Income (in %)	73	68	69	61	60	68	69	69	69	71
Number of Employees***	3294	3247	3226	3227	3153	3200	3267	3233	3199	2976
Income per Employee	0.28	0.33	0.39	0.36	0.41	0.47	0.49	0.67	0.83	0.65
Foreign Exchange Earning per Employee	0.09	0.11	0.14	0.06	0.07	0.13	0.09	0.09	0.20	0.06
Current Ratio	1.23	1.32	1.32	1.52	1.57	1.58	1.66	1.67	1.72	1.54
Investments	143	318	231	238	274	373	180	180	292	314

* Earning per share has been computed on the basis of post bonus issued during financial year 2012-13, 2016-17 & 2019-20. Consequent to buy back of shares, earning per share for the financial year 2020-21 has been computed on the basis of weighted average number of shares outstanding during financial year 2020-21.

** Does not include bonus share of ₹ 243.60 crore issued from time to time.

*** Average Employees during the year.

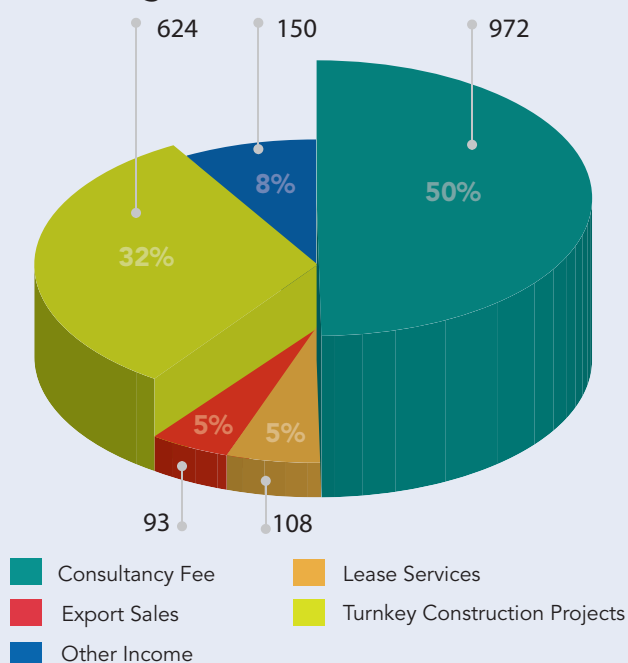
– Figures from FY 2015-16 are as per Ind AS.

1 Crore = 10 Million

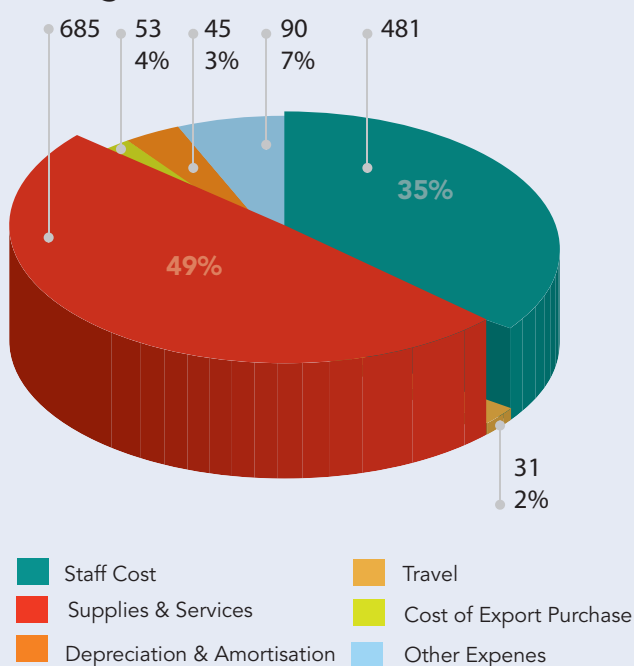
1 US \$ = ₹ 72.21 (31.03.2021)

Financial Indicators (Standalone)

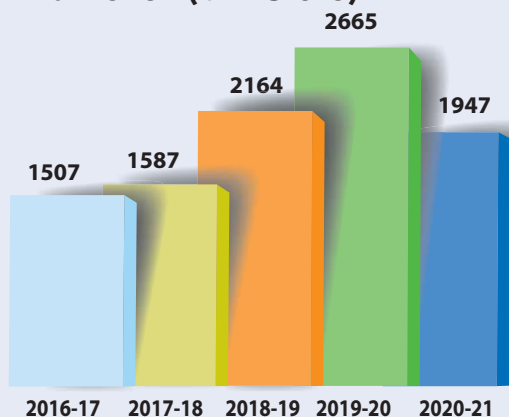
Earning (₹1947 Crore)



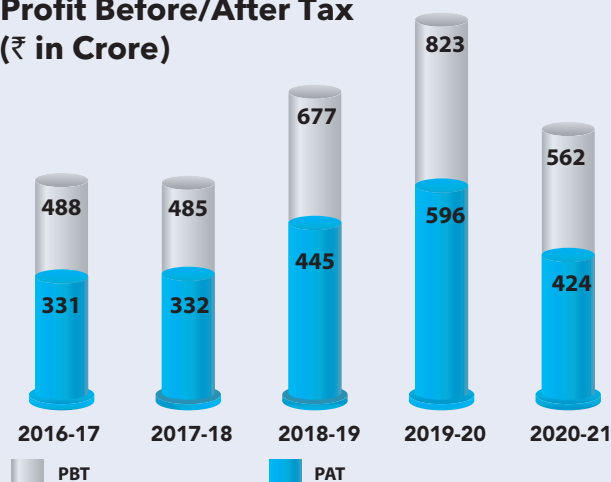
Spending (₹1385 Crore)



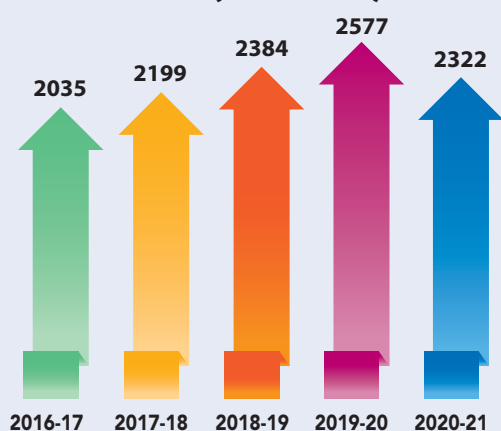
Turnover (₹ in Crore)



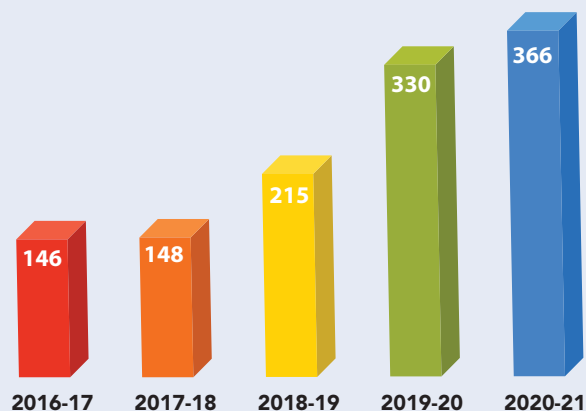
Profit Before/After Tax (₹ in Crore)



Net worth (₹ in Crore)



Dividend (₹ in Crore)



Chairman and Managing Director's Message

“Our responsibility towards stakeholders has never been greater and we are earnestly taking these responsibilities.”



Dear Shareholders,

I am proud of the way your company has responded to the pandemic; it has been a testament to its resilience as an organization and as a family. Our responsibility to our clients, shareholders, employees and society has never been greater in last 47 years and we are taking these responsibilities earnestly.

During the Financial Year 2020-21, we overcame pandemic-related impediments to keep our business running and as a results, we were able to achieve a consolidated revenue and profit after tax of ₹ 2005 crore and ₹ 444 crore, respectively, while sustaining our profit margins at 22.2%. RITES achieved total standalone revenue of ₹ 1947 crore and the operational revenue, excluding other income of ₹ 1797 crore. Nevertheless, the pandemic did impact our profit before tax and profit after tax in FY2020-21 which stood at ₹ 562 crore and ₹ 424 crore, respectively, down by 31.6% and 28.8% over FY2019-20.

The decrease in revenue is mainly attributable to pandemic-induced disruptions and supply chain restrictions. Key business segments continued to sustain margins due to timely cost-control measures. Sectoral diversity, geographical distribution and digitalisation helped your Company in identifying new business opportunities, consolidating order

book and maintaining a diversified business portfolio.

The audited accounts of the Company for the FY 2020-21 along with the Directors' Report, Report of Auditors and comments of Comptroller and Auditor General of India are part of this report.

ORDER BOOK

The unexecuted order book as on March 31, 2021, stood at ₹ 6277 crore, which gives us strong revenue and margin visibility for the next 2-3 years. During the last financial year, your Company has experienced delays in project initiations and tendering activities caused by Covid-19 related disruptions. However, your Company still managed to consolidate its order book.

DIVIDEND & BUYBACK

The Board of Directors has recommended a final dividend of ₹ 4 per share (₹ 96.12 crore) for FY 2020-21. This is in addition to the earlier two interim dividends of ₹ 5 per share and ₹ 4 per share, which were paid to the esteemed shareholders in January 2021 and March 2021, respectively. This takes the dividend payout (on an accrual basis) of the Company to 73.6% on the standalone PAT of FY 2020-21.

Also, your Company returned ₹ 257 crore to its shareholders in its maiden buyback.

TRANSPORT INFRASTRUCTURE AND BITES

The key infrastructure sectors, where your Company is actively pursuing business in India and abroad, may have taken a hit during this year but as the restrictions are easing out, they are experiencing a rebound in growth with increasing investments from the Government and private sector. The multiplier effect of infrastructure development in generating more jobs and entrepreneurial opportunities is undoubted.

The National Infrastructure Pipeline (NIP), the National Rail Plan-2030 and various reforms in the transport infrastructure sector define a path for providing world-class infrastructure across India. Driving the change, the Indian Railways is making holistic improvements across areas such as high-speed travel, electrification, safety, track modernization (building double track railway lines, switching from one track gauge to another, and new lines), signalling systems, capacity increase and use of renewable energy.

Your Company has continued to strengthen its position in providing comprehensive consultancy to the rail, road, port, airport, metro sector and institutional buildings in India. In the international business sphere, export & leasing of rolling stock and engineering consultancy are the key domains and your Company is uniquely positioned to capture business opportunities in Africa, Middle East and South East Asia wherein railway and road infrastructure is in urgent need for upgrade and inter-connectivity.

SELECT PROJECTS

During this year, your Company prioritized the health and safety of its employees while maintaining business continuity & keeping essential services running under difficult circumstances and pitched in to help communities battle the pandemic. Amid competitive and Covid-hit scenario, it has continued to provide customized solutions in its sectors of operation to its clients.

FOREIGN

During the year, your Company not only signed (post negotiations through video-conferencing) the contract for supplying 06 Cape Gauge AC-AC Traction Diesel Electric Locomotives and 90 Cape Gauge Passenger Coaches, including 05 sets of DEMUs, to CFM Mozambique but was able to supply 2 locomotives despite supply chain disruptions. Export to Sri Lanka of 160 main line passenger coaches and 2 sets of fully air conditioned DMUs, has also started with the first lot of 10 coaches shipped, however 30 coaches were at port as on 31st March 2021, ready to be shipped.

Besides export of rolling stock, your Company consolidated its position abroad in consultancy projects by taking up projects such as Project Management Consultancy (PMC) for 4-Lane National Highway project in Bangladesh and Construction Supervision Services for Metro Express project in Mauritius, Design & PMC services for Development of Infrastructure at airport in Mauritius, Design and PMC for development of Integrated Check Post at Nepalgunj in Nepal and Consultancy for old runway rehabilitation at Gautam Buddha International Airport, Nepal.

DOMESTIC

Your company remained a key contributor towards the infrastructure projects in India. On the turnkey front, your Company completed the electrification works between Sawai Madhopur - Jaipur - Ringas Section (188 km) and Vijaypur - Maksi section (188 km) and further secured work for electrification of around 489 RKM. Doubling and third line works are substantially in a completion stage.

A few of the projects where your company provided PMC for Rail Infrastructure for DVC, NTPC, CIL and others, PMC for construction of Western Dedicated Freight Corridor, construction supervision for Srinagar (J&K) airport, Independent Engineer Services for Paradip Port Trust, General Consultancy for Metro Rail System of Ahmedabad, Nagpur, Pune and Delhi, redevelopment work for Ayodhya and Varanasi railway stations are on track.

Your Company also provided services for Detailed Project Reports (DPRs) for railway tunnels for East Coast Railway, 3 highway tunnels for NHIDCL,

establishment of the CORE Network for Mumbai-Ahmedabad and final alignment design for Delhi-Ahmedabad High Speed Rail Corridors, and National Rail Plan for Ministry of Railways.

SUBSIDIARIES & JOINT VENTURES

RITES' subsidiary Company, REMC Ltd, formerly known as Railway Energy Management Company Limited which has been mandated to handle the entire power procurement under open access for Indian Railways, besides handling renewable energy and energy efficiency projects, has registered a revenue of ₹ 69 crore and PAT of ₹ 24 crore in FY2020-21.

This year, SRBWIP, our wagon manufacturing joint venture with 438 new BOXNHL wagons and 251 rehabilitated BOXNR wagons, achieved revenue and profit of ₹161 crore and ₹2.5 crore, respectively, against ₹ 265 crore and ₹15.5 crore, respectively, in previous year.

Besides, your Company has acquired 24% stake in Indian Railway Stations Development Corporation, a nodal agency for redeveloping stations in the country.

COVID IMPACT

The financial year 2020-21 was started on uncertain note with the global health crisis effecting difficult but necessary changes. As it spread to the ravaging second wave in India, our priority was to safeguard the health and well-being of our employees while maintaining business continuity. The lockdowns and other pandemic-induced disruptions tested the agility, resilience and adaptability of our delivery model. And the business continuity plans we have implemented, have made us a stronger and better organisation.

The Covid-19 outbreak has significantly impacted overall infrastructure development in financial year 2020-21, especially in H1. However, during the first wave of pandemic to the extent possible, your Company tried to negate the impact through remote working, including remote inspection at foreign locations through accredited third parties and as and wherever travel restrictions were removed and permission given to open offices, we quickly moved our resources and started operations at those sites.

The impact was felt on all segments of the business, consultancy and quality assurance got impacted due to travel restrictions. However, consultancy business reached the pre-Covid levels by the fourth quarter of FY21. Leasing business fall in H1 due to work getting stopped at various sites of operations only to reach the pre-Covid levels in H2. Due to supply chain disruptions, exports revenue spilled over to FY22. Turnkey business revenue also softened due to restrictions of movement of manpower and materials. Disruptions caused by the pandemic also delayed the tendering activities which have started to pick by the end of the Financial Year.

OUTLOOK

Your Company is now striding towards expediting project execution and exports supply to overcome Covid-induced uncertainties. Our healthy order book, recent project wins and successful project execution strengthen our position as a total transport infrastructure solution provider.

The market forecast for large infrastructure projects is promising, courtesy the expected economic stimulus packages and an investment backlog within the infrastructure sector. Thus, your Company has positioned itself for securing meaningful consultancy role for complex, diverse, critical and mega infrastructure projects in India and abroad. RITES is enhancing its expertise and profile by forming consortiums/JVs for such projects. Your Company's focus on customisation of meter and broad-gauge rolling stock and product diversification to cape and standard gauge rolling stock market creates large potential for exports. Several countries in Africa and Asia are looking at the Railways with renewed interest which makes times ahead promising for us.

CORPORATE GOVERNANCE

Your Company consistently endeavours to adopt and maintain the highest standards of ethics in all spheres of business activities. It accords highest importance to transparency, accountability and equality in all facets of its operations. Your Company is implementing the precepts of Corporate Governance in letter and spirit.

CONTRIBUTION TO GOVT. OF INDIA INITIATIVES

Your Company has been proactively pursuing the Government of India initiatives such as Skill India, Make in India, including the promotion of MSMEs, Swachh Bharat Mission, promotion of solar ecosystem, Startup India, and Digital India by formulating its business or governance objectives in line with the Government plans.

SKILL INDIA MISSION

In line with the Skill India Mission, your Company has provided more than 10,000 days of training to its employees during 2020-21. It has trained 96 apprentices in the non-technical and non-engineering categories.

PROMOTING MSMEs

During the year, your Company procured goods worth ₹ 42.66 crore from Micro, Small and Medium Enterprises (MSMEs), including those belonging to SC/ST and women categories.

Start-Up India

To catalyse the start-up culture and build a strong and inclusive ecosystem for innovation and entrepreneurship in India, your Company has provided adequate support to one such venture working on fuel energy storage technology.

Digital India

For transparency & efficiency of our operations, reduce paper use and maintain business continuity and enable remote working, especially during the Covid-induced lockdown, several key initiatives have been taken by your Company. E-office, SAP-based Enterprise Resource Planning (ERP), e-procurement for works, mobile app for third-party inspection, inspection through video-conferencing, online grievance handling, and Employee Self Service portal, etc. have been made effective.

CORPORATE SOCIAL RESPONSIBILITY

Your Company understands its responsibility towards society and adopted a 'Corporate Social responsibility and Sustainability policy' to show its commitment towards operating in an economically, socially and environmentally sustainable manner. As a responsible corporate citizen, your Company has spent ₹ 13.41 crore on various CSR activities during the FY 2020-21.

ACKNOWLEDGMENT

I express my gratitude to our esteemed Shareholders, my colleagues on the Board of Directors and to the CEO and Chairman, Members and Officials of the Railway Board, for their valuable support, advice and co-operation. We are particularly grateful to the Ministries of Railways, Road, Transport and Highways, Commerce, Finance, External Affairs, Housing and Urban Affairs, Health and others; departments, including DIPAM, regulators, Indian Embassies & Missions abroad, Foreign Mission & Embassies in India and Exim Bank & other bankers of the Company for their valuable support and guidance. We look forward to your continued encouragement and contribution.

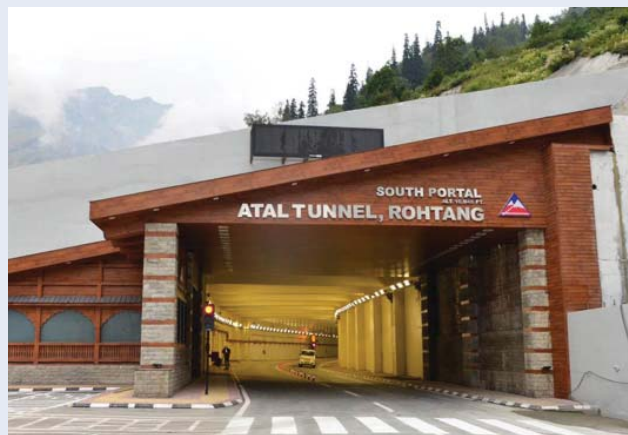
I have never felt as great a sense of purpose and pride in the organisation as I do today. Your Company is strong with deep relationships with clients & stakeholders and I count on their continued support. Also, I would like to thank 'Team RITES' for their untiring efforts and unflinching commitment to achieve the lofty goals it has set for itself.

Given its demonstrated ability to execute on its strategy, your Company is well poised to take advantage of growth opportunities, acquire new capabilities and rebound on to its growth and transformation journey.



Gopi Sureshkumar Varadarajan
Chairman & Managing Director

Directors' Report



Hon'ble Prime Minister Shri Narendra Modi inaugurates Atal Tunnel, whose feasibility study was carried out by RITES, at Rohtang in Himachal Pradesh

Dear Shareholders,

Directors of your Company are pleased to present the 47th Annual Report of the company together with the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March 2021 and Auditors' Report thereon.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year 2020-21 is given below:

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Financial Results:				
Total Income	1947	2665	2005	2734
Operating Turnover	1797	2401	1860	2474
Other Income	150	264	145	260
Operating Expenditure	1385	1842	1414	1868
Profit Before Tax (PBT):	562	823	593	874
Income Tax including Deferred Tax	138	226	148	241
Profit After Tax (PAT)	424	596	444	633
Appropriations:				
Dividend including Dividend Distribution Tax	366	397	371	405
Transfer to General Reserve	-	-	-	-

BUSINESS PERFORMANCE

Company continued to be a leading consultancy organisation providing consultancy, design, engineering and turnkey solutions to its various clients in India and abroad. Company has strengthened its presence in consulting domain in transport infrastructure sector.

The company is making steady progress and continues to secure several prestigious projects and provide consultancy services for projects in areas such as Railway, highways / road transport / bridge survey, airports and heliports, ports and water resources, passenger / material ropeways; project management and design consultancy for development / expansion / upgradation of apex educational / institutional buildings; financial / transaction advisory for various PPP projects.

During the year 2020-21, the company continued to provide services for prestigious projects in India and abroad, which includes: -

Project Management Consultancy (PMC) Services for Rail Infrastructure for DVC, NTPC, CIL and others at multiple locations, Construction of Western Dedicated Freight Corridor, Railway Station Development projects at Ayodhya and Varanasi, Construction supervision of Srinagar (J&K) airport, Independent Engineer Services for Paradip Port Trust, General Consultancy for Metro Rail System of Ahmedabad, Nagpur, Pune and Delhi.



Hon'ble Minister of External Affairs Shri S. Jaishankar taking a ride on Mauritius Metro Express, Project Management Consultancy of which was carried out by RITES



(i) Detailed Project Reports (DPRs) for Railway tunnels for East Coast Railway, 3 highway tunnels for NHIDCL (ii) Detailed design of alignment for Delhi - Ghaziabad - Meerut Line for RRTS Corridor for NCRTC, (iii) Consultancy for capacity enhancement through Semi - High speed and High Speed Railway Line for Railway Board (iv) Rail Based Mass Transit Systems for Thane, Nashik, Gurgaon, Chennai Ph II, Gorakhpur and Patna, Comprehensive Mobility Plan for Varanasi, Gorakhpur and Guwahati, Public Transport Plan for Kolkata Metropolitan Area. (v)

Roads under Bharatmala scheme in Gujarat, West Bengal, Punjab & Haryana, Madhya Pradesh, Maharashtra & Telangana (vi) Development of Greenfield stretch for improving direct connectivity in Indian Cities (viii) Greenfield International Airport at Bhiwadi, Rajasthan and (viii) Airports at Chitrakoot & Kushinagar, Uttar Pradesh.

Final Alignment design including Aerial LiDAR Survey and other related works for Delhi-Ahmedabad High Speed Rail Corridor,



Hon'ble Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles and the then Minister of Railways Shri Piyush Goyal and Hon'ble Minister for Heavy Industries and the then Minister of Skill Development and Entrepreneurship Shri Mahendra Nath Pandey flag off two cape gauge locomotives to Mozambique through video-conferencing in the gracious presence of Hon'ble Minister of Transport and Communications, Mozambique, Mr. Janfar Abdulai



The then Hon'ble Lieutenant Governor of Jammu and Kashmir Shri GC Murmu inaugurates Bahu-Mahamaya section of Jammu Ropeway

Establishment and Maintenance of CORS Network for Mumbai-Ahmedabad High Speed Rail Project.

Commissioned Ropeway Projects at Jammu (J&K), Rajgir (Bihar), PMC for Central University at Pondicherry, Gulbarga, Kasargod, Gaya, Allahabad, NIT/Meghalaya, Business Park of NSIC, Heritage Building of Allahabad University, Quality Assurance of new AIIMS at Manglagiri, Madurai, Bibinagar, Deoghar, Gorakhpur, Raibareeli, Bathinda, Bilaspur, Nagpur, Kalyani and Guwahati, maintained Rolling Stock & Workshop Equipment at various locations of NTPC like Rihand, Singrauli, Sipat, Talcher, Kahalgaon & Farakka.

RITES continues to provide consultancy services for various projects on turnkey construction basis for Indian Railways:

- Construction of doubling of track between Gooty and Dharmavaram section, South Central Railway, route length (90.20 kms) and Anuppur to Pendra Road, third line in South East Central Railway, Route length (50.10 Kms)
- Railway electrification work of Sawai Madhopur - Jaipur - Ringas Section of North Western Railway, Route length (188 kms) and Vijaypur - Maksi section of West Central Railway, Route length (188 kms) including S&T and civil works.
- Redevelopment of Ayodhya and Varanasi Railway Stations in Uttar Pradesh.
- Setting up of Wagon POH workshops at Bikaner and Kurduwadi.
- Setting up of facilities for maintenance of LHB coaches at New Bongaigaon and Jodhpur.

- Setting up of DEMU car shed at Lumding and ROH Depot at Sarla.

During the year, Company was also engaged in many prestigious international assignments covering export, leasing and consultancy services, which include: -

- Export of 06 Cape Gauge AC-AC Traction Diesel Electric Locomotives and 90 Cape Gauge Passenger Coaches including 05 sets of DEMUs to CFM Mozambique.
- Export of 160 main line passenger coaches and 2 sets of fully air conditioned DMUs comprising of 26 coaches to Sri Lanka Railway.
- PMC for 4-Lane National Highway project in Bangladesh.
- Construction Supervision Services for Metro Express project in Mauritius.
- Consultancy services for detailed design for construction of single standard gauge railway lines from Tema to Akosombo on Engineering Procurement and Constructions (EPC) basis in Ghana (100 km) for AFCONS.
- Design and PMC for development of Land ports at Nepalgunj in Nepal and Consultancy services for Design and Supervision of old runway rehabilitation (New Parallel Taxiway) at Gautam Buddha International Airport project, Bhairahawa, Nepal.

Company's Subsidiary REMC Ltd., has been mandated by Indian Railways to explore business opportunities in green energy, facilitating cost efficiency in energy management and meeting renewable purchase obligation of Indian Railways. It was successful in facilitating about 1457 MW of power at the start of FY 2020-21 in 13 states / entities (including DVC Control Area & UP ISTS). However, due to less train operations amid COVID-19 pandemic, the traction power requirement was consequently reduced to about 1270 MW. Besides the mandate for power procurement, REMC Limited has also been mandated by Indian Railways for implementation of 3 GW solar power plants to be set up on vacant land parcels of Indian Railways.

SAIL RITES Bengal Wagon Industry Pvt. Ltd. - joint venture on 50:50 basis (SRBWIPL) has achieved output of 438 new BOXNHL wagons



Hon'ble Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles and the then Minister of Railways Shri Piyush Goyal attends the ground-breaking ceremony for Integrated Check Post at Nepalgunj through video-conferencing



& 251 rehabilitated BOXNR wagons during the FY 2020-21 in spite of severe supply chain and manpower constraints faced due to pandemic. Order for new BCNAHSM1 for 1200 wagons has been received for 2021-22.

RITES' subsidiary, RITES (Afrika) (Pty.) Limited had revenue of ₹ 6.01 crore during the FY 2020-21 with Profit after Tax of ₹ 0.02 crore in FY 2020-21

Financial performance and other details of subsidiaries and joint ventures are given in Note No. 56(a)(ii) and 56(b)(ii) of consolidated financial statements.

OUTLOOK

With a well-diversified business model with key verticals i.e. Consultancy, Leasing, Exports and Turnkey, RITES has stayed hedged against risks inherent in infrastructure business, grown from strength to strength and become a multidisciplinary engineering and consultancy organization.

The Company continues to provide specialized and integrated transport infrastructure services and export packages for supply of locomotives, coaches, wagons, spare parts, modernization of workshops

and leasing of Locomotives. The Company has expanded its reach through its subsidiaries and JV Companies by venturing into the business of wagon manufacturing, power management for Indian Railways (IR) and renewable energy.

Investment in Infrastructure development has a multiplier effect in boosting the economy providing improved growth prospects, creating job opportunities, and increasing prosperity of both urban and rural population. To bring the global economy in growth trajectory post pandemic, public and private investment in infrastructure across the globe is imperative. Considering the importance of investment in infrastructure on GDP, the Government of India has identified projects worth ₹140 lakh crore for its dynamic National Infrastructure Pipeline (NIP) over six years through FY 2025. The Company strives to remain engaged in upcoming domestic mega projects, especially emerging out of NIP and enhance its presence in exports of services and products.

With transport infrastructure drawing a major pie in the NIP with 40% of total outlay i.e. ₹ 57 lakh crore coupled with increased outlay for the Railways (₹ 1.07 lakh crore) and Highways (₹ 1.08 lakh crore)



Substation for 2 MW solar power plant (along the tracks) at Diwana, Haryana



in the year 2021-22 (BE), Company is expected to tap opportunities for consultancy in high speed rail, multi-modal transport hubs, urban transport and export & leasing of rolling stock etc. Allocation of resources through union budget, 2021-22 for public transport, including Metrolite and Metro-neo for Tier-II cities and along the periphery of Tier-I cities also provide an opportunity for Company. As a future-ready organisation, RITES is expected to adopt Industry 4.0 guidelines to the extent it promotes digital integration of services and data analytics.

Indian Railways has been promoting development of renewable energy infrastructure with a vision to reduce dependence on fossil fuel, thereby augmenting de carbonization. In this process, your company through its subsidiary REMC Ltd. is helping Indian Railways in accomplishing its solar mission and thus driving its journey towards becoming the world class integrated power player in the sector. The continuous efforts made by REMC Ltd towards developing the sustainable energy infrastructure for Indian Railways has not only reduced its carbon footprints but has also improved its finances substantially. Besides the mandate for power procurement, REMC Ltd. has also been mandated by Indian Railways for implementation of 3 GW solar power plants to be set up on vacant land parcels of Indian Railways

During the year, REMC successfully commissioned the pilot project of 2 MW solar ground mounted plant on vacant Railway land along the railway tracks at Diwana near Panipat. This unique way of harnessing solar energy by implementing solar power plant along the railway tracks has unlocked huge potential to generate Green Power along the track

Recently, REMC Ltd has stepped into realm of innovation by adopting a new technology of solar energy storage. REMC Ltd is in consultation with Railway Board for planning to take up a Pilot Project as an innovative storage solution of solar power for IR for its utilization during non-solar- hours/ peak hours.

National Rail Plan 2030 inter alia provides emphasis on re-development of railway stations etc. During the year, the Company has acquired 24% stake in Indian Railway Stations Development Corporation Limited (IRSDC), a company involved in modernization of railway stations and development of assets along the railway stations.

IMPACT OF CORONAVIRUS (COVID-19)

Coronavirus (COVID-19) outbreak is an unprecedented global situation that the world is dealing with in terms of its human and economic consequences. In the last month of FY 2019-20, it forced governments in several countries to enforce lockdowns of all economic activities. For the Company, the focus shifted to ensuring the health and well-being of all employees and minimizing disruption to services for our customers globally. To the extent possible, company has tried to negate the impact through remote working. Company took all the recommended precautions and preventive measures to ensure safety and well-being of its employees.

The impact was felt on the performance of the Company. PMC and Turnkey business got impacted due to travel restrictions, non-availability of labour, delay in procurement of raw material, delay in acquisition of land etc. These projects also include few major projects like rail line doubling project between Gooty - Dharamavaram, third line project between Pendra Road - Anuppur and railways electrification work between Vijayapur - Makshi section and Construction of 10 metre wide FOB with lift and escalator at Varanasi Station, which was part of prestigious Varanasi station Development Project. Quality assurance work got impacted due to travel restrictions and less procurement by clients. Export deliveries of locomotives & coaches of the order of ₹ 500 crore got delayed due to supply chain disruptions leading to delay in delivering of certain sub-assemblies, thereby affecting the timelines set for shipment of locomotives and coaches. Leasing business got impacted due to stalled works at certain project sites, ports etc. Power procurement business got impacted due to less traction power requirement by the Indian Railways.

The second wave of Covid-19 in many nations, including India, which started in April 2021 is expected to impact the economies of these nations. Lockdown across various states in India impacted the new order collection & execution of projects and also export shipment of 30 coaches to Sri Lanka valuing ₹105 Crore, which could not be boarded on the Ship.

BUY BACK

In the financial year 2020-21, your company has bought back its 96,98,113 fully paid up equity

shares at ₹ 265 per share. As a result of buyback, paid-up share capital has decreased to ₹ 240.30 crore from ₹ 250 crore.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the companies act, 2013 are not applicable for the business carried out by the company.

CAPITAL STRUCTURE

During the FY 2020-21, on account of buy-back of shares, the paid-up share capital of the company was reduced from ₹ 250 crore to ₹ 240.30 crore as against the Authorized Share Capital of ₹ 300 crore.

DIVIDEND

Your Company has a consistent track record of dividend payment. For FY 2020-21 also, based on Company's performance, the Directors have declared two interim dividend aggregating to ₹ 9 per equity share. The Directors have also recommended a final dividend of ₹ 4 per equity share. The total dividend for financial year 2020-21 is ₹ 312 crore (i.e. ₹ 13 per share) which is 130 % of paid up share capital of the company.

The total dividend payout during the year works out to be ₹ 366.27 Cr., which includes ₹ 150 crore final dividend for financial year 2019-20 and ₹ 216.27 Cr., interim dividend for the financial year 2020-21.

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is annexed to this report as **Annexure -D** and is also available on the Company's website i.e. www.rites.com.

DEPOSITS

The Company has not accepted any deposits from public during the year under review.

RESERVES

The Company has not transferred any amount to the reserves during FY 2020 -21.

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

CONSERVATION OF ENERGY

As a consultancy organization, BITES is not a major consumer and hence our carbon emission is minimum. Yet, for the consultancy studies undertaken by BITES, it has been a practice to pursue the national goal of energy conservation and accordingly, suggestions are given to our clients for measures and methods to conserve energy.

• Steps taken or impact on conservation of energy:

For both of the Corporate buildings, solar power panels have been mounted on rooftops to generate electricity from solar power. Luminaries of Corporate Office at Gurgaon was replaced with energy efficient retro fit LED luminaries which lead to saving of approx. 2 lakh energy units annually.

• Steps taken by the company for utilizing alternate source of energy:

REMC Ltd., the subsidiary company of BITES Ltd., promoted with the Indian Railways, has implemented many power procurement contracts for Indian Railways under Open Access Policy under the Electricity Act, 2003, resulting in substantial savings to Indian Railways.

• The Capital investment on energy conservation equipment;

During the year Capital investment on energy conservation equipment is Nil.

TECHNOLOGY ABSORPTION

The efforts made towards technology absorption:

BITES continuously strive to procure and absorb the best and latest technological innovations in areas of its business. Our software and knowledge base is continuously updated by sponsoring employees to become members of National/International Institutions, by actively participating in national and international seminars and conferences, study of periodicals, etc. to compete with domestic and international competitors and improve the quality of service to the client. BITES also supports Indian Railways Production units for development of Cape/



Customized made-in-India 3000 HP AC-AC cape gauge diesel electric locomotives for exports to Mozambique by RITES

Meter/Standard gauge locomotives and Cape/Standard Gauge Stainless Steel Body coaches with Y-frame stainless steel bogie.

The benefits derived like product improvement, cost reduction, product development or import substitution:

“Make in India, Made for the World” state-of-the-art Technology 3000 HP AC-AC Cape Gauge Diesel Electric Locomotives designed and manufactured by Banaras Locomotive Works in collaboration with RDSO and RITES were flagged off by Hon’ble Minister of Railways for Mozambique Railways. The locomotives have special features such as air-conditioned cab, bio-vacuum toilet, refrigerator, hot plate and ergonomics seats. In these locomotives 99% parts such as propulsion control, electrics, turbocharger and 12 cylinder series engine are from indigenous sources.

IT based Inspection, Billing and Monitoring System (IBS) developed and implemented by RITES QA has improved productivity of process by adopting paper less working, lowering the cost of services, standardization of Inspection Process, increased organizational transparency, accurate and faster access to data for timely decisions.

RITES is involved in review of detailed design of Sohna tunnel of western corridor of Dedicated Freight Corridor Corporation of India where composite lining with Steel Fiber Reinforced Shotcrete (SFERS) was used as permanent support to this tunnel. This tunnel is 1 km long and has 120m²

of cross-section areas with two railway tracks and capacity to carry double decker trains. Using SFERS as permanent support is a rare method of construction across the globe.

RITES is also executing the S&T projects using latest technology i.e. electronic interlocking, MSDAC (Multi Section Digital Axle Counter), SSDAC (Single Section Digital Axle Counter), UFSBI (Universal Fail-Safe Block Interface) and TPWS (Train Protection and Warning System).

REMC Ltd in consultation with Railway Board has been planning to take up a pilot project as an innovative storage solution for storage of solar power to be used during non-solar hour/Peak hours.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earnings during the year under review was ₹ 172.08 crore (previous year ₹ 633.54 crore) and foreign exchange outgo was ₹ 33.78 crore (previous year ₹ 53.17 crore). This resulted in net foreign exchange earnings of ₹ 138.30 crore (previous year ₹ 580.37 crore).

PRESIDENTIAL DIRECTIVE

No Presidential Directive was received during the year.

VIGILANCE

Vigilance Cell works with objective to promote probity and integrity in governance. One of the primary objectives of Vigilance Cell is to create awareness among the employees of organization against corruption. Vigilance Cell works to improve systems and procedures in a way so as to reduce scope of discretion and eliminate corruption. Vigilance is a tool of management for good governance.

Major activities of Vigilance Cell during the year 2020-2021 are following:

- Surprise inspections, Preventive Checks and CTE-Type Intensive Examination of Major Works/Procurements.
- Systemic Improvements suggested by Vigilance Cell and implemented by authorities.
- Scrutiny of Annual Property Returns of employees and Audit reports.



RITES organized various events on 'Vigilant India, Prosperous India' to mark Vigilance Awareness Week

- Training programs were conducted for creating awareness among the employees of organization.
- In Preventive Vigilance Measures by Management, employees working on sensitive posts were rotated/transferred. Review of services were undertaken in FR 56J rules and action taken accordingly.

As per directives of CVC, Vigilance Awareness Week-2020 was observed in RITES Limited from 27.10.2020 to 02.11.2020. Integrity pledge was taken by employees of the organization.

Periodic meetings and Co-ordination with Central Vigilance Commission and Railway Board.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 (1) OF THE COMPANIES ACT, 2013

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

Your Directors draw attention of the members to Note No. 43 to the financial statement which sets out related party disclosures. (The details of contracts entered into with related parties in prescribed format AOC-2 is placed at **Annexure -I**).

SUBSIDIARIES AND JVs

SUBSIDIARIES

1. REMC Limited incorporated on 16th August, 2013 in Joint Venture with Ministry of Railways for taking up various assignments/tasks to

develop potential business avenues in the field of power sector including Green Energy, power trading etc.

2. Company has also one overseas wholly owned subsidiary company namely RITES (Afrika) (Pty) Limited, Botswana incorporated on 16th January 1991 and primarily engaged in design and projects consultancy services in Botswana.
3. RITES Infrastructure Services Limited (Indian subsidiary) and RITES Mohwarean Arabia Company Limited (foreign subsidiary), Saudi Arabia have completed winding up process during financial year 2020-21.

JOINT VENTURES

The Company also has two joint ventures namely:

1. SAIL-RITES Bengal Wagon Industry Private Limited (50% stake in JV) and
2. Indian Railway Stations Development Corporation Limited (24% stake in JV acquired during the current financial year).

During the financial year 2020-21, company has exited from one of joint ventures i.e. BNV Gujarat Rail Private Limited (26% stake in JV) by transferring its shares to other joint venture partner.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Particulars of loans, guarantees given or investments made along with the purpose for which the loan is proposed to be utilized by the recipients are provided in the standalone financial statement

(Please refer to Note 8.1, 9, 10, 17, 18 & 43 (e) (ii) of the standalone financial statement).

PARTICULARS OF EMPLOYEES

As per the provisions of section 197(12) of the Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose the ratio of the remuneration of each Director to the median employee's remuneration and details of employees receiving remuneration exceeding limit as prescribed from time to time in the Director's Report.

However, as per notification dated June 5th, 2015 issued by MCA, Government Companies are exempted from complying with the provisions of Section 197 of Companies Act, 2013. Therefore, such particulars have not been included as a part of Directors' Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant or material order has been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

RISK MANAGEMENT

The Company's Risk Management Committee as on 31st March 2021 comprises of Shri Vinay Srivastava (Chairman), Shri Gopi Sureshkumar Varadarajan and Shri Bibhu Prasad Nayak as members.

The Company follows a consistent and comprehensive risk management strategy at all levels. Each SBU has a risk working committee to assess and mitigate risks at operational level. The risk reported and mitigation plans across whole organization are reviewed by Enterprise Risk Management Committee consisting of senior executives of Company, which in turn presents consolidated report of companywide risks assessed and suggestions for risk mitigation to Risk Management Committee of board for review and approval. During the year two meetings of Risk Management Committee were held.

Decisions taken on risk mitigation are implemented and reviewed regularly for effectiveness, for which

a rigorous system of audits by internal as well as external auditors exists.

Company's Risk Management procedure covers all aspects which may affect its working like, changes in business environment, Government policies, competency requirements, manpower planning, safety of manpower, buildings and other assets, currency risk management, data security, cyber security etc.

PROPAGATION OF HINDI (RAJBHASHA)

In pursuance of Official Language policy of the Govt. of India (Ministry of Home Affairs, Deptt. of Official Language), the directions received from Railway Board and Chairman and Managing Director of RITES Limited from time to time, all round efforts were made to accelerate the progressive use of Hindi in official work of the Company. During the year, Annual Reports of RITES Limited and REMC Limited, Memorandum of Understanding (MoU) between RITES Limited and Railway Board, Inspection Questionnaires of Committees of Parliament and minutes of Concert and Provident Fund meetings, Important documents received from various departments were translated into Hindi. Further, office orders, circulars, recruitment / tender advertisements received from various departments / sections of the office were prepared in bilingual form.

During the year, the second sub-committee of Committee of the Parliament on Official Language conducted inspection of Corporate Office, Gurgaon and Urban Infrastructure Office, Mumbai. Inspection Questionnaires were duly completed and submitted on time. Coordination work was assigned to RITES Limited for the committee's inspection meeting held at New Delhi and the same was also successfully accomplished.

During these inspections, the steps taken by RITES Limited to promote the use of Hindi were appreciated. Rajbhasha inspection of 5 departments of corporate office was conducted during the year and 96 officers and employees were given Hindi typing training.

In view of the increasing use of e-office, a workshop was conducted on 07.12.2020 for officers and employees to help them work in Hindi in the e-office and training of Hindi noting and drafting was also imparted from time to time.



Inspection of RITES Corporate Office, Gurugram, and UI office in Mumbai by Second sub-committee of Committee of Parliament on Official Language



Rajbhasha Fortnight was organized successfully in RITES corporate office from 14th September to 28th September, 2020. '**HINDI DIWAS**' message of CMD/RITES was issued to all the offices of RITES located all over India. Competitions like Essay, Noting and Drafting, Poetry recital, Hindi Typing and Elocution were held during this period and Hindi Workshop, Table Training and inspections of different departments were also conducted. 110 officers and employees participated in various competitions and workshops organized during the fortnight. Winners of various competitions were awarded cash prizes and certificates. Project and inspection offices also celebrated Rajbhasha Fortnight/ Week in their respective offices.

During the year 2020-21 the quarterly meetings of Official Language Implementation Committee (OLIC) were held regularly wherein progress of various items of Annual Programme of the Deptt.

of Official Language, Ministry of Home Affairs were discussed and reviewed. CMD and representative of RITES also participated in meetings of OLIC, Railway Board and Town Official Language Implementation Committee, Gurugram.

Chairman and Managing Director delivered speeches in Hindi on various occasions and individual orders with the signature of CMD RITES were issued to officers and staff proficient in Hindi to do their work in Hindi. Sh. Dinesh Kumar Bist, GGM(QA) RITES Ltd. was awarded Rail Mantri Rajbhasha Rajat Padak for commendable contribution in the progressive use of Official Language Hindi. Additionally, our officers and staff participated in the competitions conducted by member officers of Town Official Language Committee, Gurugram and they got cash prizes and certificates in these competitions for their excellent performance.

MEMORANDUM OF UNDERSTANDING

Evaluation of performance MoU for 2020-21 as per DPE parameters is under process. Negotiation of Memorandum of Understanding with Ministry of Railways for the year 2021-22 is under process.

SCHEDULED CASTE, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES

The Company has adopted the best practices for providing equal opportunities and harmonious environment for advancement of SC, ST, OBC, Minorities and women employees. It has provided reservation in recruitments and promotions to SC/ST communities and in recruitments to OBC/ EWS/Divyang candidates. Members of these communities are provided due relaxation in





The then CMD RITES with Secretary, Railway Board, at the signing of MoU with Indian Railways

eligibility conditions and application fee while applying for recruitment and qualifying standards in recruitment and promotion as per the Govt of India guidelines. In selection committees for recruitment, due representation is given to SC, ST, OBC, minorities and women members. During the year, 54 employees belonging to SC/ST/OBC/EWS categories were inducted. The employees belonging to these communities are given due representation in the elected body of employees (CONCERT).

SYSTEM ISO 9001-2015 CERTIFICATION

Entire RITES has been certified to Quality Management System (QMS) as per ISO 9000 series of standards since 2001. The certification has subsequently been upgraded to the revised versions of ISO 9001 as per ISO 9001:2008 and ISO 9001:2015. The ISO defines the requirement of internal controls through manuals and procedures which are to be formed both at the corporate level and at the Strategic Business Unit (SBU) level. The ISO based QMS involves regular internal audits so as to ensure the compliance with stipulated rules / regulations on a regular basis and therefore, forms a part of the internal control systems. QMS ensures quality output, quality in its operations, continual improvement and risk management practices in line & comparable to international norms. ISO 9001:2015 certificate has been awarded to RITES by NVTQC under ANAB accreditation.

To ensure compatibility of its operations and services to international norms RITES is accredited by NABCB, a body under Quality Council of India, with ISO: 17020 specifications for its inspection services. RITES Inspection and testing labs at Kolkata and Mumbai have been also accredited with ISO: 17025

specifications by National Accreditation Board for Testing and Calibration Laboratories (NABL).

CORPORATE GOVERNANCE REPORT AND GREEN INITIATIVE

Your Company believes in the principle that good Corporate Governance establishes a positive organizational culture and it is evident by responsibility, accountability, consistency, fairness and transparency towards its stakeholders. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE guidelines on Corporate Governance, a separate report on Corporate Governance practices followed by the Company forms part of this Report placed at **Annexure- A**.

In support of the "Green Initiative" measure taken by Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents and also in line with circular issued by Securities and Exchange Board of India (SEBI) dated November 05, 2011 and as prescribed under the relevant provisions of the Companies Act, 2013 and the Rules made thereunder, the Company has sent Annual Reports in electronic mode to the shareholders who have registered their E-mail IDs either with the Registrar and Transfer Agent or with the Depositories.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis covering division-wise performance, which forms part of the Directors' Report has been placed at **Annexure -B**.

BUSINESS RESPONSIBILITY REPORT (BRR)

Fulfilment of environmental, social and governance responsibilities is part of RITES' business culture. RITES is privileged to be amongst top 1000 listed entities which are mandated to include the Business Responsibility Report (BRR) as part of the Annual Report. In compliance, the BRR disclosures are integrated into the Annual report and aimed at describing RITES' initiatives in discharging responsibilities from an environmental, social and governance perspective. The BRR is attached as **Annexure - C** which forms part of this report.

ANNUAL RETURN

Annual Return as per Section 92(3) of the Companies Act, 2013 will be available on the website of the

Company i.e. www.rites.com under following link: www.rites.com/AnnualReturn1.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

RITES has adequate internal control and audit systems for enhancement of efficiency in operations and to ensure compliance with applicable laws, rules and regulations. Company has structured policies and guidelines for optimal delegation of authority for facilitation of business. RITES internal audit is conducted by experienced professionals and external audit firms. The internal control and audit systems are also reviewed periodically. Corrective and preventive measures, whenever necessary, are taken for continuous improvement.

The internal control system has been further strengthened through the following:-

Internal Financial Controls: The Internal Financial Control of the Company is analyzed and audited for the compliance of the internal financial control and accordingly the report on the Internal Financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 is prepared and annexed to the Independent Auditor's Report. As per the report, the Company has in all material respects, adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial control were operating effectively as on March 31, 2021, based on the internal control with reference to the Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FORMAL ANNUAL EVALUATION OF DIRECTORS UNDER SECTION 134 (3) (P) OF THE COMPANIES ACT, 2013

Formal Annual evaluation of Chairman & Managing Director and Directors, being a Govt. Company, is done by the Administrative Ministry. Further, as per Notification issued by Ministry of Corporate Affairs dated 5th June, 2015, the provisions of the said section shall not apply to Govt. Company, in case the Directors are evaluated by the Ministry or Department of the Central Govt. etc.

BOARD OF DIRECTORS AND NUMBER OF MEETINGS OF THE BOARD

As on 31st March, 2021, the Company had five Directors comprising four Functional Directors and one Government Nominee Director. The Board met 9 times during the year 2020-21.

The following Directors held office during the year:

Whole-time Directors:

Shri Rajeev Mehrotra (DIN: 01583143)	Chairman and Managing Director
Shri Gopi Sureshkumar Varadarajan (DIN: 08241385)	Director Projects
Shri Anil Vij (DIN: 07145875)	Director Technical
Shri Bibhu Prasad Nayak (DIN: 08197975)	Director Finance

Government Nominee Directors:

Shri Vinay Srivastava (DIN: 08638850)	Director
Shri Alok Kumar Tewari (DIN: 06694407)	Director (upto 31.08.2020)

Independent Directors:

Dr. Pramod Kumar Anand (DIN: 00298962)	Director (upto 18.09.2020)
Ms. Geethakumary (DIN: 08087165)	Director (upto 14.03.2021)
Dr. Rajendra Nath Goyal (DIN: 08087148)	Director (upto 14.03.2021)

KEY MANAGERIAL PERSONNEL (KMP) (SECTION 203 OF THE COMPANIES ACT, 2013)

Shri Rajeev Mehrotra (DIN: 01583143)	Chairman & Managing Director and Chief Executive Officer
Shri Gopi Sureshkumar Varadarajan (DIN: 08241385)	Director Projects
Shri Anil Vij (DIN: 07145875)	Director Technical
Shri Bibhu Prasad Nayak (DIN: 08197975)	Director Finance
Shri Parmod Kumar Narang	Chief Finance Officer
Shri Joshit Ranjan Sikidar	Company Secretary (w.e.f 1 st April, 2021)
Shri Ashish Srivastava	Company Secretary (upto 31 st March, 2021)

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Inductions, Retirements and Resignations

There was no induction of Directors or key managerial persons during the Financial Year 2020-21. Appointment of Directors is done by the Govt. of India from a pool of professionals in varied fields, with due verification of expertise, integrity and experience.

During the Financial Year 2020-21, the tenure of following Directors has ended, i.e. Dr. P.K Anand, Dr. Rajendra Nath Goyal, Ms. Geethakumary and Shri Alok Kumar Tewari.

Shri Ashish Kumar Srivastava, Company Secretary and Compliance Officer resigned from the office on 31st March, 2021 from the Closure of business hours.

RETIREMENT OF DIRECTORS BY ROTATION

As per the Companies Act, 2013 the provisions in respect of retirement of Directors by rotation is applicable. In view of this, all the directors, except Independent Directors and Chairman & Managing Director {As per Article 56(h) of the Articles of Association, CMD is a non-retiring Director} will be liable to retire by rotation. Accordingly, one third among all other directors will retire by rotation. Accordingly, **Shri Anil Vij, Director (Technical) (DIN:07145875)** will retire by rotation and being eligible, offer himself for reappointment.

DECLARATION BY INDEPENDENT DIRECTORS

As on 31st March, 2021, all the position of Independent Directors were vacant. Therefore, the declaration as required under section 149(7) of the Companies Act, 2013 has not been obtained.

COMMITTEES OF THE BOARD

The Company has Audit Committee, CSR Committee and other Committees of the Board in place. The composition and scope of the committees are provided in the report of Corporate Governance.

A report on Corporate Governance together with the certificate thereon, form the part of this report at **Annexure- A**.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER THE COMPANIES ACT, 2013

In pursuance of Section 134 (5) of the Companies

Act, 2013, The Directors hereby confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have 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 at the end of the financial year and of the profit and loss of the company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES

A report on the performance and financial position of each subsidiaries, associates and Joint Ventures companies as per the provisions of Section 129 (3) of the Companies Act, 2013 in prescribed format **AOC-1** is provided as Annexure to the consolidated financial statements and hence not repeated here for sake of brevity.

KNOWLEDGE MANAGEMENT SYSTEM

Knowledge management has been implemented in RITES as a module of ERP SAP in order to identify, capture, evaluate, retrieve and share enterprise information. System consolidates important information of its employees knowledge and projects/ work for being available at a glance to SBU heads. It provides information of experts

regarding the qualification, experience, sector and sub-sector, projects handled etc in various job roles and specialization, projects in various sectors and disciplines, thus reducing effort in helping them in business development process.

RITES has also implemented E-Office. E-Office has an inbuilt KMS which enables users to create and manage electronic documents that can be viewed, searched and shared. It is capable of keeping track of the different versions of documents modified by users (Tracking history). It contains a dynamic workflow to keep document in various stages.

Apart from SAP and e-office KMS, RITES has also deployed a mobile app based platform for providing e-learning to its employees. Employees can now learn at their own place as and when required. More than 30 programs have been launched on this platform.

Another platform i.e. an online e-magazine has been designed and put on Whatsapp, LinkedIn and RITES ESS. All updates related to employees and organization are available in the e-magazine. Employees can now see all Management communications, Policy updates, Circulars etc. online.

ENVIRONMENTAL PROTECTION

Being a consultancy organization, RITES carries out feasibility studies, detailed project reports for various infrastructure projects on behalf of its clients. The study of environment and social impacts of infrastructure projects and concerns of various stakeholders are integral part of these study reports.

These reports not only address concerns raised by the stakeholders but also suggest mitigation measures for reducing the project impacts. These reports are prepared as per the guidelines / framework stipulated by MoEFCC, ADB/World Bank/ AFD/ JICA/ EIB/ KFW and other International funding agencies.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Being a premier consulting organization, RITES is constantly enhancing the knowledge and professional pool by inducting the desired professionals in its team every year. Human

Resource Department is committed to achieving deliverables in terms of talent acquisition, employee engagement, talent retention, career progression and development of the human capital.

The Company's recruitment policies indicate the forward-looking approach of the management with a strong emphasis on becoming "Equal Opportunity Employer". During the financial year 2020-21, RITES inducted 104 employees (84 regular and 20 contractual) of which 54 belong to the SC/ST/OBC/EWS category. Further, 2 PWD candidates were also inducted during the same period. Also, 21 personnel were inducted on deputation, bringing the total manpower on deputation to 132.

The company is having progressive HR policies, which are helping it in employee retention and reduction of attrition of regular employees. The attrition rate during FY 2020-21 has been reduced and stood at 1.65% in comparison to 2.17% during last year.

As a part of succession planning and career progression, as well to keep the employee motivated and oversee their career progression, periodic review of cadres is done, benchmarking it with the business growth of the Company and practices in the industry. During FY 2020-21, a selection process of more than 500 eligible candidates from across all the disciplines, levels & regions was conducted and 275 employees (including both executive & non-executive staff) were promoted.

Based upon guidelines of Department of Public Enterprises, robust online Performance Management System has been put in place and it has been linked with the variable pay of the employees.

The Company believes in consistently improving its systems and processes to attract, motivate and nurture talent. It had assessed its HR processes and practices against the People Capability Maturity Model (PCMM) framework and upgraded itself to the PCMM Level 3.

To ensure continual learning and keep its employees motivated, engaged during lockdown between April-June, RITES organized daily online training programmes and webinars on various technical and work-related topics, leveraging internal and outside expertise. Extensive trainings were conducted for employees across RITES offices to ensure employee

readiness and flawless adoption of e-Office. Also, RITES has launched a mobile app-based learning system for its employees before the lockdown which enabled them to access curated learning content 24*7.

As a part of implementation of Govt of India initiative for skill development, 96 apprentices were engaged in the year to enable them to acquire the practical skills, knowledge and expertise for employment.

During the service, employees have been granted liberal perks, allowances and facilities in terms of monetary and non-monetary benefits such as transportation, housing, leased accommodation, subsidized food and medical insurance. The primary objective is to enhance their quality of life.

IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

In RITES Limited, an appropriate implementation structure with high level of commitment amongst the First Appellate Authority (FAA), Central Public Information Officer (CPIO) & Assistant Public Information Officers (APIOs) had profound influence on successful implementation of the Right to Information Act, 2005 and attaining its goals & objectives. Conducting structured training programmes for RITES' officers and staff highlight the seriousness and strategic approach with which RITES is pursuing the implementation of the Right to Information Act, 2005 at all the levels in the organization. The changes, thus in the mindset and attitude, had been catalytic in implementing the Right to Information Act, making the goals & objectives achievable with their concerted, creative and decisive actions.

RITES Website with Social Media platforms are being used effectively for dissemination of information, which is evident from a decrease in the number of new applications. First Appeals and the Second Appeals were effectively contained by efficient & scientific record keeping, ensuring timely and accurate information to the applicants under the provisions of the Right to Information Act, 2005.

The provision for submission of RTI applications/ First Appeals online with payment of application/ additional fee through internet banking, debit/credit cards and RuPay cards, provided on RITES website, has enabled citizens to file their applications/First Appeals with ease and receive information faster,

cutting on the cost of postal dispatch and nullifying the time of postal transit.

RITES has been putting sincere efforts in creating informed citizenry & promoting transparency through pro-active disclosures on its website under Section 4(1)(b) of the Right to Information Act, 2005. Negative growth/ negative percentage rate of new applications & containment of First Appeals and the Second Appeals enunciate information delivery in compliance with Right to Information Act's letter and spirit.

Categories of information frequently sought, have also been identified, catalogued and organized in a retrievable user-friendly database, which is being used effectively for proactive disclosure of information through RITES portal. RTI Transparency Audit of RITES for the period 2019-20, is the testimony of the organizational compliances to all the stipulated major statutory requirements of the Section 4 of the Right to Information Act and compliances for DoPT OM/Circular dated April 15, 2013 for proactive/Suo-Motu disclosures and other provisions of the Right to Information Act.

EXHIBITIONS AND AWARDS

Exhibitions:

As a part of business strategy, the company encourages participation in specialized trade exhibitions with the objective of displaying its multifarious capabilities and exploring business opportunities in India and abroad. It believes these expositions play an important role in building business linkages and providing exposure to numerous prospective clients, high-level delegations and ministerial participation. But, this year, the global spread of Covid-19 brought exhibitions/ workshops / conferences/events to a halt. However, adapting to the new normal of contactless interactions, the Company





Hon'ble Union Minister of State for Parliamentary Affairs and Culture Shri Arjun Ram Meghwal (centre) presents the ICAI Award 2019-20 to RITES' Director (Finance) Shri Bibhu Prasad Nayak (2nd from L) the then Chief Financial Officer Shri Parmod Kumar Narang (2nd from R), GM (Finance & CS) Shri J.R. Sikidar (R) and GM (Finance) Shri Anjeev Kumar Jain (L)

participated in the following virtual exhibitions:

- 15th CII-EXIM Bank Conclave on India Africa Project Partnership.
- SKOCH 'Evidence of Excellence' Exhibition (a part of 68th SKOCH Summit).

Awards:

- ICAI Award for Excellence in Financial Reporting.
- SKOCH Award- Gold (Response to Covid-19).
- SKOCH Order-of-Merit (for Bogibeel Bridge).
- National HR Best Practices Award 2019 (by National Institute of Personnel Management).



The then CMD RITES and other officials at inspection meeting for NIPM National Award for HR practices



- Employment Enhancing Vocational Skills Award (7th CSR India Summit).

AUDITORS

The Comptroller & Auditor General of India appointed the following as Statutory and Branch Auditors for the year 2020-21.

M/s J.C. Bhalla & Co.	Statutory Auditors
M/s N S Gokhle & Co., Mumbai	Branch Auditors for Western Region
M/s S.N. Guha & Co., Kolkata	Branch Auditors for Eastern Region
M/s Nisar& Kumar, Chennai	Branch Auditors for Southern Region

The Auditors' Report for the financial year 2020 - 21 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report.

The Board would like to place on record its sincere thanks for the valuable services rendered by Statutory Auditors and the Branch Auditors.

COMPTROLLER AND AUDITOR GENERAL'S COMMENTS

The Company has received 'Nil' comments on the Financial Statements (Standalone and Consolidated) for the financial year 2020-21 from the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013.

The Board would like to place on record its sincere thanks for the valuable services rendered by CAG.

SECRETARIAL AUDITOR

The Board has appointed M/s Akhil Rohatgi & Co., Practicing Company Secretary to conduct Secretarial Audit for the financial year 2020 -21. The Secretarial Audit Report for the financial year ended March 31, 2021 has been placed as **Annexure - IV**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except commenting on present strength of Independent Directors and absence of Woman Director on the Board.

In this regard Company has received notices from Stock Exchanges levying fine on the company. The

company has replied to Stock Exchanges stating that the power to appoint the Directors including Independent Directors vests with the Government of India and the company has requested the MoR in this regard on appointment of requisite Director the waiver of fines will be applied.

DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to create and maintain a secure work environment where its employees can work in an atmosphere free of harassment, exploitation and intimidation. To empower women and protect them against sexual harassment, Committee for Prevention of sexual Harassment of women at workplace as the Govt. guidelines exists in all major locations of the Company. The Committee is committed to free & fair enquiry within the laid down timelines. The summary of complaints received during the year:

No. of complaints pending at beginning of the year	0
No. of complaints received during the year	1 (Jan 2021)
No. of complaints finalised during the year	0
No. of complaints pending at the end of the year	1

WOMEN EMPOWERMENT

During the year, several programmes were organised on gender issues, prevention of sexual harassment at workplace, women empowerment etc. On 8th March 2021, International Women's Day was celebrated in the organization in recognition to the various contributions made by women across the globe and as an opportunity to express their opinions on the issues. As an Equal Opportunity Employer (EOE), RITES Management has adopted a gender neutral approach in all its recruitment drives and also for assigning jobs/assignments in the organization in the existing roles.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY:

RITES recognizes its responsibility towards the society and strives to work consistently for its betterment by taking actions to address the societal challenges.

A total of ₹ 13.40 crore was spent during FY 2020-21 on CSR initiatives.

COVID-19 has engulfed the entire world and has posed serious challenges for the health and economic security of millions of people worldwide. Keeping in mind the need for dealing with this kind of situation and to provide relief to the affected, the Company as a part of its social responsibility, has taken wide ranging actions to strengthen and support those impacted. RITES has contributed ₹ 8 crores out of the CSR Budget to PM CARES fund as set up by the Government of India.

RITES has a strong governance processes in place to address new industry standards and regulations as they emerge. In line with the Guidelines on CSR issued by DPE and provisions of Section 135 of the Companies Act, 2013, a Board level committee has been constituted to oversee the implementation of CSR & Sustainability policy and to assist the Board of Directors to formulate suitable policies & strategies in this regard. Currently, the CSR Committee comprises of Mr Vinay Srivastava, Govt Nominee Director and Chairman CSR Committee, Mr. Gopi Sureshkumar Varadarajan, CMD (Addl. Charge) & Director Projects and Mr Bibhu Prasad Nayak, Director Finance as Members of this Committee. A report on CSR projects for the financial year 2020-21 is attached as **Annexure - III**.



Shri Gopi Sureshkumar Varadarajan, CMD (Addl Charge) RITES; Shri Rajeev Mehrotra, the then CMD RITES; Shri Arun Thakran, Secretary, Haryana Weightlifting Association; and RITES senior officials hand over a motorised tricycle to one of the beneficiaries

COVID-19

Reached out directly to people through coordinated & comprehensive COVID-19 response to provide humanitarian aid and create awareness



Hon'ble Chief Minister of Haryana Shri Manohar Lal Khattar (L) and Shri Rajeev Mehrotra (R) at the inauguration of smart classrooms in aspirational district of Nuh and Gurugram



WOMEN EMPOWERMENT

Empowered women with new skills and opportunities to develop/improve their employability traits and addressed gender inequality



CSR INITIATIVES

...changing lives

Check out RITES CSR compendium at www.rites.com



HEALTH CARE

Efforts have built capacity and run programs, collaborating with the public health system, to serve rural, tribal and remote areas



GREENFICH
CSR
INDIA
AWARD
2020



Hon'ble Governor of Haryana
Shri Bandaru Dattatreya felicitates CMD
(Addl Charge) RITES Shri V. G. Suresh
Kumar in recognition of company's
CSR initiatives



EDUCATION

Supported various interventions (primary education to digital learning), ensuring equitable access to education and learning at the bottom of the pyramid



Details of CSR activities are covered under
Annexure III at Page 32.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under chapter V of the Act.
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. Neither the Chairman and Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

APPRECIATION

The Directors take this opportunity to express their sincere thanks to the esteemed Clients in India & abroad, Shareholders, Central and State Governments for their consistent support to the Company and look forward to the continuance of the mutually supportive relationship in future. The Directors also wish to place on record their appreciation of the hard work, dedication and commitment of the employees. The enthusiasm and

unstinting efforts of the employees have enabled the Company to touch new heights during the year.

ACKNOWLEDGEMENTS

Your Directors would like to express their appropriation for support of every member of RITES family including shareholders, clients and employees.

Further, your Directors would like to express their appreciation for the assistance and co-operation received from the Ministries of Railways, Road Transport and Highways, External Affairs, Finance, Commerce, Urban Development, and other ministries, departments and agencies, office of Comptroller & Auditor General, Stock Exchanges, Regulators, Depository Intermediaries, Reserve Bank of India, Bankers of the Company, Indian Embassies & Missions abroad and Foreign Missions & Embassies in India, EXIM Bank and Statutory and Internal Auditors without whose active support the achievements of the Company during the year under review would not have been possible.

For and on behalf of Board of Directors



Gopi Sureshkumar Varadarajan

Chairman & Managing Director

(DIN: 08241385)

Place: Gurugram

Date: 12th August, 2021

Annexure - I
FORM NO. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

RITES Limited has not entered into any contract or arrangement or transaction with its related parties which is not arm's length during financial year 2020-21.

2. Details of contracts or arrangement or transactions at arm's length basis:
A. Transactions during the year with Subsidiaries, Joint Ventures and Associates:

Particulars	1 RITES (Afrika) (Pty) Limited	2 REMC Limited	3 SAIL-RITES Bengal Wagon Industry Private Limited (SRBWIP)	4 BNV Gujarat Rail Private Limited	5 Indian Railway Stations Development Corporation Limited
a) Name (s) of the related party and nature of relationship	Wholly Owned Subsidiary	Subsidiary (RITES shareholding 51% Indian Railway Shareholding 49%)	Joint Venture of RITES & SAIL (RITES shareholding 50%)	Joint Venture of Shapoorji Pallonji Roads Private Limited (67.5%), RITES (26%) and PCM Cement Concrete Pvt. Ltd (6.5%)	RITES stake is 24%
b) Nature of contracts/ arrangements/ transactions	Supply of technical manpower for the purpose of construction supervision of road & airport projects in Botswana.	Services of experts on man month basis for carrying day to day activities of the subsidiary company.	Inspection fee and Testing charges	-	
c) Duration of the contracts / arrangements/ transactions	Ongoing-standing arrangements.	Ongoing till subsidiary does not have its own employees.	Ongoing		
d) Salient terms of the contracts or arrangements or transactions including the value, if any:	RITES shall provide manpower at mutually agreed monthly rates. However, salary and related expenses incurred by RAPL on RITES personnel shall be adjusted from the amount payable to RITES.	Expert services are charged on man month rates as being charged to other clients.	Inspection Fee & Testing charges	-	
Transactions during the year	Consultancy Fee: ₹ 1.74 crore	- Consultancy Fee: ₹ 9.95 crore. - Dividend Received ₹ 5.35 crore - Deposit received for renovation of office building: ₹ 1.02 crore. - Reimbursement/ Recoverable: ₹ 0.04 crore.	- Consultancy Fee: ₹ 0.01 crore - Interest on Loan Given: ₹ 0.34 crore	Investment written off: ₹ 0.14 Crore. Exited from joint venture by transferring the shares to other joint venture partner: ₹ 0.12 Crore.	Investment in Equity: ₹ 48.00 crore. Foreign service contribution/ remittance received: ₹ 0.03 crore.
(e) Date(s) of approval by the Board, if any: -	Not applicable	Not applicable	16.06.2021	Not applicable	Not applicable
(f) Amount paid as advances, if any:	NIL	NIL	NIL	NIL	NIL



(Gopi Sureshkumar Varadarajan)
 Chairman & Managing Director
 (DIN:08241385)

Place: Gurugram
 Date: 12th August, 2021

CSR PROJECT FOR 2020-21

1. Brief outline on CSR Policy of the Company.

Brief outline of the company's CSR & Sustainability Policy is mentioned below:

Corporate Social Responsibility and Sustainability policy is our commitment to operate in economically, socially and environmentally sustainable manner that is transparent and ethical. It encourages engagement with the stake holders in determining their needs and expectations. The stakeholders include employees, shareholders, investors, customers, clients, business associates, civil society groups, Central/State/local government, communities, environment and society at large.

RITES shall strive to integrate social and environmental concerns in its business processes and work towards providing the best possible solutions for sustainable developmental needs of the society by:

- Spreading awareness amongst employees about the company's CSR & Sustainability policy, programmes & initiatives and the need and importance of adopting ethical business practices and implementation of CSR & Sustainability agenda of the company.
- Promoting the cause of Sustainable Development and giving due attention to social and environmental aspects and their impacts in all its activities including the feasibility studies, investigations, detailed designs & DPRs for various developmental projects in transportation & infrastructure sector.
- Encouraging use of renewable energy resources such as solar, wind, biomass & others and reduce its carbon, water and waste foot prints.
- Engaging stakeholders in undertaking CSR & Sustainability projects in and around the areas of company's offices/projects and also other backward regions/areas with focus on creating the necessary infrastructure which will promote education, health, sanitation and provide connectivity/mobility, skills and preserve natural habitat, water resources, flora and fauna, greenery, environment, heritage and culture.
- Regular reporting of CSR & Sustainability performance of the company.
- Creating and enhancing the brand value of the company by adoption of highest standards of Corporate Governance and best management practices and application of its business expertise for the good of the community and society at large. This policy flows from the Corporate Mission of the company.

This policy flows from the Corporate Mission of the Company. CSR Policy relates to the activities to be undertaken as specified in Schedule VII of the Companies Act, 2013.

Government guidelines or circulars, issued time to time, shall also be required to be adhered to in addition to the existing policy.

The CSR policy can be accessed through the link: https://www.rites.com/Upload/MediaGallery/PDF/3/CSR-_Sustainability-Policy-Issue_4Rev5-18637516663096465718.pdf

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
I.	Mr. Vinay Srivastava (From 26.03.2021)**	Chairperson/ Government Nominee Director	0	0
II.	Dr. Rajendra Nath Goyal*	Chairperson/ Independent Director	05	05

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
III.	Ms. Geethakumary* (Upto 14.03.2021)	Member/ Independent Director	03	03
IV.	Mr. Gopi Suresh-kumar Varadarajan	Member/ Director Project (RITES)	05	05
V.	Mr. Bibhu Prasad Nayak	Member/ Director Finance (RITES)	05	05
VI.	Mr. P.K. Anand (Upto 18.09.2020)	Member/ Independent Director	02	02
VII.	Mr. A.K. Tewari (Upto 31.08.2020)	Member/Govt. Nominee Director	02	02

*The tenure of the Independent Directors Dr. Rajendra Nath Goyal and Ms.Geethakumary has ended on 14.03.2021.

** During the tenure of Shri Vinay Srivastava no meeting was held.

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The web link <https://www.rites.com/CSRRITES> can be accessed for Composition of CSR committee, CSR Policy and CSR projects approved by the board.

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

Not Applicable

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

Not Applicable

- Average net profit of the company as per section 135(5): ₹ 667.52 Crore
- Two percent of average net profit of the company as per section 135(5): ₹ 13.40 Crore
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 - Amount required to be set off for the financial year, if any: Nil
 - Total CSR obligation for the financial year (7a+7b- 7c): ₹ 13.40 Crore
- CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. Specify year (₹ In Lakh)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Date of transfer	Amount	Date of transfer
1340.69	Nil	NA	NA	NA	NA

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

1	2	4	5	6	7	8	9	10	11
Sl. No.	Name of the Project.	Local area (Yes/No).	Location of the project. State. District.	Project duration	Amount allocated for the project (₹ in Lakh)	Amount spent in the current financial Year (₹ in Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementing Agency Name CSR Registration number
A Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water									
1	Financial Support for production of sanitary pads for distribution to needy women and Railway Passengers	YES	Delhi/ NCR	15 months	1.50	1.50	0.00	No	Railway Women's Welfare Central Organization, New Delhi
2	Financial support for resources for Smooth running and maintenance of Old Age Home and a rescue center 'Gurukul' at Bandhwari Gurgaon, Haryana	YES	Haryana	02 months	20.00	20.00	0.00	No	The Earth Saviours Foundation, Gurugram
3	Financial support for Construction of Medical consultancy room, Recovery room, Recreational Room and Yoga/ Meditation Hall at Sri Ramakrishna Seva Ashramam Trust, Kaloar, Cochin.	YES	Kerala	24 months	13.31	13.31	0.00	No	Shri Ramakrishna Seva Ashramam Trust
4	Community Healthcare Programme "JAN AROGYAM" (Setting up community health clinic, Mobile Medical Van unit & periodical health check-up etc.) in Nuh District (Aspirational District), Haryana	YES	Haryana	24 months	61.10	61.10	0.00	No	Bisnoli Sarvodaya Gramodyog Sewa Sansthan, New Delhi
5	Financial support for 30 Eye & Health Checkup Camps in Nuh, Haryana	YES	Haryana	24 months	9.75	9.75	0.00	No	Mahavir International, Jaipur

1	2	3	4	5		6	7	8	9	10	11	
				State.	Location of the project.						Name	Mode of Implementation - Through Implementing Agency
Sl. No.	Name of the Project.	Local area (Yes/No).	Local area (Yes/No).	State.	Location of the project.	Project duration	Amount allocated for the project (₹ in Lakh)	Amount spent in the current financial Year (₹ in Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakh)	Mode of Implementation - Direct (Yes/No)	Name	Mode of Implementation - Through Implementing Agency
6	Providing One number Advance Life Support Ambulance (ALS) to Government Hospital in Gurgaon, Haryana	YES	YES	Haryana	Gurgaon	15 months	7.85	7.85	0.00	No	Haryana CSR Advisory Board	-
7	Providing One number Advance Life Support Ambulance (ALS) to Government Hospital in Nuh, Haryana	YES	YES	Haryana	Nuh	15 months	7.85	7.85	0.00	No	Haryana CSR Advisory Board	-
8	Contribution of funds to PM CARES Fund.	YES	YES	PAN INDIA		One time	800.00	800.00	0.00	No	PM Care Fund	-
9	Financial support to IRCTC for supply of food to needy, underprivileged, migrant labourers and other needy persons to fight against COVID-19.	YES	YES	PAN INDIA		One time	100.00	100.00	0.00	No	Indian Railway Catering and Tourism Corporation, New Delhi	-
10	Financial support for Procurement of Protective Gears to fight against COVID-19 in Haryana	YES	YES	Haryana	Gurgaon	One time	2.00	2.00	0.00	No	Women Children welfare and Rural Development Society	RJ/2018/0187824
11	Procurement of One Arterial Blood Gas (ABG) Analyzer with Electrolytes at South Central Railway Hospital in Lallaguda, Secunderabad	YES	YES	Telangana	Secunderabad	04 months	6.07	6.07	0.00	Yes	South Central Railways/ RITES (RPO/SEC)	-
12	Financial support for Covid-19 Information Education & Communication (IEC) Programme in Nuh, Haryana	YES	YES	Haryana	Nuh	04 months	5.00	5.00	0.00	No	Haryana CSR Advosory Board	-
13	Contribution of CSR funds for Covid-19 Vaccination Programmes in Haryana.	YES	YES	Haryana	Haryana	03 months	18.31	18.31	0.00	Yes	RITES Admin. Division	-

1	2	4	5	6	7	8	9	10	11
Sl. No.	Name of the Project.	Local area (Yes/No).	Location of the project.	Project duration	Amount allocated for the project (₹ in Lakh)	Amount spent in the current financial Year (₹ in Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
			State.	District.					Name CSR Registration number
14	Providing financial support for procurement of Two Hearse Van towards use of Public at large, one for District Udaipur, Rajasthan and another for District Gurgaon, Haryana.	YES	Haryana & Rajasthan	Gurgaon & Udaipur	02 months	51.14	51.14	No	Bharat Vikas Parishad Mewar Udaipur
15	Construction and Installation of 2 number of small Tube Wells fitted with solar pumps and distribution system for supplying safe drinking water for 25 houses (By each pump) through syntax elevated tank and stand post in Villages of District Pratapgarh, U.P.	YES	Uttar Pradesh	Pratapgarh	24 months	8.80	8.80	No	U.P. co-operative processing & cold storage federation Ltd. (pacsfed), Uttar Pradesh
16	Installation of Water Stations in police stations of New Delhi.	YES	Delhi	New Delhi	07 months	10.00	10.00	No	Delhi Police
17	Financial support for Construction of toilet and Water cooler with RO for drinking water in municipal cremation ground at Lal Kothi in Jaipur, Rajasthan.	YES	Rajasthan	Jaipur	12 months	0.59	0.59	No	Sulabh International Social Service Organization, Jaipur
B	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;								
18	Financial support to Satat Navotkarsh Foundation for providing quality education to Differently Abled Children in Delhi	YES	Delhi	New Delhi	24 months	5.67	5.67	No	Satat Navotkarsh Foundation, New Delhi

1	2	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project.	Local area (Yes/No).	State.	Location of the project. District.	Project duration	Amount allocated for the project (₹ in Lakh)	Amount spent in the current financial Year (₹ in Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakh)	Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
19	Financial assistance for establishing of 03 Mini Science Center (One Center per School) in Three Government School under District Nuh, Haryana.	YES	Haryana	Nuh	24 months	7.70	7.70	0.00	No	Samabhavana Society, Mumbai	MH/2009/0005655
20	Financial support for providing quality education & Training of Children with Special Needs (CWSN) in Delhi	YES	Delhi	New Delhi	04 months	10.90	10.90	0.00	No	Servants of the People Society, Delhi	-
21	Installation, Operationalisation & Maintenance of 100 Smart Classrooms solution in Government Schools in various districts.	YES	Haryana & Uttar Pradesh	Mewat, Gurgaon & Jalaun	36 months (incl. 24 months AMC)	9.33	9.33	0.00	No	EdCIL (India) Limited	-
22	Financial Support to 50 EkalVidyalyayas in Jaisalmer, Rajasthan	YES	Rajasthan	Jaisalmer	12 months	2.75	1.10	1.65*	No	Bharat Lok Shiksha Parishad, Delhi	DL/2016/0114077
23	Contributing Two RITES vehicles to NGOs for promoting Educational programmes and welfare of society.	YES	Haryana & Delhi	Faridabad & New Delhi	24 months	1.00	1.00	0.00	Yes	RITES Admin Div.	-
24	SOS children's villages of India: Sponsorship of 2 Family homes and distribution of clothing etc.	YES	Haryana	Faridabad	12 months	35.82	35.82	0.00	No	SOS Children's villages of India	-

1	2	Sl. No.	Name of the Project.	4	5		6	7	8	9	10	11	
				Local area (Yes/No).	State.	Location of the project.	Project duration	Amount allocated for the project (₹ in Lakh)	Amount spent in the current financial Year (₹ in Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakh)	Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
25			Financial Support for Promoting School / College education to the underprivileged & disadvantage economic backgrounds students and provision of course books, uniforms, printer, photocopy machine etc. to Swapna Sarthak School, Gurgaon, Haryana.	YES	Haryana	Gurgaon	12 months	15.94	15.94	0.00	No	Gunjan Foundation, New Delhi	DL/2016/01/13341
26			Empowerment of women through Skill Development Training Programmes by Setting up of Cutting and Tailoring Centre in Khora Colony, District Ghaziabad U.P.	YES	Uttar Pradesh	Ghaziabad	36 months	4.23	4.23	0.00	No	Bisnoui Sarvodaya Gramodyog Sewa Sansthan, New Delhi	DL/2016/01/11645
27			Empowerment of women through Skill Development Training Programmes by Setting up of Cutting & Tailoring centre and Computer centre in Uleta village District Nuh, Haryana.	YES	Haryana	Nuh	36 months	8.83	8.83	0.00	No	Bisnoui Sarvodaya Gramodyog Sewa Sansthan, New Delhi	DL/2016/01/11645
28			Skill Development Training programmes for deprived young girls / women in stitching & tailoring in village Ralawata, tehsil-Kisharagarh, Ajmer, Rajasthan.	YES	Rajasthan	Ajmer	08 months	11.58	11.58	0.00	No	Women Children welfare and Rural Development Society	RJ/2018/0187824
29			Financial Support for Skill development of Livelyhood project for socio economically backward Hillpulaya tribal community inhabitants at Pongampally, Marayoor, District Idukki, Kerala.	YES	Kerala	Idukki	24 months	0.50	0.50	0.00	No	Wide Inspiration Wide Aspiration, Kerala WIWA Cultural Development Organization	KL/2017/0162923

1	2	3	4	5	6	7	11
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the Project.	Amount spent for the project (in ₹)	Mode of implementation on - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State. District.			Name CSR Registration number
				Not Applicable			
	Total				Nil		

(d) Amount spent in Administrative Overheads: - ₹ **67.00 Lakh**

(e) Amount spent on Impact Assessment, if applicable. - **Nil**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):- ₹ **1340.69 Lakh**

(g) Excess amount for set off, if any: **Nil**

Sl. No.	Particular	Amount (₹ In Lakh)
1.	Two percent of average net profit of the company as per section 135(5)	1340.00
2.	Total amount spent for the Financial Year	1340.69
3.	Excess amount spent for the financial year [(ii)-(i)]	0.69
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.69

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2017-18	Nil	990.52	Not Applicable			Nil
2.	2018-19	Nil	1022.53				Nil
3.	2019-20	Nil	1121.33				Nil
	Total	Nil	3134.38				Nil

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

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was Commenced	Project Duration	Total amount allocated for the project (₹ in Lakh)	Amount spent on the project in the reporting Financial Year (₹ in Lakh)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakh)	Status of the project - Completed / Ongoing
1		Financial Support for production of sanitary pads for distribution to needy women and Railway Passengers	2019	15 months	6.00	1.50	5.99	Completed
2		Financial support for Construction of Medical consultancy room, Recovery room, Recreational Room and Yoga/ Meditation Hall at Sri Ramakrishna Seva Ashramam Trust, Kaloore, Cochin.	2019	24 months	26.62	13.31	26.62	Completed
3		Community Healthcare Programme "JAN AROGYAM" (Setting up community health clinic, Mobile Medical Van unit & periodical health check-up etc.) in Nuh District (Aspirational District), Haryana	2019	24 months	158.65	61.10	158.65	Completed

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was Commenced	Project Duration	Total amount allocated for the project (₹ in Lakh)	Amount spent on the project in the reporting Financial Year (₹ in Lakh)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakh)	Status of the project - Completed / Ongoing
4		Financial support for 30 Eye & Health Checkup Camps in Nuh, Haryana	2019	24 months	19.50	9.75	19.50	Completed
5		Providing One number Advance Life Support Ambulances (ALS) to Government Hospital in Gurgaon, Haryana	2019	15 months	31.40	7.85	31.40	Completed
6		Providing One number Advance Life Support Ambulances (ALS) to Government Hospital in Nuh, Haryana	2019	15 months	31.40	7.85	31.40	Completed
7		Construction and Installation of 2 number of small Tube Wells fitted with solar pumps and distribution system for supplying safe drinking water for 25 houses (By each pump) through syntax elevated tank and stand post in Villages of District Pratapgarh, Uttar Pradesh	2019	24 months	17.59	8.80	17.60	Completed
8		Financial support for Construction of toilet and Water cooler with RO for drinking water in municipal cremation ground at Lal Kothi in Jaipur, Rajasthan.	2019	12 months	5.90	0.59	5.90	Completed In FY 2019-20*
9		Financial support to Satat Navotkarsh Foundation for providing quality education to Differently Abled Children in Delhi	2019	24 months	7.56	5.67	7.56	Completed
10		Financial assistance for establishing of 03 Mini Science Center (One Center per School) in Three Government School under District Nuh, Haryana.	2019	24 months	19.65	7.70	15.40	Completed
11		Financial Support to 50 EkalVidyalayas in Jaisalmer, Rajasthan	2019	12 months	11.00	1.10	9.35	Completed In FY 2019-20*
12		Contributing Two RITES vehicles to NGOs for promoting Educational programmes and welfare of society.	2019	24 months	1.00	1.00	1.00	Completed
13		Empowerment of women through Skill Development Training Programmes by Setting up of Cutting and Tailoring Centre in Khora Colony, District Ghaziabad U.P.	2018	36 months	16.28	4.23	16.28	Completed

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was Commenced	Project Duration	Total amount allocated for the project (₹ in Lakh)	Amount spent on the project in the reporting Financial Year (₹ in Lakh)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakh)	Status of the project - Completed / Ongoing
14		Empowerment of women through Skill Development Training Programmes by Setting up of Cutting & Tailoring centre and Computer centre in Uleta village District Nuh, Haryana.	2018	36 months	27.84	8.83	27.84	Completed
15		Financial Support for Skill development of Livelyhood project for socio economically backward Hillpulaya tribal community inhabitants at Pongampally, Marayoor, District Idukki, Kerala.	2019	24 months	13.33	0.50	13.33	Completed
16		Installation, Operationalisation & Maintenance of 100 Smart Classrooms solution in Government Schools in various districts.	2019	36 months	186.56	9.33	177.23	Completed
17		Financial support for Rejuvenation of Johad (Pond) at Village Budhera, Gurugram, Haryana.	2019	24 months	100.00	20.00	70.00	Completed
		Total			680.28	169.11	635.05	

- Remaining funds of the project, as indicated in the column 7 were released during the FY 2020-21, since the balance available funds during the close of the FY 2019-20 were diverted to PM Cares fund on account of Covid -19
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details)**.
- Date of creation or acquisition of the capital asset(s): NIL.
 - Amount of CSR spent for creation or acquisition of capital asset: NIL.
 - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NIL
 - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NIL.
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable.

Sd/- Chief Executive Officer or Managing Director or Director	Sd/- Chairman CSR Committee
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FORM MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 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]**

To,
The Members,
RITES Limited,
Scope Minar, Laxmi Nagar
Delhi-110092

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended 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 hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company 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 there under;
- ii) The Securities Contracts (Regulations) Act, 1956 and the rules made thereunder
- iii) The 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.
- iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and any amendment thereto (hereinafter collectively referred to as "Listing Regulations");
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the period under review);
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the period under review);

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the period under review);
 - (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agent) Regulations, 1993 regarding the Companies Act and dealing with client,
 - (i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998/2018;
 - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018: and
 - (k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preferences Shares) Regulations, 2013 (Not applicable to the company during the period under review).
- vi) We have also examined compliance with the applicable clauses/regulations of the following:
- i. Secretarial Standards issued by the Institute of Company Secretaries of India:
 - ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vii) Other applicable Laws, rules and Guidelines as mentioned here-in-below:
- (a) DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the 'Department of Public Enterprises', Ministry of Heavy Industries and Public Enterprises, Government of India.
 - (b) Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996
 - (c) Right to Information Act 2005
 - (d) Micro, Small & Medium Enterprises Development (MSMED) Act, 2006
 - (e) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013
 - (f) Labour Laws as applicable
 - (g) Shops & Establishment Act, Delhi and Haryana

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

1. During the period under review the Company was not having requisite numbers of independent directors on its Board as required under the Companies Act 2013, Regulation 17 of the SEBI (LODR) Regulations 2015 and DPE Guidelines during the financial year under review. However in this regard company has requested the Ministry of Railways to appoint requisites numbers of Independent Directors in the Company.
2. There were only three Independent Directors on the Board of the Company in the beginning of FY under review. One of them retired on 19.09.2020 and the other two retired on 15.03.2021. These two Independent Directors were also the Members of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. After retirement of Independent directors, on 15.03.2021 the above named Committees were reconstituted on 26.03.2021 without any Independent director.
3. With effect from 15.03.2021 the Company is not having a Woman Director on its Board.

We further report that the Board is duly constituted with proper balance of Executive Directors and Non-Executive 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 at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

We 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.

We further report that during the period under review 96,98,113 equity shares were bought back at a price of ₹ 265 per Equity Share.

For Akhil Rohatgi & Co.
Company Secretaries



Akhil Rohatgi

Partner

FCS No.: 1600

CP No: 2317

UDIN: F001600C000471498

Date: 15.06.2021
Place: New Delhi

To,
The Members,
RITES Limited.
Scope Minar, Laxmi Nagar
Delhi-1 10092

Our 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 the secretarial records. We believe that the processes and practices, we follow 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable law, 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.

For Akhil Rohatgi & Co.
Company Secretaries



Akhil Rohatgi

Partner

FCS No.: 1600

CP No: 2317

UDIN: F001600C000471498

Date: 15.06.2021
Place: New Delhi

Report On Corporate Governance

RITES is a Mini-ratna (Schedule A) enterprise of Government of India. RITES has established a sound framework of Corporate Governance. Its commitment to following good corporate governance practice is based upon transparency, fairness, conscience, team work, professionalism and accountability, paving the way for following the best standards and building confidence among all the stakeholders which is necessary to achieve its overall objectives.

The Company is adhering to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and other related rules and regulations as issued by SEBI and other Regulatory Bodies. It is also following Guidelines on Corporate Governance issued by Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India. The particulars of Company's report on Corporate Governance are as under:

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and reporting to stock exchanges that conforms fully to laws, rules & regulations and guidelines, and to promote ethical conduct throughout the organization with the primary objective of enhancing the shareholders' value.

Corporate Governance is critical for enhancing and retaining investors' trust. Corporate Governance facilitates efficient and effective management and is all about maintaining a valuable relationship with stakeholders. Corporate Governance is a journey incorporating sustainable value creation and maximizing stakeholders' value. Corporate Governance also provides competitive edge in the dynamic environment and establishes a climate of trust and creativity among its various constituents by making all necessary disclosures, complying with all

the laws of land and creation of wealth legally and ethically.

RITES believes in promoting the principles of sound Corporate Governance and its essential character is shaped by high standard of transparency, trust and integrity, performance orientation, responsibility, accountability, professionalism, social responsiveness and ethical business practices. RITES lays special emphasis in conducting its affairs within the framework of policies, internal and external regulations in a transparent manner. Corporate Governance has indeed been an integral part of the way we have done business for several years. This emanates from our strong belief that strong governance is integral to creating value on a sustainable basis.

BUY BACK

In the financial year 2020-21, 96,98,113 equity shares were bought back during the year, at a price of ₹ 265 per Equity Share for an aggregate consideration of ₹ 257 crore. The Offer Size of the Buyback was 9.97% of the aggregate paid-up equity share capital and free reserves of the Company, and it represented 3.88% of the total issued and paid-up equity share capital of the Company. The buyback process was completed and the shares were extinguished on November 21, 2020.

2. BOARD OF DIRECTORS:

The Board of Directors is the highest governance body of RITES. The Board of Directors consists of professionals from diverse fields having rich knowledge and experience in the industry and related sectors for providing strategic guidance and directions to the Company.

As on 31st March, 2021, Company had five Directors including four Whole Time Directors and one Government Nominee Director.

The number of Independent Directors required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 are insufficient. The power

to appoint the Directors on the Board under the Articles of Association vests with the President of India acting through the Ministry of Railways.

Composition of BOD has undergone a change during the FY 2020-21, which is as follows:

Whole Time Directors:

S. No	Name	Designation
1.	Shri Rajeev Mehrotra (DIN:01583143)	Chairman & Managing Director
2.	Shri Gopi Sureshkumar Varadarajan (DIN: 08241385)	Director Projects
3.	Shri Anil Vij (DIN: 07145875)	Director Technical
4.	Shri B.P. Nayak (DIN: 08197975)	Director Finance

Government Nominees:

S. No	Name	Designation
1.	Shri Vinay Srivastava (DIN:08638850)	Director
2.	Shri Alok Kumar Tewari (DIN: 06694407)	Director (upto 31/08/2020)

Independent Directors:

S.No.	Name	Designation
1.	Dr. Rajendra Nath Goyal(DIN:08087148)	Director (upto 14/03/2021)
2.	Dr. Pramod Kumar Anand (DIN:00298962)	Director (upto 18/09/2020)
3.	Smt. Geethakumary (DIN:08087165)	Director (upto 14/03/2021)

The quantum and quality of information supplied by the Management to the Board goes well beyond the requirement stipulated in the SEBI (LODR) Regulations.

The information being provided to the Board *inter-alia* includes the following:

- Yearly, half yearly and quarterly results for the company.

- Minutes of meetings of audit committee and other committees of the board.
- Minutes of Subsidiary Companies.
- Related Party transactions.
- Quarterly Information on currency risk management.
- Capital and Revenue budgets and any updates.
- Status of on-going Arbitration cases.
- Status of risk management and mitigation plans.
- Status of major statutory and commercial claims on the Company.
- Particulars of Related Party transactions.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order involving substantial amounts and which may have passed strictures on the conduct of the company, if any.
- Half yearly statements of write off of outstanding payments of ₹ 2 lakhs & above from clients.
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.
- Major investments, formation of subsidiaries and Joint Ventures, Strategic Alliances, etc.
- Quarterly Report on Investment of Funds.
- Compliance of various laws by the company.
- Action taken report on matters desired by the Board.
- Changes in significant accounting policies and practices and reasons for the same.
- Disclosure of interests made by directors to the Company.
- Major orders secured and bids lost on quarterly basis and quarterly Information on works awarded on single tender/nomination basis.
- All other information required to be presented to the Board for information or approval.

No Director of the Company holds office at the same time as director in more than ten (10) Companies and no Director (including Independent Directorship) holds office in not more than seven (7) Listed Companies as specified in Regulation 17A of

SEBI (LODR), 2015 and section 165 of Companies Act, 2013. No Director of the company is a member in more than ten (10) committees or is a Chairman of more than five (5) committees across all Companies in which he/she is a director, as specified in Regulation 26(1) of SEBI (LODR), Regulations 2015.

During the year, 9 meetings of Board of Directors were held as mentioned below:

Board Meeting No.	Board Meeting Dates
259	10.06.2020
260	30.06.2020
261	29.07.2020
262	11.08.2020

Board Meeting No.	Board Meeting Dates
263	18.09.2020
264	10.11.2020
265	30.12.2020
266	10.02.2021
267	12.03.2021

2.1 Composition of the Board of Directors

During the year under review, due to induction / cessation, the composition of the Board has undergone changes. The names and categories of Directors on the Board, number of Directorships and Committee Chairmanship/Membership held by them in other companies are as under:

S. No.	Name and Designation	Category of Directors	No. of other Directorship**	No. of Committee Membership**	
				As Chairman	As Member
1.	Shri Rajeev Mehrotra Chairman & Managing Director	Whole Time Director	1	Nil	Nil
2.	Shri Gopi Sureshkumar Vardarajan Director Projects	Whole Time Director	2	Nil	2
3.	Shri Anil Vij Director Technical	Whole Time Director	Nil	Nil	2
4.	Shri Bibhu Prasad Nayak Director Finance	Whole Time Director	Nil	Nil	1
5.	Shri Alok Kumar Tewari (upto 31.08.2020)	Govt. Nominee Director	Nil	Nil	Nil
6.	Shri Vinay Srivastava	Govt. Nominee Director	4	3	1
7.	Dr. Pramod Kumar Anand Director (upto 18.09.2020)	Independent Director	Nil	Nil	Nil
8.	Ms. Geethakumary Director (upto 14.03.2021)	Independent Director	Nil	Nil	Nil
9.	Dr. Rajendra Nath Goyal Director (upto 14.03.2021)	Independent Director	Nil	Nil	Nil

** Other Notes

Does not include Directorship in Private Companies, Section 8 Companies and Foreign Companies.

Does not include Chairmanship/ Membership in Committees other than Audit Committee and Stakeholder Relationship Committee.

The above number of directorship and membership in committees is as per the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Name of the listed entities where the person is a director and the category of directorship

Name of the Director	Name of the Listed entity	Category of Directorship	
Shri Vinay Srivastava	1. Rail Vikas Nigam Limited	Govt. Director	Nominee
	2. Indian Railway Catering and Tourism Corporation Limited	Govt. Director	Nominee
	3. Railtel Corporation of India Limited	Govt. Director	Nominee

2.2 Brief Resume of Directors who joined the Board as Whole - time / Part - time Directors during the year 2020-21: NIL

2.3 Number of Board Meetings: The Board met nine (9) times during the year 2020-21 to review the working of the Company and discuss the future plans etc.

S No.	Name and Designation	Board Meetings During the Year 2020 - 21		Attendance at the last AGM held on 28 th August, 2020
		Held During tenure	Attend-ed	Present / Not Present /Not Applicable (NA)
1.	Shri Rajeev Mehrotra Chairman & Managing Director	9	9	Present
2.	Shri Gopi Sureshkumar Vardarajan Director Projects	9	9	Present

S No.	Name and Designation	Board Meetings During the Year 2020 - 21		Attendance at the last AGM held on 28 th August, 2020
		Held During tenure	Attend-ed	Present / Not Present /Not Applicable (NA)
3.	Shri Anil Vij Director Technical	9	9	Present
4.	Shri B.P. Nayak Director Finance	9	9	Present
5.	Shri Vinay Srivastava, Govt. Nominee Director	9	8	Present
6.	Shri A.K. Tewari, Govt. Nominee Director (upto 31.08.2020)	4	4	Present
7.	Dr. Pramod Kumar Anand Independent Director (upto 18.09.2020)	5	5	Present
8.	Ms. Geetha-kumary Independent Director (upto 14.03.2021)	9	9	Present
9.	Dr. Rajendra Nath Goyal Independent Director (upto 14.03.2021)	9	9	Present

Note: - Dates of the meeting and attendance of the Directors in the meeting are placed as **Appendix - I** to this report

2.4 Disclosure of relationships between directors inter-se

None of the Directors of the Company are related inter-se. The Board of Directors of the company are nominated by President of India via Ministry of Railways.

2.5 Number of shares and convertible instruments held by non- executive directors

NIL

2.6 LIST OF CORE SKILLS /EXPERTISE/ COMPETENCIES IDENTIFIED BY THE BOARD OF

DIRECTORS AS REQUIRED IN THE CONTEXT OF BUSINESS

In accordance with SEBI (LODR) (Amendment) Regulations, 2018 applicable w.e.f. 1st April, 2019, the disclosure with regard to core skills/ expertise/ competencies identified by the Board of Directors in the context of business and sectors in which the company operates are as under.

These are subject to modifications/ alterations / changes by the CPE/ PESB and/or concerned ministry and the qualifications of Independent Directors are also subject to identification by the DPE.

S. No.	Type of the Directorship	Required Qualification / Expertise / Skill
1.	Functional Director	
A.	Chairman & Managing Director	Persons with Degree in Engineering / MBA / CA / CS / CMA / Post Graduation in any discipline and having experience in management and experience in Engineering / Marketing / Production / Management / Finance are eligible. He should possess adequate experience at a senior level of management in a large organization of good repute, preferably in the Infrastructure sector. Provided that minimum qualification is relaxable in the case of internal candidates with sound and adequate background and experience. The Chairman and Managing Director is the Chief Executive of the corporation. He is responsible for the efficient functioning of the Corporation for achieving its corporate objectives and performance parameters. Shri Gopi Sureshkumar Varadarajan, Director Projects of the Company, who holds the additional charge of Chairman and Managing Director, has the requisite skills.
B.	Director (Finance)	(i) The applicant should be a Chartered Accountant or Cost Accountant a full time MBA/PGDM course with good academic record from a recognized University/Institution. Officers of Organized Group 'A' Accounts Services (i.e. Indian Audit and Accountants Service, Indian Defence Accounts Service, Indian Railway Accounts Service, Indian Civil Accounts Service, Indian P&T Accounts & Finance Service and Indian Cost Accounts Service) working in the appropriate level are exempted from these educational qualifications. (ii) Further, applicants from the Central Govt./Armed Forces of the Union/All India Services, will also be exempted from the educational qualifications as per (i) above provided the applicants have 'the relevant experience'. In respect of applicants from Organized Group 'A' Accounts Services/Central Government/Armed Forces of the Union/All India Services, Chartered Accountant/Cost Accountant / MBA/PGDM will be a desirable educational qualification. Director (Finance) is a member of Board of Directors and reports to Chairman and Managing Director. He is overall in-charge of finance, accounts and funds management of the organization and is responsible for evolving and formulating policies relating to finance and accounts as well as implementation thereof. The Director Finance of the Company, Shri B.P. Nayak has the requisite skills.

S. No.	Type of the Directorship	Required Qualification / Expertise / Skill
C.	Director (Technical)	A Graduate in Engineering from a recognized University / Institution with good academic record. Holding MBA / Post Graduate Diploma in management will have an added advantage. Adequate technical / operational / project management experience at a senior level in a large organization of repute, out of which at least five years in the last ten years should have been in consultancy, logistic / infrastructure sector. Should also have adequate experience in services associated with operation and maintenance of rolling stock of varied suspension system, axle loads and speeds on different rail gauges, industrial engineering practices and new technologies in rolling stock maintenance, which is desirable. Director (Technical) is a member of Board of Directors and reports to Chairman and Managing Director. He is required to exercise statutory and corporate responsibilities for the efficient and profitable operation of the company and provide technical guidelines to the various consultancy service group. The Director Technical of the Company, Shri Anil Vij has the requisite skills.
D.	Director (Projects)	A Graduate in Engineering with good academic record from a recognized University / Institution. Holding MBA / Post Graduate Diploma in management will have an added advantage. Adequate technical / operational / project management experience at a senior level in a large organization of repute, out of which at least five years in the last ten years should have been in project planning & management design & consultancy. Experience in consultancy / technology / projects in areas like Rail Transport / Infrastructure will have an added advantage. Director (Projects) is a member of Board of Directors and reports to Chairman and Managing Director. He is required to discharge statutory and corporate responsibilities for the efficient and profitable operation of the company. As the professional head, mainly of the civil engineering projects discipline, he is expected to direct and provide technical guidelines to the various consultancy service group. The Director Projects of the Company, Shri Gopi Sureshkumar Varadarajan has the requisite skills.
2.	Government Nominee (Part-time Official) Directors (2 Directors)	As may be decided by the Ministry of Railways, Government of India.
3.	Independent Directors (Part-time non-official) Directors (6 Directors)	As may be decided by the Ministry of Railways and DPE subject to fulfillment of conditions laid down in Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets as identified by the PESB and/or concerned ministry, and DPE in case of Independent Directors. Being an engineering consultancy company, the Company's business runs across different industry verticals, geographical markets and is global in nature. The Directors so appointed by the Government of India through Ministry of Railways, are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

2.8 Confirmation from Board of Directors

Board of the Directors of the company confirmed that the Independent Directors fulfilled the conditions specified in SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and amendments thereto and are independent of the management.

2.9 Detailed reasons for the resignation of Independent Directors

During the year under review none of the Independent Directors resigned or vacated their office before expiry of the tenure. The tenure of three Independent Directors has ended on 19.09.2020 and 14.03.2021 respectively.

2.10 Independent director databank registration

In compliance with the notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

3. CODE OF CONDUCT

RITES Code of Conduct for Board Members and Senior Management Personnel as laid down by BOD pursuant to applicable provisions and other statutory requirements is a comprehensive code that applies to all Directors and Senior Management Personnel. The Code of Conduct is available on the website of the Company i.e. www.rites.com.

All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2021 and a declaration to this effect signed by the Chairman and Managing Director is placed as **Appendix -II** to this report.

3.1 Code of Insider Trading

Board has laid down "The Code of internal procedures and conduct for prohibition of insider trading in dealing with the securities" in pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, with an aim that 'Designated Persons' shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not available in the public domain and thus constitutes insider information. Company Secretary has been designated as Compliance Officer for this Code.

The Company is adhering to all the requirements as per the SEBI (PIT) Regulations 2015 and the amendments there to. All the reports and disclosures as required under the code, have been provided to the Audit Committee and Board from time to time.

4. COMMITTEES OF THE BOARD OF DIRECTORS:

4.1 Audit Committee:

The company has constituted the audit committee in line with the section 177 of Companies Act, 2013 and the SEBI Listing Obligations and Disclosure Requirements (LODR), 2015.

Composition of Audit Committee:

As on 31st March, 2021, the Audit Committee comprised of the following Directors:

Name	Position in the Committee	Designation
Shri Vinay Srivastava (from 26.03.2021)	Chairperson	Government Nominee Director
Shri Anil Vij (from 26.03.2021)	Member	Director (Technical)
Shri Gopi Sureshkumar Varadarajan	Member	Director (Projects)

During the year the composition of committee changed thrice i.e. on 10.06.2020, 22.10.2020 and 26.03.2021, accordingly the following changes were incurred:

Name	Position in the Committee	Designation
Smt. Geethakumary, designated as Chairperson from 22.10.2020 - upto 14.03.2021	Chairperson	Independent Director
Dr. Pramod Kumar Anand (upto 18.09.2020)	Member	Independent Director
Dr. Rajendra Nath Goyal (upto 14.03.2021)	Member	Independent Director

Company Secretary acts as Secretary to the Committee.

Terms of Reference:

The terms of reference of the Audit Committee has been approved by the Board of Directors of the Company and are in line with the provisions of SEBI (Listing Obligations and Disclosure Requirements), 2015 and amendments thereto and Section 177 of the Companies Act, 2013, except to the extent that the statutory auditors are appointed by CAG as RITES is a Government Company.

The Terms of Reference of the Audit Committee are as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation to the Board for fixation of remuneration to the 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 auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly/ half yearly financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses/application of funds raised through an issue (i.e. public issue, rights issue, preferential issue etc.) the statement of funds utilised 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 these matters;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequently 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 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;
- Review the findings of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Review observations of statutory, internal and government auditors and provide recommendations based on the same;
- To review the follow up action on the audit observations of the C&AG audit;
- 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 of the depositors, debenture holders, shareholders (in case of non-payment of declared dividend and creditors);
- 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;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Examination of the financial statements and auditor's report thereon;
- Reviewing the utilization of loans and/ or advances from/investment by the holding 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.
- Carrying out any other function or matter that may be referred to the Audit Committee by the Board from time to time.

The audit committee mandatorily reviews the following information:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal audit reports relating to internal control weaknesses; and
- 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

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

Meetings of Audit Committee:

The Audit Committee met six (6) Times during the financial year 2020-21 on 30th June, 2020, 29th July, 2020, 11th August, 2020, 18th September, 2020, 10th November, 2020 and 10th February, 2021. The attendance of each member at Audit Committee meetings is as under:

Member	Position in the Committee	Audit Committee meeting held during the year 2020-21	
		Meetings held (during their respective tenures)	Meetings attended
Shri Pramod Kumar Anand	Chairperson	4	4
Ms. Geethakumary	Chairperson	6	6
Shri Rajendra Nath Goyal	Member	6	6
Shri Gopi Sureshkumar Varadarajan	Member	6	6

Company Secretary acts as Secretary to the Committee.

Powers of Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To mitigate conflicts of interest by strengthening auditor independence

4.2 Nomination and Remuneration Committee:

ITES, being a Government Company, its Directors are appointed by the President of India through Ministry of Railways and they draw remuneration

as determined by the Government and as per the terms and conditions of their appointment and as amended from time to time.

The Company has constituted Nomination and Remuneration Committee in line with the requirements of Section 178 of the Companies Act, 2013, the provisions of the SEBI Listing Regulations and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises.

Performance Evaluation of Directors:

The requirement of specifying the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency under Section 178(2) of the Companies Act, 2013 has been done away with for Government Companies vide Ministry of Corporate Affairs' (MCA) Notification dt. 5th June 2015.

Further, MCA vide its notification dated 5th July, 2017 has made an amendment in the Schedule IV of the act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the independent Director of Non-Independent Directors and Chairman and performance evaluation of the independent Directors by the Board, if the concerned departments or ministries have specified these requirements.

Composition of Nomination and Remuneration Committee

As on 31st March, 2021, the Nomination and Remuneration Committee comprised of the following Directors:

Name	Position in the Committee	Designation
Shri Vinay Srivastava (Designated as Chairperson w.e.f. 26.03.2021)	Chairman	Government Nominee Director
Shri Gopi Sureshkumar Varadarajan (from 26.03.2021)	Member	Director (Projects)
Shri Anil Vij (from 26.03.2021)	Member	Director (Technical)

During the year the composition of committee changed thrice i.e. on 10.06.2020, 22.10.2020 and 26.03.2021 accordingly following changes was incurred:

Name	Position in the Committee	Designation
Shri Alok Kumar Tewari (upto 31.08.2020)	Member	Government Nominee Director
Shri Pramod Kumar Anand (upto 18.09.2020)	Member	Independent Director
Smt. Geethakumary* (Designated as Chairperson w.e.f. 22.10.2020)	Chairperson	Independent Director
Shri Vinay Srivastava (w.e.f. 22.10.2020)	Member	Government Nominee Director
Dr. Rajendra Nath Goyal* (upto 14.03.2021)	Member	Independent Director
Shri Vinay Srivastava (Designated as Chairperson w.e.f. 26.03.2021)	Member	Government Nominee Director

* The term of Smt. Geethakumary and Dr. Rajendra Nath Goyal as Independent Directors completed on 14.03.2021.

Company Secretary acts as Secretary to the Committee.

Terms of reference:

The terms of reference of Nomination and Remuneration Committee are as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Section 178 of the Companies Act, 2013. Terms of reference of the Nomination and Remuneration Committee are as under:

- To identify persons who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- To recommend to the Board a policy, relating to the remuneration for the key managerial personnel and other employees;

- Decide on the annual bonus/ performance pay/ variable pay pool and policy for its distribution across the executives;
- Formulation and modification of schemes for providing perks and allowances for executives;
- Any new scheme of compensation to executives and non-executives as the case may be;
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Perform such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration committee

Meetings of Nomination and Remuneration Committee:

The Nomination and Remuneration met three (3) times during the financial year 2020-21 on September 18, 2020, November 10, 2020 and March 12, 2021. The attendance of the each member of Nomination and Remuneration Committee is as under:

Name	Position in the Committee	Held during their tenure	Attended
Smt. Geethakumary	Chairperson	03	03
Dr. Rajendra Nath Goyal	Chairman	03	03
Dr. Pramod Kumar Anand	Member	01	01
Shri Vinay Srivastava	Member	02	01

Details of Remuneration of Functional Directors of the Company during the year 2020-21 are as under:

Name of Director	Salary (₹)	Benefits (₹)	Performance linked incentives (₹)	Total (₹)
Shri Rajeev Mehrotra (Chairman & Managing Director)	58,66,439.00	14,13,757.02	16,47,680.00	89,27,876.02
Shri Gopi Sureshkumar Vardarajan (Director Projects)	42,22,228.00	14,54,557.65	5,42,373.00	62,19,158.65

Name of Director	Salary (₹)	Benefits (₹)	Performance linked incentives (₹)	Total (₹)
Shri Anil Vij (Director Technical)	40,67,702.00	15,59,870.86	9,71,899.00	65,99,471.86
Shri B.P. Nayak (Director Finance)	31,47,050.00	21,26,682.77	-	52,73,732.77

* Benefits includes Post Employment Benefits, Perquisites and Other Long Term Benefits

During the year 2020-21 the Independent Directors were paid sitting fee of ₹ 40,000/- each for attending Board meetings and ₹ 25,000/- each for attending Committee meetings. Total sitting fees paid to Independent Directors during the Year 2020-21 is as under:

S. No.	Name	Amount (₹)
1.	Smt. Geethakumary	₹ 8,10,000/-
2.	Dr. Pramod Kumar Anand	₹ 4,25,000/-
3.	Dr. Rajendra Nath Goyal	₹ 8,60,000/-

4.3. Risk Management Committee:

The company has constituted Risk Management Committee in line with requirements of Regulation 21 of SEBI (LODR), 2015.

Composition of Risk Management Committee:

As on 31st March, 2021, the Risk Management Committee comprised of the following Directors:

Name	Position in the Committee	Designation
Shri Vinay Srivastava (Designated as Chairperson w.e.f 26.03.2021)	Chairman	Government Nominee Director
Shri Gopi Sureshkumar Vardarajan	Member	(Director Projects)
Shri Bibhu Prasad Nayak	Member	(Director Finance)

Company Secretary acts as Secretary to the Committee

During the year the composition of committee changed thrice i.e. on 10.06.2020, 22.10.2020 and 26.03.2021 accordingly following changes were incurred:

Name	Position in the Committee	Designation
Dr. Pramod Kumar Anand, (Designated as Chairman from 10.06.2020) [#]	Chairman	Independent Director
Smt. Geethakumary* (from 10.06.2020)	Member	Independent Director
Shri Vinay Srivastava	Member	Government Nominee Director
Dr. Rajendra Nath Goyal* (Appointed as Chairman from 22.10.2020)	Member	Independent Director

* The term of Smt. Geethakumary and Dr. Rajendra Nath Goyal as Independent Directors completed on 14.03.2021.

[#] The term of Shri Pramod Kumar Anand ended on 18.09.2020

Company Secretary acts as Secretary to the Committee.

Terms of Reference:

The terms of reference of the Risk Management Committee are to overcome the problem associated with currency fluctuations, the Company designed a policy on Currency Risk Management covering aspects namely risk identification, currency risk management approach, bench marking, hedging and risk appetite, permissible instruments, hedging policy, structure of risk management committee, treasury group and the reporting procedures.

In this respect Company has also constituted Treasury Risk Management Committee and assistance is also taken from an external consultant/ economist as and when required.

Meetings of Risk Management Committee:

Risk Management Committee met once during the financial year 2020-21 on November 10, 2020. The attendance of the each member of Risk Management Committee is as under:

Name	Position in the Committee	Held during their tenure	Attended
Dr. Rajendra Nath Goyal, Chairman	Chairman	1	1
Smt Geethakumary	Member	1	1

Name	Position in the Committee	Held during their tenure	Attended
Shri Vinay Srivastava	Member	1	1
Shri Gopi Sureshkumar Varadarajan	Member	1	1
Shri B.P. Nayak	Member	1	1

4.4. Project Investment Committee:

The board has constituted this committee of directors to consider investment sanction for new projects and to revise cost estimate proposals of ongoing projects as may be required from the board. The Project Investment Committee was re-constituted as and when there has been a change in the Directors.

Composition of Project Investment Committee:

As on 31st March, 2021, the Project Investment Committee comprised of the following Directors:

Name	Position in the Committee	Designation
Shri Vinay Srivastava (w.e.f. 26.03.2021)	Chairman	Government Nominee Director
Shri Bibhu Prasad Nayak (w.e.f. 26.03.2021)	Member	Director (Finance)
Shri Anil Vij	Member	Director (Technical)

Company Secretary acts as Secretary to the Committee.

During the year the composition of committee changed twice on 22.10.2020 and 26.03.2021 accordingly following changes were incurred:

Name	Position in the Committee	Designation
Shri Alok Kumar Tewari (upto 31.08.2020)	Member	Government Nominee Director
Shri Vinay Srivastava	Chairman	Government Nominee Director
Shri Bibhu Prasad Nayak	Member	Director (Finance)

Name	Position in the Committee	Designation
Shri Gopi Sureshkumar Varadarajan (upto 26.03.2021)	Member	Director (Projects)
Smt. Geethakumary (Upto 14.03.2021)	Member	Independent Director

Company Secretary acts as Secretary to the Committee.

Meetings of Project Investment Committee:

No meeting of project investment committee was held during Financial Year 2020-21.

4.5 Corporate Social Responsibility Committee:

The company has constituted a CSR Committee in line with the requirement of Section 135 of Companies Act, 2013 and conditions of Department of Public Enterprises guidelines.

Composition of Corporate Social Responsibility Committee:

As on 31st March, 2021, the Corporate Social Responsibility Committee comprised of the following Directors:

Name	Position in the Committee	Designation
Shri Vinay Srivastava (Appointed as Chairman w.e.f. 26.03.2021)	Chairman	Government Nominee Director
Shri Gopi Sureshkumar Varadarajan	Member	Director (Projects)
Shri Bibhu Prasad Nayak	Member	(Director Finance)

Company Secretary acts as Secretary to the Committee.

During the year the composition of committee changed thrice i.e. on 10.06.2020, 22.10.2020 and 26.03.2021 accordingly following changes were incurred:

Name	Position in the Committee	Designation
Dr. Rajendra Nath Goyal* (Designated as Chairman w.e.f. 10.06.2020)	Chairman	Independent Director

Name	Position in the Committee	Designation
Shri Alok Kumar Tewari (upto 31.08.2020)	Member	Government Nominee Director
Shri Pramod Kumar Anand (upto 18.09.2020)	Member	Independent Director
Smt. Geethakumary* (from 22.10.2020)	Member	Independent Director

* The term of Smt. Geethakumary and Dr. Rajendra Nath Goyal as Independent Directors completed on 14.03.2021.

Company Secretary acts as Secretary to the Committee.

The terms of reference, powers and other matters in relation to the Corporate Social Responsibility Committee are as per Section 135 of the Companies Act, 2013 and the applicable rules there under.

Meetings of Corporate Social Responsibility Committee:

During the year 2020-21, five (5) meetings of CSR Committee were held on June 30, 2020, July 29, 2020, November 10, 2020, December 30, 2020 and March 12, 2021 respectively. The attendance of each member of CSR Committee is as under:

Name	Position in the Committee	Held during their tenure	Attend- ed
Dr. Rajendra Nath Goyal	Chairman	5	5
Dr. Pramod Kumar Anand	Member	2	2
Shri Alok Kumar Tewari	Member	2	2
Shri Gopi Sureshkumar Varadarajan	Member	5	5
Shri Bibhu Prasad Nayak	Member	5	5
Smt. Geetha-kumary	Member	3	3

Company Secretary acts as Secretary to the Committee.

4.6. Stakeholders' Relationship Committee

The Company has constituted Stakeholders' Relationship Committee in line with the provisions of

Section 178(5) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The scope and function of the Stakeholders' Relationship Committee is in line with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Scope of the Committee

The Scope of the Committee is to specifically consider and resolve the grievances of the shareholders including the complaints related to transfer of shares, non receipt of Annual Reports, dividends etc.

The role of the committee *inter-alia* includes the following:

- 1) Resolving the grievances of the security holders 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.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Composition of Stakeholders' Relationship Committee:

As on 31st March, 2021, the Stakeholders' Relationship Committee comprised of the following Directors:

Directors	Position in the Committee	Designation
Shri Vinay Srivastava (Appointed as Chairperson w.e.f 26.03.2021)	Chairman	Government Nominee Director
Shri B.P. Nayak	Member	Director (Finance)

Directors	Position in the Committee	Designation
Shri Anil Vij	Member	Director (Technical)

Company Secretary acts as Secretary to the Committee

During the year the composition of committee changed thrice i.e. on 10.06.2020, 22.10.2020 and 26.03.2021 accordingly following changes were incurred:

Directors	Position in the Committee	Designation
Smt. Geethakumary* (Appointed as Chairman from 10.06.2020)	Chairman	Independent Director
Shri Anil Vij (from 10.06.2020)	Member	Director (Technical)
Shri Pramod Kumar Anand (upto 18.09.2020)	Member	Independent Director
Dr. Rajendra Nath Goyal* (Designated as Chairman from 22.10.2020)	Chairman	Independent Director

* The term of Smt. Geethakumary and Dr. Rajendra Nath Goyal as Independent Directors completed on 14.03.2021.

Terms of reference:

Redressal of shareholders'/investors' grievances related to:

- Allotment or transfer of shares, approval of transfer or transmission of shares, debentures or any other securities including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures and assisting with quarterly reporting of such complaints;
- Resolving the grievances of the security holders 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.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various

services being rendered by the Registrar & Share Transfer Agent.

- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Carrying out any other function as prescribed under applicable law

Meetings of Stakeholders' Relationship Committee:

During the year 2020-21 four (4) meetings of Stakeholders' Relationship Committee were held on June 30, 2020, August 11, 2020, November 10, 2020 and February 10, 2021, respectively. The attendance of each member of Stakeholders' Relationship Committee is as under:

Name	Position in the Committee	Held during their tenure	Attended
Dr. Rajendra Nath Goyal (from 22.10.2020)	Chairman	4	4
Dr. Pramod Kumar Anand	Member	2	2
Shri Bibhu Prasad Nayak	Member	4	4
Shri Anil Vij	Member	4	4
Smt. Geethakumary	Chairman	4	4

Status of Investors' Complaints

Quarter ending	Number of investors' Complaints received so far	Number not solved to the satisfaction of shareholders	Number of pending complaints
30 th June, 2020	4	0	0
30 th September, 2020	36	0	0

Quarter ending	Number of investors' Complaints received so far	Number not solved to the satisfaction of shareholders	Number of pending complaints
31 st December, 2020	35	0	0
31 st March, 2021	30	0	0

5. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

The separate meeting of independent directors was held on February 10, 2021 as per the provisions specified in regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), 2015.

The attendance of Separate Committee is as under:

S.No.	Name	Attendance
1.	Dr. Rajendra Nath Goyal	Present
2.	Ms. Geethakumary	Present

* Dr. Rajendra Nath Goyal acted as the Chairman of the Meeting.

6. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company familiarizes the independent Directors with the activities and functioning of the company and their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes and presentations. The details of such familiarization programme are disclosed on the company's website under the link: https://www.rites.com/Upload/MediaGallery/PDF/3/FamiliarizationProgInd-Di-20-21_pdf-2021-Aug-19-15-55-39.pdf

7. NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Name: Shri Joshit Ranjan Sikidar (w.e.f. 01.04.2021)

Designation: Company Secretary and Compliance Officer

8. GENERAL BODY MEETING:

The Annual General Meetings and Extra Ordinary General Meeting of the company are held at New Delhi where the registered office of the company is situated. The details of the last three Annual General Meetings of the Company as well as EGMs

held during last three years are as under:

AGM/ EGM	Year	Date of holding Meeting	Time	Venue	Special Resolution
46 th AGM	2019-20	28 th August, 2020	11:30 HRS	Through Video Conferencing/ Other Audio Visual Means	NIL
45 th AGM	2018-19	30 th July, 2019	10.00 HRS	Zoravar Hall - Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi 110010	Nil
44 th AGM	2017-18	19 th September, 2018	10.00 HRS	Air Force Auditorium, Subroto Park, New Delhi	Nil

9. RESOLUTIONS PASSED THROUGH POSTAL BALLOT:

During the financial year 2020-21 the Company did not circulate any postal ballot for shareholders' approval.

10. SUBSIDIARY COMPANIES:

The Company has two Indian Subsidiaries i.e.

- REMC Limited incorporated on 16th August, 2013 in Joint Venture with Ministry of Railways for taking up various assignments/tasks to develop potential business avenues in the field of power sector including Green Energy, power trading etc. and
- RITES Infrastructure Services Limited incorporated on 27.04.2010 with the main object of construction, operation and maintenance of Multi-functional Complexes in the vicinity of Railway land. The Board of Directors of RISL had initiated the process of winding up during the year 2016-17 and the Company has been dissolved under Voluntary Liquidation by Hon'ble High Court of Delhi vide order dated 07.01.2021.

Further, the Company has two subsidiary companies abroad namely (i) RITES AFRICA (PTY) Limited, Botswana and (ii) RITES Mohwarean Arabia Company Limited (RMAC), Saudi Arabia. RMAC have completed winding up process during Financial Year 2020-21.

The Company has also adopted a policy for determining material subsidiaries; the policy is available on company's website. Web link for the

same is <https://www.rites.com/Upload/upload/misc/Balancesheet/Policy-Material-Subsidiaries.pdf>

The Company does not have any material listed subsidiary Company in terms of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015 or the subsidiary as defined under Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Govt. of India. Hence, the corporate governance requirement as per Reg. 24(1) of SEBI (LODR), 2015 with respect to subsidiary companies is not applicable on the company. However, the consolidated Financial Statements are presented before the audit committee and the minutes of the meetings of subsidiaries are also placed before the Board as required under clause 2 and 3 of regulation 24 of SEBI (LODR), 2015.

The Company also has two joint venture namely SAIL RITES Bengal Wagon Industry Private Limited (a 50:50 JV Company) and Indian Railway Stations Development Corporation Limited (29% stake in JV) acquired during current financial year.

During the Financial Year 2021-21, Company has exited from one of Joint Venture BNV Gujarat Rail Private Limited (26% stake in JV) by transferring its shares to other joint venture partner.

11. GENERAL SHAREHOLDERS' INFORMATION

I. Annual General Meeting Date : 29th September, 2021

Time: 11:00 AM.

Venue: Through Video Conferencing/ OVAM

Financial Year

The Company's Financial Year is from 1st April, 2021 to 31st March, 2022.

II. Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September to 29th September, 2021 (both days inclusive).

III. Payment of dividend

Payment of final dividend for the financial year 2020-21 is ₹ 4/- per share amounting to ₹ 96.12 crores and interim dividends paid during the said period is ₹ 9 /- per share amounting to ₹ 216.27 crores.

IV. The record date for the payment of Final Dividend is 21st September, 2021.

V. Dividend History

Financial Year	Total paid-up Capital (₹) in crore	Total Amount of Dividend (₹ in crore) excluding DDT
2020-21	240	366
2019-20	250	330
2018-19	200	215
2017-18	200	148
2016-17	200	146

VI. Listing on Stock Exchange:

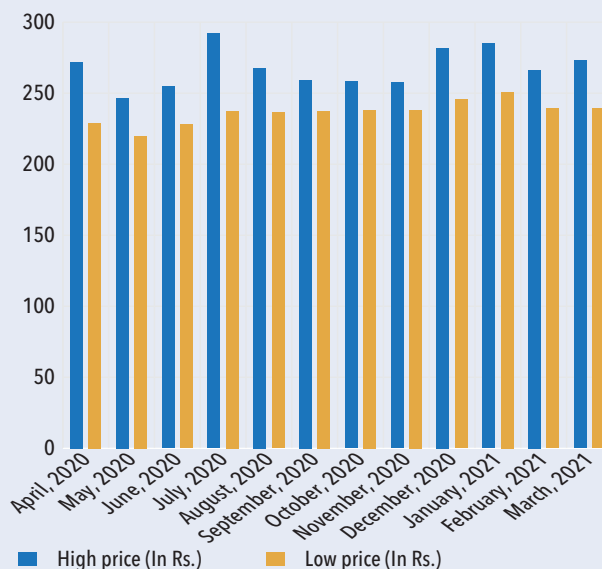
Company equity shares are listed on the following Stock Exchanges:

1. National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra E, Mumbai - 400 051
Scrip code: RITES
2. BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
Scrip Code: 541556

Company ISIN - INE320J01015
Annual Listing fee for the aforesaid Stock Exchanges has been paid for the financial year 2021-22.

VII. Shares Market Price (NSE)

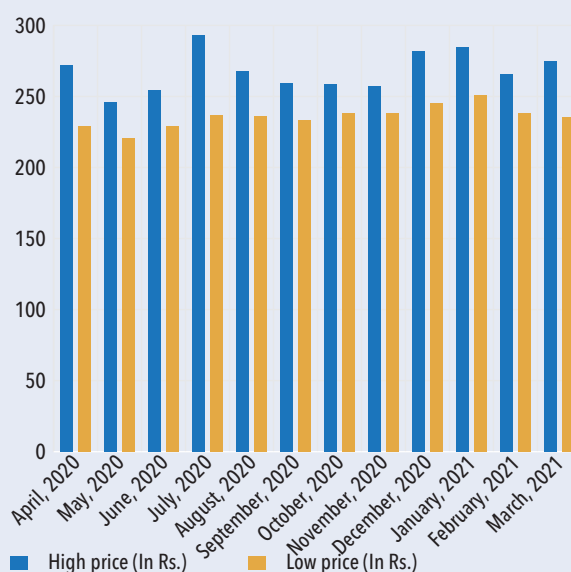
Months	High (₹)	Low (₹)
April, 2020	272	229.15
May, 2020	246.85	220
June, 2020	254.8	228
July, 2020	292	237.30
August, 2020	268	236.40
September, 2020	259.30	237.70
October, 2020	258.35	238
November, 2020	257.50	238
December, 2020	281.70	245.60
January, 2021	285	250.75
February, 2021	266.30	239.35
March, 2021	273.00	239.35



Source: <https://www.nseindia.com/get-quotes/equity?symbol=RITES>

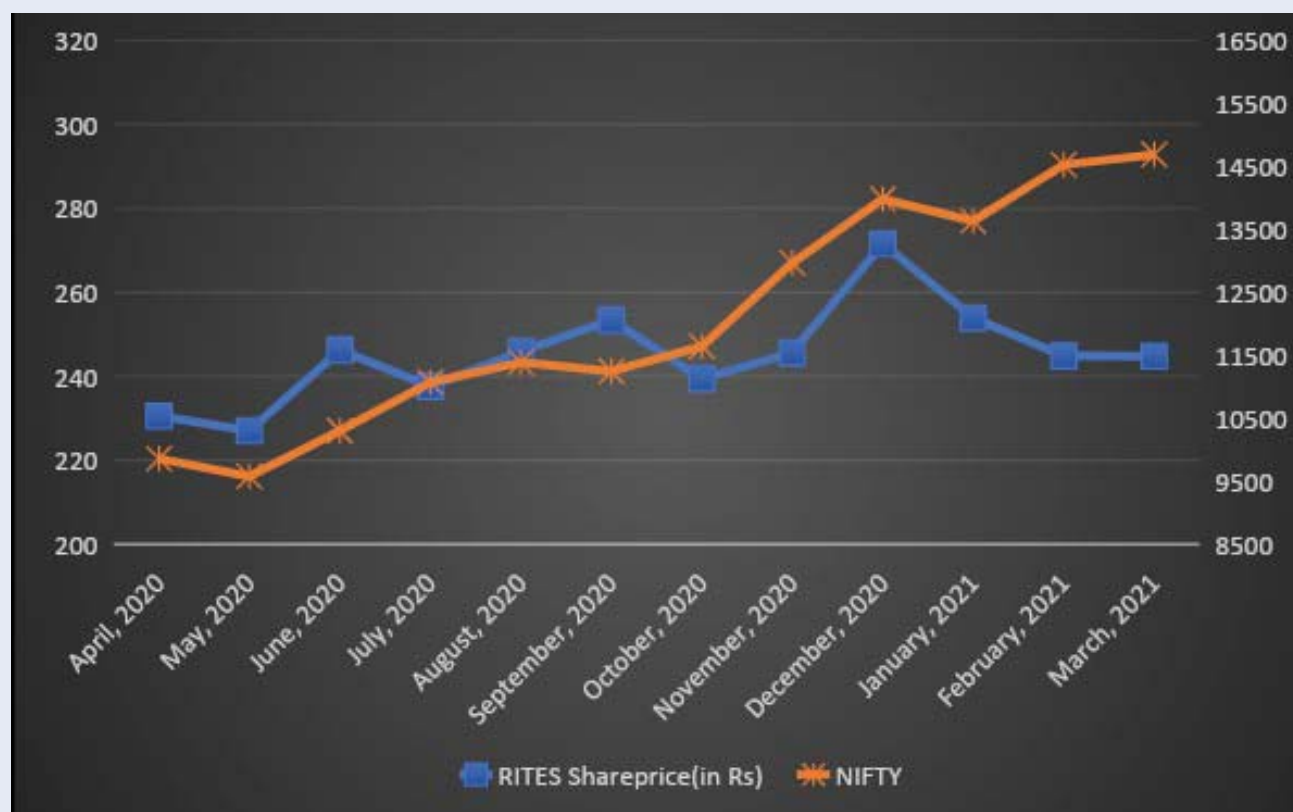
Shares Market Price (BSE)

Months	High (in ₹)	Low (in ₹)
April, 2020	272.00	229.20
May, 2020	246.00	220.40
June, 2020	254.70	228.70
July, 2020	292.90	237.10
August, 2020	268.00	236.00
September, 2020	259.60	233.00
October, 2020	258.30	238.00
November, 2020	257.50	238.00
December, 2020	281.65	245.50
January, 2021	284.90	250.55
February, 2021	265.75	238.00
March, 2021	275.00	235.10



Source: <https://www.bseindia.com/markets/equity/EQReports/StockPrchHistory.aspx?expandable=7&scripcode=541556&flag=sp&Submit=G>

VIII. Performance of Company's share in comparison to indices NSE



Source: https://www1.nseindia.com/products/content/equities/indices/historical_index_data.html

Note: Month end closing values are compared

IX. Performance of Company's share in comparison to indices BSE



Source: <https://www.bseindia.com/Indices/IndexArchiveData.html>

Note: Month end closing values are compared

X. Unpaid Dividend

Pursuant to the provisions of Section 124 read with Section 125 of the Companies Act, 2013, the Company is required to transfer the Dividend unpaid for a period of 7 (seven) years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government.

Time frame of transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF):

Date of Declaration of Dividend	Dividend for the year	Due Date of transfer to IEPF
19 th September, 2018	Final Dividend for the year 2017-18	23 rd November, 2025
17 th December, 2018	First Interim Dividend for the year 2018-19	21 st February, 2026
11 th March, 2019	Second Interim Dividend for the year 2018-19	12 th May, 2026
30 th July, 2019	Final Dividend for the year 2018-19	05 th October, 2026
27 th December, 2019	First Interim Dividend for the year 2019-20	03 March, 2027
06 th March, 2020	Second Interim Dividend for the year 2019-20	12 th May, 2027
28 th August, 2020	Final Dividend for the year 2019 -20	3 rd November, 2027
30 th December, 2020	First Interim Dividend for the year 2020-21	6 th March, 2028
12 th March, 2021	Second Interim Dividend for the year 2020-21	18 th May, 2028

XI. Registrar and Transfer Agents:

Link Intime India Private Limited

Address: Link Intime India Private Limited

Noble Heights, 1st Floor,

Plot No. NH 2, LSC, C-1 Block,

Near Savitri Market, Janakpuri,

New Delhi-110058

Ph: +91 1141410592; Fax: +91 1141410591

Website: www.linkintime.co.in

E-mail: swapann@linkintime.co.in

Contact person: Mr. Swapan Kumar Naskar

SEBI registration No.: INR000004058

XII. Share Transfer System:

Entire share transfer activities are carried out by Link Intime India Pvt. Limited. Company obtains a half-yearly certificate from Practicing Company

Secretaries as per the requirement of Regulation 40 (9) of Listing Regulations and the same is filed with the Stock Exchanges and uploaded on the website of the Company. In terms of amendments to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st April, 2020, transfer of securities in physical form, except in case of request received for transmission or transposition of securities, shall not be processed unless the securities are held in the dematerialized form with a depository.

XIII. Distribution of shareholding

• According to size, % of holding as on 31st March, 2021

Category	No. of Share-holders	No. of share-holders (%)	Total Shares	Total Shares (%)
1-500	108983	95.11	8258622	3.44
501-1000	3052	2.66	2358220	0.98
1001-2000	1356	1.18	1973257	0.82
2001-3000	433	0.38	1076133	0.45
3001-4000	212	0.18	746993	0.31
4001-5000	128	0.11	595793	0.25
5001-10000	209	0.18	1522505	0.63
10001 and above	216	0.20	223770364	93.12
Total	114589	100	240301887	100

• Shareholding of various categories as on 31st March, 2021

Category	Total Shares	% to equity
President of India	173504773	72.20
FII/FCB/FPI	2412656	1.00
Mutual Funds	11720925	4.88
Indian public	18432407	7.67
Insurance Companies	20809504	8.66
Bodies corporate	5406122	2.25
Banks & FIs	4548992	1.89
NRI/OCBs	1042975	0.44
Others	2423533	1.01
Total	240301887	100

• Major Shareholders

Details of shareholders holding more than 1% of paid up capital, other than promoter group of the company as on 31st March, 2021.

S. No.	Name of the Shareholder	Shares	%	Category
1.	Life Insurance Corporation of India	19584120	8.15	Insurance Companies
2.	Hdfc Trustee Company Ltd - A/C Hdfc Mid - Cap Opportunities Fund	5565610	2.31	Mutual Fund

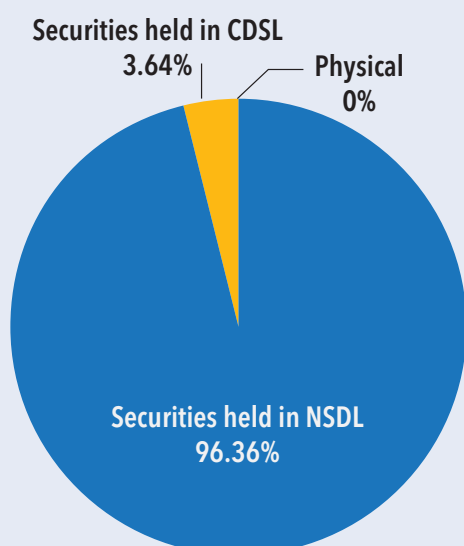
XIV. Dematerialization of Shares and Liquidity

The shares of the Company are in compulsory dematerialized mode and are available for trading on of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share capital Audit Report regarding reconciliation of the total issued capital, listed capital, and capital held by depositories in dematerialized form with respect to equity share capital of the company was taken from the Practicing Company Secretary for each quarter during the year and duly submitted to Stock exchanges within stipulated time.

Number of shares held in dematerialization and physical mode (as on 31.03.2021):

S. No.	Physical/demat	Number of holders	Number of Shares	% of total issued capital
1.	Held in dematerialized form in NSDL	50881	231566850	96.36
2.	Held in dematerialized form in CDSL	63664	8733774	3.64
3.	Physical	64	1263	0.00
	Total	114589	240301887	



XV. Outstanding GDRs / ADRs / Warrants or any convertible instruments:

Company does not have any outstanding global depository receipts or American depository receipts or warrants or any convertible instruments.

XVI. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The company regularly monitors exchange fluctuations to mitigate this risk, policy covers various aspects of currency risk management, benchmarking, hedging and risk appetite, permissible instruments, hedging policy, structure of the risk management committee and treasury group, reporting procedures etc.

XVII. Location of Plants:

Company has no plants as it is in the business of Consultancy, leasing and trading.

XVIII. Address for correspondence:

	Registered Office	Corporate Office
Address	RITES Limited, SCOPE Minar, Laxmi Nagar, Delhi - 110 092, India	RITES Bhawan, No. 1, Sector 29, Gurugram-122001, India
Telephone	+91 11 22024610	+91 124 2571665
Fax	+91 11 22024660	+91 124 2571187
Contact Person	Mr. Joshit Ranjan Sikidar, Company Secretary & Compliance Officer	
E-mail	cs@rites.com	
Website	www.rites.com	
Corporate Identification Number:	L74899DL1974GOI007227	

XIX. Credit ratings obtained by the Company

During the Financial year 2020-21, the company has received a credit rating of IVR A1+ (IVR A One Plus) on short term non fund bank based facilities upto an amount of ₹ 850 crores from Infomerics Valuation and Ratings Private Limited.

12. DISCLOSURES:

During the year, there has been no materially significant related party transaction that have a potential conflict with the interest of the company. The policy relating to related party transaction

is amended as per the latest amendments and approved by the Board of Directors and is being uploaded on website of company The web link of which is as follows: <https://www.rites.com/Upload/upload/misc/Balancesheet/Project-Gati-Related-Party-Transaction-Policy.pdf>

- Details of related party transactions are included in the Notes to Accounts as Indian Accounting Standards - Ind AS-24 notified by Central Government (Note 43).
- The company has followed the IND AS in the preparation of financial Statements.
- No penalties imposed or strictures passed against the company by any statutory authorities on any matters related to any guidelines issued by the Government during the last three years.
- During the year under review, the Company was in compliance with all the applicable requirements except to the extent that the composition of the Board was not optimum and was not as per Regulation 17(1) of SEBI (LODR) Regulations, 2015.
- We have a corporate policy on materiality for disclosure of events to the stock Exchanges.
- The compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 have been made except for the Regulation 17(1) as stated above. RITES being a Public Sector Undertaking, the power to appoint Directors vests with Ministry of Railways, Government of India.

13. MEANS OF COMMUNICATION:

All important information pertaining to the Company is mentioned in the Annual Report of the Company containing *inter-alia* Audited Accounts, Directors' Report, Report on Corporate Governance which is circulated to the members and others entitled thereto for each financial year. RITES Limited communicate with its shareholders through Annual Reports, General Meeting, newspapers and Disclosures through official website i.e. www.rites.com

RITES also communicates with its institutional shareholders through analyst and institutional

meets held during the each end of quarter where Director and senior officials of the company interact with the investing community.

Information and latest updates and announcements made by the company can be accessed at company's website; following are some of the disclosures made by the company on official website

- Quarterly/ half yearly / Annual Financial Results
- Quarterly compliances as per SEBI (LODR), including shareholding patterns, corporate governance report, Reconciliation of share capital audit report, Investor Grievance Report etc.
- Half Yearly compliances such as Compliance Certificate signed by RTA and Company Secretary of the Company, Compliance Certificate regarding transfer of Shares, Summary of Related Party transactions.
- Other disclosures made to stock exchange pursuant to regulation 30 of SEBI (LODR).

The annual accounts of the Company are made available on the website of the Company i.e. www.rites.com. Compliance report of Corporate Governance is also being sent to Ministry of Railways on quarterly basis/yearly basis for onward submission to DPE.

Publication of Financial Results in newspaper

S. No.	Publication of Financial Result for quarter/year ended	Date of publication	Newspaper	
			English	Hindi
1.	Year ended on 31.3.2020	1 st July, 2020	Economic Times and The Times of India	Navbharat Times
2.	Quarter ended on 30.06.2020	12 th August, 2020	Financial Express	Jansatta
3.	Quarter ended on 30.09.2020	11 th November, 2020	Financial Express	Jansatta
4.	Quarter ended on 31.12.2020	11 th February, 2021	Financial Express	Jansatta
5	Year ended on 31.3.2021	17 th June, 2021	Financial Express	Jansatta

14. TRAINING OF BOARD MEMBERS:

New Directors appointed by the President of India are given formal induction and orientation with

respect to Company's vision, strategic directions, core values including ethics, financial matters and business operations and risk profile of the business of the Company. The normal practice is to furnish a set of documents / booklets to a director on his/her joining the Board. This includes data about the company including its Brochure, Annual Report, MOU Targets & achievements, Memorandum and Articles of Association, Board Charter, CPSE guidelines on Corporate Governance etc.

15. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has separate Vigilance Department which deals with fraud or suspected fraud involving employees/representatives of suppliers, contractors, consultants, service provider or any other party doing business with RITES. Whistle Blower and Fraud Prevention Policy have been approved by the Board of Directors and the same has been uploaded on the website of RITES. No personnel have been denied access to audit committee.

16. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company is committed to create and maintain a secure work environment where its employees can work in an atmosphere free of harassment, exploitation and intimidation. To empower women and protect them against sexual harassment, Committee for Prevention of sexual Harassment of women at workplace as the Govt. guidelines exists in all major locations of the Company. The Committee is committed to free & fair enquiry within the laid down timelines. The summary of complaints received during the year:

Complaints pending at the beginning of the year	No. of complaints filed during the year	No. of complaints disposed of	No. of complaints pending at the end of financial year
0	1	0	1

Women Empowerment

During the year, several programmes were organised on gender issues, prevention of sexual harassment at workplace, women empowerment etc. On 8th March 2021, International Women's Day was celebrated in the organization in recognition to the various contributions made by women across the globe and as an opportunity to express their opinions on the issues. As an Equal Opportunity Employer (EOE), RITES Management has adopted a gender neutral approach in all its recruitment drives and also for assigning jobs/assignments in the organization in the existing roles. The women employees represent a significant number in the organization and many of them even marking their presence on the field/ site jobs.

17. CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTORS OF THE COMPANY BY THE BOARD / MINISTRY OF CORPORATE AFFAIRS OR ANY SUCH STATUTORY AUTHORITY.

The Company has obtained a certificate from Mr. Akhil Rohtagi (Membership No. FCS 1600, COP no. 2317), M/s Akhil Rohatgi and Company, Company Secretaries regarding confirmation that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board (i.e. SEBI) / Ministry of Corporate Affairs or any such statutory authority. The requisite certificate from Mr. Akhil Rohtagi, the practicing Company Secretary, confirming compliance of this condition has been obtained (placed as **Appendix-III** to this report).

18. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF REGULATION 27(1) OF THE LISTING REGULATIONS.

Mandatory Requirements

The Company is in compliance with all the mandatory provisions related to Corporate Governance pursuant to the requirement of the Listing Regulations read with other applicable provisions, if any.

Non Mandatory Requirements

The Board: The Chairman of the Board is an Executive Director.

Shareholder Rights: The Quarterly/Half yearly/ Yearly financial results during the year 2020-21 were published in various newspapers in both English and Hindi. Separate reports have however, not been sent to each shareholder. Significant events have been promptly disclosed on the company website.

Audit Qualifications: There are no audit qualifications on the financial statement for the year 2020 - 21 as shown in Independent Auditors' Report

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

19. FEES PAID TO STATUTORY AUDITORS

Total fees for all services paid by RITES Limited and its subsidiaries, on a consolidated basis, to Statutory Auditors, Branch Auditors and other firms in the network entity of which they are part, as included in the consolidated financial statements of the Company for the year ended March 31, 2021, is INR ₹ 0.24 Crore.

20. CEO/CFO CERTIFICATION:

The certification by Chairman and Managing Director (Chief Executive Officer) and Director Finance (Chief Financial Officer) was placed before the Board of Directors at the meeting held on 16.06.2021 (placed as **Appendix- IV** to this report).

21. COMPLIANCE

The Company complies with the requirements of the Guidelines on Corporate Governance for CPSEs 2010 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Certificate obtained from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in the Guidelines is placed as **Appendix -V** to this report.

Appendix - I

ATTENDANCE OF BOARD OF DIRECTORS MEETING DURING THE YEAR 2020-21

Name of Directors	259 BOD Meeting	260 BOD Meeting	261 BOD Meeting	262 BOD Meeting	263 BOD Meeting	264 BOD Meeting	265 BOD Meeting	266 BOD Meeting	267 BOD Meeting	Total BOD Meeting 9 (Nine)
	10 th June, 2020	30 th June, 2020	29 th July, 2020	11 th August, 2020	18 th September, 2020	10 th November, 2020	30 th December, 2020	10 th February, 2021	12 th March, 2021	
Shri Rajeev Mehrotra Chairman & Managing Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	Attended all
Shri Gopi Sureshkumar Vardarajan Director Projects	✓	✓	✓	✓	✓	✓	✓	✓	✓	Attended all
Shri Anil Vij Director Technical	✓	✓	✓	✓	✓	VC	✓	✓	✓	Attended all
Shri B.P. Nayak Director Finance	✓	✓	VC	✓	✓	✓	✓	✓	✓	Attended all
Shri Alok Kumar Tewari (Govt. Nominee Director) (upto 31.08.2020)	VC	VC	VC	VC	NA	NA	NA	NA	NA	Held - 4 Attended - 4
Shri Vinay Srivastava Govt. Nominee Director	VC	VC	VC	VC	VC	VC	VC	VC	•	Held - 9 Attended - 8
Dr. Pramod Kumar Anand Independent Director (upto 18.09.2020)	✓	✓	✓	✓	✓	NA	NA	NA	NA	Held - 5 Attended - 5
Ms. Geethakumary Independent Director (upto 14.03.2021)	VC	VC	VC	VC	VC	VC	VC	✓	✓	Attended All
Dr. Rajendra Nath Goyal Independent Director (upto 14.03.2021)	VC	VC	VC	VC	VC	✓	✓	✓	✓	Attended All

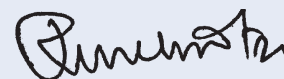
NOTE:

- ✓ - Meeting attended
- NA - Not applicable (not in position)
- - Meeting not attended.
- VC - Attended through video conferencing

Appendix - II

DECLARATION BY CHAIRMAN & MANAGING DIRECTOR REGARDING COMPLIANCE WITH THE CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL DURING THE YEAR 2020-21

I, Rajeev Mehrotra, Chairman & Managing Director, RITES Limited do hereby declare that all the members of the Board of Directors and the Senior Management Team of the Company have affirmed their compliance of the Code of Conduct during the year 2020-21.



Rajeev Mehrotra

Chairman & Managing Director
(DIN: 01583143)

Place: Gurugram
Date: 16th June, 2021

APPENDIX - III

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
 The Members,
 RITES Limited,
 Registered Office: SCOPE Minar,
 Laxmi Nagar, Delhi-110092

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **RITES Limited** having **CIN L74899DL1974GOI007227** and having registered office at Scope Minar, Laxmi Nagar, Delhi-110092 (hereinafter referred to as 'the Company') and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule-V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st 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 Authority.

DIN	Full Name	Date of Appointment	DIN Status
01583143	Shri Rajeev Mehrotra	12/10/2007	Approved
08241385	Shri Gopi Sureshkumar Varadarajan	27/09/2018	Approved
07145875	Shri Anil Vij	04/11/2019	Approved
08197975	Shri Bibhu Prasad Nayak	07/11/2019	Approved
08638850	Shri Vinay Srivastava	13/12/2019	Approved

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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 Akhil Rohatgi & Company
Company Secretaries
Reg. No.: P1995DE072900



Akhil Rohatgi
Partner

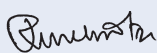
FCS No.: 1600,
CP No.: 2317

UDIN:F001600B000297731

Place: Delhi
 Date : 07th May, 2021

APPENDIX - IV
**CHAIRMAN AND MANAGING DIRECTOR (CHIEF EXECUTIVE OFFICER) AND
CHIEF FINANCIAL OFFICER CERTIFICATION**

- (a) We have reviewed financial statements and the cash flow statements for the quarter ended on 31st March, 2021 and to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the quarter which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and we have disclosed to the auditors and the audit committee that to the best of our knowledge and belief there are no material deficiencies in the design or operation of such internal control.
- (d) We have indicated to the Auditors and the Audit Committee:
- i) That there are no significant changes in internal control system during the year.
 - ii) That there are no significant changes in accounting policies. The change in accounting policies which have no significant financial implication, have been approved by the Board of Directors during the year and the same have been disclosed in the notes to the financial results.
 - iii) That there are no instances of significant fraud of which we have become aware.

For RITES Limited

Rajeev Mehrotra

Chairman & Managing Director
and Chief Executive Officer
DIN: 01583143


B. P. Nayak

Director Finance
DIN: 08197975


Parmod Kumar Narang

Chief Financial Officer

Place: Gurugram
Date: 16th June, 2021

CERTIFICATE

To
The Members
rites limited

We have examined the compliance of conditions of Corporate Governance by RITES LIMITED for the year ended 31st March, 2021 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 [SEBI (LODR) Regulations] in respect of Equity Shares of the said Company with Stock Exchanges and the DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the 'Department of Public Enterprises', Ministry of Heavy Industries and Public Enterprises, Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, carried out is in accordance with the Corporate Governance (Models of Best practices) issued by the Institute of Company Secretaries of India, was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certification, etc. as had been required by us.

In our opinion and to the best of our knowledge and 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 SEBI (LODR) Regulations and in the guidelines on corporate governance issued by the 'Department of Public Enterprises'.

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

For Akhil Rohatgi & Co.



(Akhil Rohatgi)

Company Secretary in Practice

F.C.S: 1600

C.P. No. 2317

Place: New Delhi

Date: 16.06.2021

Management Discussion And Analysis

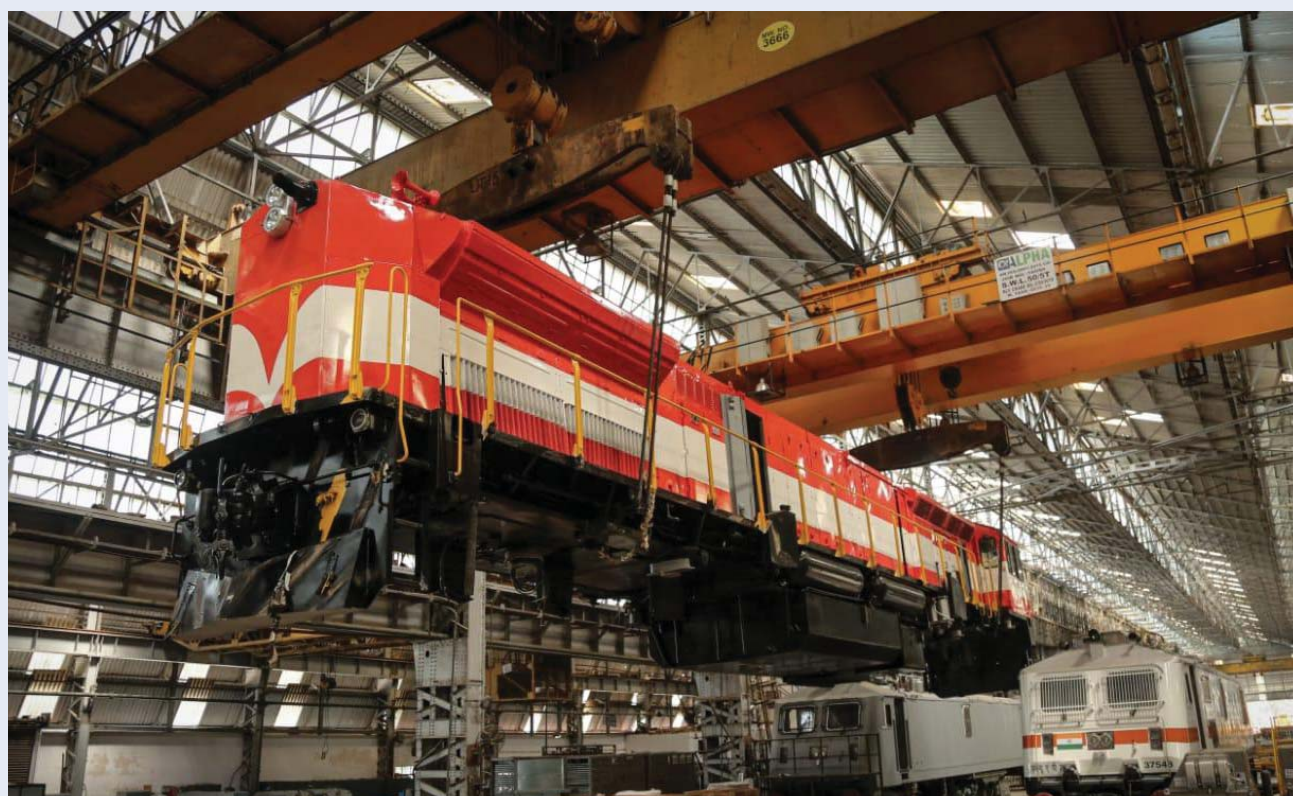
This analysis report briefly describes about the Company's business profile, the various macro-economic indicators which act as an external stimulus for the company to perform more efficiently along with the potential of the company to leverage the opportunities in the infrastructure sector. In addition to the external environment, the financial performance, internal controls, SWOT analysis are also included in this section.

I. ABOUT THE COMPANY AND THE INDUSTRY

RITES Limited, a Miniratna (Category-I) Schedule 'A' Central Public Sector Enterprise was established under Ministry of Railways, Government of India, in 1974. RITES is a leading multi-disciplinary engineering & consultancy organisation, providing customized, competitive, diversified, and comprehensive, concept to commissioning services and integrated solutions in the transport and infrastructure sector in India and abroad.

The services provided by the company cover transport and infrastructure sectors such as railways, highways, airports, ports, ropeways, urban transport, inland waterways and renewable energy etc. The company has so far served the clients in more than 55 countries across Asia, Africa, Latin America, South America and Middle East region and is presently serving in Sri Lanka, Bangladesh, Nepal, Mozambique, Mauritius and Botswana.

The major services provided by the company include Techno-Economic Feasibility Studies, Project Estimation, Traffic Engineering, Surveys, Detailed Design & Engineering, Project Management Consultancy, Third party inspection, Quality Assurance, Construction Supervision, Operation, Maintenance and rehabilitation of locomotives & rolling stock, Leasing and Export of locomotives & rolling stock, Energy management etc. Company also has presence in the field of transaction advisory for infrastructure projects being taken up on PPP (Public Private Partnership) mode. Company



RITES is exporting 'Make in India' 3000 HP Cape Gauge AC-AC locomotives to Mozambique

also undertakes turnkey/EPC projects relating to construction of railway infrastructure, electrification works and modernization of railway workshops.

REMC Ltd. a subsidiary of RITES Ltd. is managing the procurement of traction power for Indian Railway under "Open Access Policy". Company also undertakes wagon manufacturing and rehabilitation works through its Joint Venture entity SAIL-RITES Bengal Wagon Industry Private Limited. During the year, Company has acquired 24% stake in Indian Railways Station Development Corporation (IRSDC), a company engaged in modernization of Railway stations and development of assets along Railway Stations.

SECTORAL BUSINESS ENVIRONMENT & OUTLOOK

DOMESTIC

India is poised to grow despite challenges posed by the pandemic. The second wave of Covid-19 which started in early April, prompting localised lockdowns, is expected to affect overall growth in FY22 and has led to a sequential contraction in the April-June quarter in FY22. However the medium-term outlook appears stable with double-digit growth potential in the coming years. The recent forecast of early June 2021, RBI has trimmed the growth projections for India and now predicts a growth of 9.5% for FY22.

Investment in infrastructure sector has the potential to unlock productivity gains, thus economic outlook

is closely related to infrastructure spending. Recognizing the importance of multiplier effect of capex in infrastructure on GDP, the Government of India has identified projects worth ₹ 140 lakh crore for its dynamic National Infrastructure Pipeline (NIP) through FY 2025. The NIP has been expanded to cover more than 7500 projects, allocating a major part of the expenditure for energy, roads, urban development, and railways. The increased allocation towards infrastructure to the tune of ₹ 5.54 lakh crore in the Union Budget 2021 is directed to achieve the capex projected in NIP.

To ensure funding of identified projects under NIP, the Union Budget has paved the way to establish a Domestic Finance Institution (National Bank for Financing Infrastructure and Development). A National Monetization Pipeline was also introduced in the Budget 2021 with ₹ 2.50 lakh crore target from monetization of assets over a period of 3 years.

Transport infrastructure sector will get a major pie in NIP with 40% of total outlay i.e. ₹ 57 lakh crore. The importance of transport infrastructure sector can be gauged by the increased capital expenditure for the Railways (₹ 1.07 lakh crore) and Highways (₹ 1.08 lakh crore) in the year 2021-22 (BE). The Budget also has allocated resources for public transport, including Metrolite and Metro-neo for Tier-II cities and along the periphery of Tier-I cities. The Budget also emphasized on private sector involvement in monetization of infrastructure assets through National Monetization Pipeline.



Hon'ble Chief Minister of Bihar Shri Nitish Kumar inaugurates cabin-type ropeway, built under the construction supervision of RITES, at Rajgir in Nalanda district



Detailed Design services for the Mogra Road Over Bridge in Kolkata

The National Rail Plan 2030 aims to provide an overall long-term rail development plan and create a 'future-ready' railways system. Emphasis is on mega infrastructure plans in the Railways sector such as the development of dedicated freight corridors, high speed and semi high-speed rail corridors, sub-urban railways, redevelopment of railway stations etc. with 100% electrified routes.

Being at the forefront of infrastructure consultancy, RITES is expected to benefit from the huge investment in transport infrastructure.

OVERSEAS

Boosted by the global vaccine rollout, gradual re-openings and monetary & fiscal stimulus, the global economies are expected to get back on the growth trajectory. As per the IMF's World Economic Outlook (April), the global economy is projected to grow at



State-of-the-art railway passenger coaches being exported to Sri Lanka



CMD (Addl. Charge, RITES) Shri VG Sureshkumar with officials of Senegal Embassy at RITES Corporate Office, Gurugram

6% in 2021 and 4.4% in 2022 as against the global growth contraction estimated at (-)3.3% for 2020. As per the IMF, the sudden outburst of Covid cases in India may have a spillover effect on the global economy as well. The Organisation for Economic Co-operation and Development (OECD) also predicts that global GDP will grow by 5.6% this year and continue the recovery with 4% growth in 2022.

Infrastructure spending will play a major role in the post-Covid-19 economic recovery in developing countries through higher construction activity and increased employment in the short-term.

Also, the railway and road infrastructure in several countries in Africa, Middle East and South East Asia is in urgent need for upgrade, rehabilitation and inter-connection through establishment of missing links for connectivity of mines and hinterland to ports and providing regional connectivity for transportation of goods and services amongst the countries in the region.

Globally, the thrust on infrastructure development, especially on meeting the needs of developing countries in Asia, Africa, South America and Pacific region, offers significant opportunities to



The then CMD RITES Shri Rajeev Mehrotra addressing a session on 'Fast-tracking Africa Infrastructure' as part of CII-EXIM Bank Digital Conclave on India-Africa Project Partnership

RITES for growth in the coming years. Despite stiff competition, RITES has been able to secure and continuously deliver projects in sectors such as railways, highways, metros, ports, airports etc. The company, as a comprehensive and integrated solution provider for infrastructure projects, is well-positioned in pursuing the emerging business opportunities in consultancy and export of rolling stock to these countries and to work as a technical partner providing them sustainable long-term solutions.

COVID-19: IMPACT ON BUSINESS

The COVID-19 pandemic has emerged as a global health crisis. To minimize the spread, countries took various steps such as travel restrictions, social distancing and lockdown etc. Travel restrictions and lockdown adversely impacted the business activities, be it manufacturing, infrastructure or service sector etc. across the world. The second wave of Covid-19 in many nations, including India, is expected to impact the economies of these nations.

In the face of unprecedented operating conditions due to the pandemic, the company continued to perform to the extent possible and also focused on increased order book by securing new orders.

Our project management consultancy and turnkey business got impacted due to travel restrictions, non-availability of labour, delay in procurement of raw material, delay in acquisition of land etc. Quality assurance work got impacted due to travel restrictions and less procurement by clients. Export's deliveries of locomotives got delayed due to supply chain disruptions leading to delay in delivering of certain sub-assemblies, therefore affecting the timelines set for shipment of locomotives and coaches. Leasing business got impacted due to stalled works at certain project sites, ports etc. during lockdown but with rising demand, this business has quickly recovered. Power procurement business got impacted due to less traction power requirement by the Indian Railways.

The pandemic disrupted the business flow, but the company has tried to negate the Covid impact through remote working. The company's investments in digitisation through ERP, e-office, e-tendering etc. helped it to shift its operations to remote working environment, thus, keeping employees' safety as top priority during the crisis.

Company conducted negotiations and finalisation of tenders through video conferencing whenever possible. It engaged local reputed agencies with quality accreditation for inspections required in foreign countries which were carried out by the inspecting agency under our supervision through video connectivity.

Uncertainties still prevail as the third wave of pandemic is predicted but with vaccination in progress and easing of the Covid-induced restrictions, it is expected that the situation for business would gradually improve.

II. STRENGTH AND WEAKNESS

RITES is a well-established organization with a good track record and high international visibility and reputation earned through high quality engineering and project management consultancy services & exports. The company is endowed with a large pool of highly qualified and experienced technical personnel. The company has the ability to take up projects requiring multi-disciplinary expertise and has the capability of acting as a One-stop shop providing value added and integrated services in railways, highway, urban transport, ports & airports, ropeways, institutional buildings, energy management and other related sectors of infrastructure, which is difficult to replicate by other players. Additionally, the company has access to the expertise, manpower resources and infrastructure facilities of Indian Railways as and when needed.



Vijaypur-Pachore Road-Maksi railway electrification project in Madhya Pradesh



Consultancy services, including structural health monitoring system, for India's longest rail-cum-road bridge, Bogibeel Bridge, over the Brahmaputra at Dibrugarh in Assam

On the technical front, the company's ability of adopting relevant technology for mega projects like Dedicated Freight Corridors, High Speed Rail, Long Span Bridges and Tunnels, MRTS/LRTS/Metro Lite/high capacity bus system, expressways, airports & ports development and other state-of-the-art technologies in critical areas of new infrastructure provides an edge to the company. The company has in-house availability of sophisticated softwares, equipment and facilities for undertaking complex design work of bridges, tunnels, highways, rolling stock etc. RITES is a unique inspection organization with in-house material testing laboratories with national/international accreditation/certification.

RITES is a preferred consultancy organization in getting strategic assignments from Central/State Government Departments. Further, the company's extensive experience of working with multilateral-funding agencies and other international organizations provide visibility across globe.



Detailed Design Consultancy for civil, power supply & distribution system for Bengaluru Metro Phase-I

The company's ability to collaborate and work jointly through Joint Ventures / consortium, subsidiaries and associates enables it to enhance the range of services.

The company is having excellent track record of Corporate Governance and enjoys standing among peers. It is figuring in top 500 listed companies on the bourses in India based on market capitalisation.

RITES is dependent on skilled manpower/ professionals and with the increased government initiative to attain accelerated economic growth, more organizations are making inroads into the market. As such, keeping the skilled human resources intact poses a challenge.

III. OPPORTUNITIES AND THREATS

The National Infrastructure Pipeline (NIP) offers scope to strengthen RITES' position in the existing areas and new areas of business. Huge investment in the transport infrastructure sector in the projects identified in NIP provides abundance of opportunities to the company in medium and long term. Significant infrastructure investments are also expected to be made in Africa, Middle East, South-East Asia, South America and Pacific region in the coming years, offering considerable scope for consultancy services.

New business opportunities are also expected by moving up the value chain through providing total transport solutions to steel/power plants & mining companies and ports for movement of coal/iron/

ores/containers/cargo through rail, road, pipeline, conveyor system. Opportunities are also seen in EPC projects on turnkey basis in the core business areas. The Government of India's thrust on 'Make in India' and exports will help boost RITES business. The Government's emphasis on renewable energy also provides a business opportunity to the company through its subsidiary REMC Ltd.

Projects from IR and other government agencies are now being awarded increasingly through competition among CPSEs and others through tendering process. Increased competition from CPSEs, Indian and International Consulting Companies and aggressive price bidding by private players can pose a threat. RITES, with its vast experience in diversified infrastructure areas, is confident of maintaining its niche as consulting organization.

IV. RISKS AND CONCERNS

The company faces competitive pressures from the existing competitors and new entrants in the sector. Increased competition and aggressive bidding by such competitors is a concern as it may impact the company's ability to procure business on the existing fee.

Many clients prefer to engage a single agency on turnkey basis for design, engineering, construction and commissioning of projects. Carrying out a project on turnkey basis is having the risk of cost and time overruns, besides low margin. The increased proportionate of turnkey segment in the revenue may have a risk of lower margin.

The company's export segment is subject to geopolitical, international legal, taxation and economic risks. The segment is also subject to currency fluctuation risk, which may adversely impact the results of operation and financial condition of the company.

The company enters into JV/Consortium arrangement for projects, which may expose the company to the risk of incurring additional liabilities on account of subdued performance by JV partner or pre-mature termination of contract. This may adversely impact the business and standing of the company in the industry.

The majority of business of the company is with Government & Public Sector Undertakings. There is a concern that continued funding for infrastructure

capex may be a challenge in near future due to Covid-19. Constraints in funding may be further aggravated by increased social and welfare spending by government support the loss of income caused by disruption and to divert resources towards the health infrastructure.

V. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has adequate internal control and audit systems for enhancement of efficiency in operations and to ensure compliance with applicable laws, rules and regulations. The company has structured policies and guidelines for optimal delegation of authority for facilitation of business. Internal audit is conducted by experienced professionals audit firms. The internal control and audit systems are also reviewed periodically. Corrective and preventive measures, whenever necessary, are taken up from time to time for continuous improvement.

The internal control system has been further strengthened as follows:

INTERNAL FINANCIAL CONTROLS

The Internal Financial Control of the company is analyzed and audited for its relevance, effectiveness and compliance under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013. Report for the same is prepared and annexed to the Independent Auditor's Report. The report suggests whether the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting operate effectively, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control.

ISO CERTIFICATION

The company has been certified to Quality Management System (QMS) as per ISO 9000 series of standards since 2001. The certification has subsequently been upgraded to the revised versions of ISO 9001:2008 and ISO 9001:2015. The ISO based QMS of RITES defines the requirement of internal controls through manuals and procedures which are to be formed at both the Corporate level and the Strategic Business Unit (SBU) level. The QMS involves regular internal audits so as to ensure the compliances with stipulated rules / regulations



Testing of Metro bogies

on a regular basis and therefore forms integral part of the internal control systems.

RISK MANAGEMENT SYSTEM

A Risk Management system is in vogue in the company which takes care of identification, prioritization and mitigation of risks.

The Risk Management System includes the Financial Risk Management systems since the Company's activities are exposed to a variety of financial risks such as market risk, credit risk and liquidity risk. The Financial Risk Management system's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance through various risk mitigation strategies in place.

Additional requirements related to the risk management in accordance with ISO9001: 2015 have been implemented for mitigating possible risks.

The Board level sub-committee for Risk Management periodically reviews the risks and their mitigation.

TREASURY RISK AND LIQUIDITY MANAGEMENT

Execution of foreign projects also carries currency fluctuation risk. The company regularly monitors exchange fluctuations to mitigate this risk. The company has a sound currency risk management policy in place.

For control and directions of operations pertaining to currency risk management, the company has a committee and an external consultant. Actions taken are informed to the Management periodically.

The company has continued to optimize its surplus funds by adhering to efficient process of investing its surplus funds in deposits with banks, mutual funds and corporate bonds within the framework and guidelines of Government bodies, Department of Public Enterprises (DPE), Companies Act 2013 and those approved by BOD. There is an investment committee of the Board of Directors, which approves investments and reports to the Board periodically.

The company has been affirmed 'IVR A1+', the highest short term rating for its non-fund based working capital limits by Infomerics valuation and rating Pvt. Ltd. This rating helps the Company to get non-fund based facilities at more attractive terms.

VI. FINANCIAL PERFORMANCE

The Covid-19 pandemic has impacted the performance of the company. The company recorded a total income of ₹1947 crore compared to ₹2665 crore in the previous year. Profit after tax for the year is ₹424 crore as against ₹596 crore in the previous year. Despite unprecedented operating conditions during most part of the year, the company continued to deliver to the extent possible and focused on accumulation of orders. Continuous satisfactory performance to win confidence of clients and efforts on business development have contributed in closing the year with an order book of ₹6277 Crore, which provides revenue visibility for the two to three years. During the financial year, the company has earned an operating turnover of ₹1797 crore as against ₹2401 crore of previous year. The net-worth has reduced from ₹2577 crore to ₹2322 crore due to buy back of shares. During the year, the company has spent ₹13.41 crore as against ₹11.21 crore in the previous year towards Corporate Social Responsibilities.

Key Financial Ratios:

Particulars	2020-21	2019-20
(i) Debtor Turnover	101	113
(ii) Current Ratio	1.54	1.72
(iii) Operating Profit Margin (%)	22.93	23.25
(iv) Net Profit Margin (%) (PAT / Total Revenue)	21.79	22.38
(v) Return on Net Worth (PAT/ Avg. Net worth)	17.27	23.98

VII. SEGMENT-WISE PERFORMANCE

During the year, consultancy services, including quality assurance services, contributed 54.09% of the total operating income, turnkey construction projects contributed 34.72%, export sales contributed 5.18% and balance of 6.01% was contributed by leasing income. A segment-wise comparison is given below:

(₹ in crore)

Particulars	2020-21		2019-20	
	Operating Income	%	Operating Income	%
Consultancy Services				
Domestic	893	49.69	999	41.61
Abroad	79	4.40	67	2.79
Turnkey Construction Projects	624	34.72	673	28.03
Export	93	5.18	541	22.53
Leasing	108	6.01	121	5.04
Total	1797	100	2401	100

VIII. OPERATIONAL PERFORMANCE

BUSINESS OUTLOOK

The company continued to be a leading consultancy organisation providing consultancy, design, engineering and turnkey solutions to its varied clients in India and Abroad. The company strives to deliver outstanding client service consistently and create a distinctive brand image. The company

expects to attract sizeable business both from the Indian Railways (IR) and the non-railway clients.

The company has strengthened its presence in consulting domain in transport infrastructure sector, besides diversifying in areas with growth potential as per changing macroeconomic trends. With wide consultancy expertise in transport infrastructure space, RITES is fully aligned to tap opportunities created by National Infrastructure Pipeline (NIP).

The company envisaged its continued presence in projects under execution/planned in railways sector which include; DFC, High-Speed Passenger Corridors, Network expansion, capacity augmentation projects, Railway electrification, Metropolitan Transport Projects, Production Units & Workshop Modernization, Traffic studies, Port Connectivity Projects, Freight Terminals/Logistics Parks, Redevelopment of Railway Stations, Coastal Connectivity Program, Energy and sustainability, improving train speed, design of bridges, tunnels and geo-technical investigations, including condition monitoring of railway bridges & other assets.

The company is a strong player in the Mass Rapid Transit Systems (MRTS) and will focus on consolidating its position by capturing sizeable business of the technical consulting market for preparation of Feasibility Reports, DPRs, General Consultancy, Project Management and Construction Supervision in areas of; Road-based Transit Systems, Metro Rail Systems, Light Rail



Bridge No. 55 open web girder for NTPC Lara Project



Project Management Consultancy for Integrated Check Post at Biratnagar, Nepal

Transit Systems, Suburban Rail System, Metro Lite, Metro-Neo Systems.

In the highway and road infrastructure sector, ambitious large projects of the Government of India such as Bharatmala Project provide an excellent opportunity to the company. Road safety audits, bridge condition surveys, bridge maintenance management systems, rehabilitations of roads and bridges are other areas in the sector which provide ample opportunity.

In the airport sector, the company will focus on Feasibility & Design Studies, Project Management Consultancy in development of Feeder airports and airports in the NE Region, Green field airports, Heliports; Non-Destructive Testing of Pavements; Feasibility & Design Studies, Project Management Consultancy in development of Integrated Check Posts along the borders for MEA/LPAI etc.

As per the National Infrastructure Pipeline, about ₹ 21 lakh crore has been earmarked for the energy sector out of which ₹ 9.3 lakh crore for renewable energy projects. The Indian Railways is planning to harness 3000 MW solar power on vacant railway land in the country mainly through developer mode (tariff-based competitive bidding) without much capital investment by the Railways in next few years through REMC Ltd. Further, to meet the RPO obligations of Indian Railways, about 20 per cent traction power shall be procured from renewable energy sources through REMC Ltd.

In international business sphere, Export and Leasing of Rolling Stock and Engineering Consultancy and project management services are the key domains, wherein the Company has been laying emphasis to tap opportunities. In line with the market

expectations, the Company is now supplying locomotives having modern design engines. Similarly, the coaches being supplied now are stainless steel coaches built to LHB design. With renewed focus on exports by the Government of India and Make in India initiative new opportunities for export may come up.

Moving Forward

With a well-diversified business portfolio with key verticals i.e., consultancy, leasing, export and turnkey, the Company has mitigated against risks that come with any infrastructure business. Considering the emphasis on National Infrastructure Pipeline and National Rail Plan, company identifies key domains to focus on suitable business mix, new business improved product portfolio for export of rolling stock, engineering consultancy, operation and maintenance, modernisation of workshops, training & capacity enhancement.

As a business strategy, RITES would like to compete as well as collaborate by way of alliances, joint ventures, subsidiaries, and consortium arrangements etc. with other significant players having domain expertise & knowledge in the sector.

RITES intends for diversification into new business areas such as renewable energy management, mechanical handling system (conveyor system) of coal and iron ore at mines, projects for dealing with inland waterways and public health engineering projects.

OVERSEAS BUSINESS

The company has secured contracts for supply of 06 Cape Gauge AC-AC Traction Diesel Electric Locomotives, and 90 Cape Gauge Passenger Coaches, including 05 sets of DEMUs, from CFM Mozambique. During the year, procurement activities were also undertaken for manufacturing and supply of 160 main line passenger coaches and 2 sets of fully air conditioned DMUs comprising 26 coaches for supply to Sri Lanka. The first prototype set of 10 main line passenger coaches has been delivered to Sri Lanka and two cape gauge locomotives have also been exported to Mozambique during the year. Balance orders are under process for export. Supply for loco spare parts to Myanmar Railways also continued during the year.

The company provides Project Management Consultancy services for Metro Express Project in



Senior officials of RITES Ltd, SPMC and Haryana Rail Infrastructure Development Corporation at the contract-signing ceremony in Gurugram

Mauritius; Development of Infrastructure at Airport in Mauritius; 4 lane National Highway in Bangladesh; Tshesebe to Masunga Road in Botswana; Integrated Check Posts at Biratnagar and Birgunj in Nepal; Old runway rehabilitation at Gautam Buddha International Airport, Nepal.



RITES locomotive commissioned at Adani Dahej Project

DOMESTIC BUSINESS

RITES has always remained on the fore front in development of Transport Infrastructure and related technologies and turnkey engineering solutions for various clients from Ministries/Departments of Central, State government and private corporate houses etc.

During the year, the Company provided consultancy services for various railway projects including DFC, High-Speed Passenger Corridors, Semi High-Speed Corridors, Rail connectivity for Industry/ports for bulk movement of freight, capacity augmentation

projects, Railway electrification, Signaling and telecommunication, Metropolitan Transport Projects, Production Units & Workshop Modernization, Traffic studies, Port Connectivity Projects, Energy and sustainability, Detailed Engineering of bridges, tunnels and geo-technical investigations, including condition monitoring of railway bridges & other assets. The Company continues to provide services for various projects on turnkey construction basis for Indian Railways including setting up/ augmentation of workshop and related facilities. In metro rail sector, RITES is engaged in several projects including General Consultancy for Delhi Metro, Ahmedabad Metro, Nagpur Metro and Pune Metro etc. In quality assurance, over the years RITES has been continuously making significant progress and has considerably enhanced its business with IR, Non-IR and private clients.

The company is also providing services such as operation and maintenance of railway system to domestic clients in power, steel, cement, coal, and port sector. At present, the company is engaged in maintenance of over 130 diesel locomotives and 1500 wagons owned by NTPC, SAIL etc, besides maintenance of 63 locomotives owned by the company, which are leased to domestic non-railway clients. Also taken up work of conversion of 380 nos. ICF coaches to New Modified Goods (NMG) coaches, which are used to transport automobiles.

The company is making steady progress and continues to secure several prestigious projects

and provide consultancy services for projects in areas such as highways/road transport/bridge survey; airports and heliports, ports and water resources; passenger/ material ropeways as also for funicular railway projects; project management and design consultancy for development / expansion / upgradation of apex educational / institutional buildings including third party quality assurance; procurement for various government departments for international/national government funded projects; information technology services for software development, implementation support, etc.; financial / transaction advisory for various PPP projects, project appraisal for investment projects.

SRBWIP (SAIL-RITES Bengal Wagon Industry Pvt. Ltd., a 50:50 JV company of SAIL and RITES) manufactures high-end specialized wagons for the Indian Railways and other clients. REMC Ltd., a subsidiary of the company, is assisting in managing power procurement costs for Indian Railway, besides assisting the Indian Railways in meeting its Renewable Power Obligation. REMC Ltd. has so far successfully contracted 1470 MW of traction power through Open access.

IX. REVIEW OF BUSINESS UNITS/ DIVISIONS

Major projects secured and executed during the year in foreign and domestic segments by various business units are covered below:

RAIL INFRASTRUCTURE DIVISION

The Railway Infrastructure Division provides consultancy in transportation & economics, electrical engineering, signal & telecommunications, Project

Management consultancy for Dedicated Freight Corridor, track & survey, geo-technology, civil engineering design through conceptualization, design, and project management of rail-based transportation system. This division operates through a number of SBUs, brief of each of one is as under.

TRANSPORT & ECONOMICS UNIT

This unit is having expertise in many facets like transport planning, and transport economics. It is involved in pre-feasibility studies, techno-economic feasibility studies, detailed project reports pertaining to integrated transport systems, regional and national transport master planning, inter-modal, and multi-modal transport systems for all modes of transportation like Railways, Highways, Ports, Waterways, etc.

During the year, the unit has undertaken projects on National Rail Plan (NRP) for Ministry of Railways, Connectivity of coal transportation corridor for UMPP in Sundergarh, Odisha for PFC Consultancy Limited, Consultancy study for PPP in passenger train operations for MoR, Semi-high speed suburban rail system connecting Bangalore city to Bangalore airport for Directorate of Urban Land Transport (DULT), etc. Unit has secured business for preparation of DPR for Kisan Rail, from Ministry of Railways, Study of Benefits accrued to Local/Communities and Local area/State due to Construction of Hydro Power Project, Chamba Himachal Pradesh, from NHPC.

New areas of business diversification have been explored like entering PFT/TMC as a pilot project, Land Monetization and Development and Waste Management.



DPR for Kisan Rail and Socio-Economic Impact Assessment for Chamera hydroproject in Chamba, Himachal Pradesh

ELECTRICAL ENGINEERING UNIT

This unit provides Project Management Consultancy services, Quality Assurance and surveillance inspections in the field of Railway Electrification (1X25 kV AC feeding system and 2X25 kV AC feeding Traction system), Traction Sub-stations, Grid substations, EHT transmission line, MV and EHT cabling works, General Electric Substations, Building Electrifications, Air Conditioning, illumination system, Installation of lifts and Escalators, standby power supply arrangements/ DG sets, Rural Electrification, Grid connected roof top Solar system etc.

This unit also provides services for preparation of feasibility study (FS), Preliminary Engineering cum traffic study (PETS), DPRs, Detailed Engineering and validation of various reports.

Projects undertaken during the year include; PMC work of Railway Electrification of sidings for various clients e.g. SAIL, NTPC, SCCL, BCCL, SECL, MUNPL, RINL, KPL, BRBCL, THDCIL, NUPPL, UPRVUNL, DFCCIL, mainline RE works of 428 TKM, i.e for Ringas-Jaipur-Sawaimadhopur section- 188 Rkm (222 TKM) of NWR, Vijaypur - Maksi section, 188 Rkm (206 TKM) of WCR, RE of siding at Nabinagar, Meja Thermal Power project, Lara Thermal Power project, Kusmunda, Patherdih, THDCIL, UPUVUNL, NTPC and Main line Railway Electrification on SECR and SCR which is more than 880 Tkm.

Projects secured by the unit include; the mainline works (Railway Electrification) of around 489 Rkm i.e. Udaipur City - Himmatnagar (210 RKM) Section

of NWR, Mavli - Bari Sadri (82 RKM) Section of NWR, Gulbarga - Bidar (110 RKM) Section of SCR, Bhatinda - Firozpur (87 RKM) Section of NR.

SIGNALLING & TELECOMMUNICATIONS UNIT

This unit provides Consultancy and Construction Management Services for Railways, Power Plants, Cement Plants, Steel Plants, Refineries, Port Trust, Coal Sectors etc. The services spectrum includes planning, preparation of feasibility report, Detailed Project Report, Detailed Engineering, Project Management & Construction Supervision in the domain of Modern Railway Signalling System, Security Surveillance & Access Control Systems, Optical Fiber Communication Networks, Digital Radio Communication Networks, Satellite Communication based networks, SCADA, Mobile Radio Communication etc.

During the year, the unit has completed PMC works for South Central Railway at Chigicherla, Zangalpalli, Taticherla & Garledinne stations and for South East Central Railway at Pendra Road, Venkatnagar, Harri and Nigaura stations. The unit has also completed the PMC work for NTPC at Mouda phase-II, Khargone Inplant yard, JNSTPP at Nigrie wagon tripler yard and MSPGCL Chandrapur Tripler yard.

The ongoing Turnkey work includes 11 stations of doubling in South Central Railway, 6 stations of Third Line in South East Central Railway and PMC work for MUNPL/Meja, NUPPL/Ghatampur, SECL/ Kusmunda, NTPC/Sipat and TPA work of BBNL for Madhya Pradesh, U.P. and Tamil Nadu.



132/25 kV traction sub-station at Banasthali Newai, Jaipur- Sawaimadhopur Section, NWR

TRACK & SURVEY UNIT

Unit provides consultancy for Pre-feasibility, feasibility studies, Detailed Project Reports and Detailed Engineering Studies for new railway line including High Speed/Semi-High-Speed Rail, Dedicated Freight Corridor (DFCs) and for rehabilitation of old lines in India and abroad.

The unit has expertise in design of optimum alignments in difficult and mountainous terrains, making extensive use of latest technologies including high-precision, state-of-the-art equipments, image processing software such as ERDAS Imagine and SocetSet, alignment design software such as Bentley MX, Bentley Power Rail Track and Autodesk Civil 3D and alignment optimization software such as Quantm. The unit has introduced advanced technology for topographic survey like Aerial LiDAR and UAV Survey for Railway Projects. In addition, RITES is also introducing latest technology for establishment of Control Stations with Continuously Operating Reference Station (CORS) Network for the purpose of ensuring positional accuracy for construction of a High-Speed Railways.

Completed projects in recent past include: Final Alignment Design, Final Location Survey and GT Investigations, FAD and GAD of bridges for Mumbai-Ahmedabad High Speed Railway Project; FS and FLS of High-Speed Rail Alignment between Vapi and Virar for NHRCL; Corridor Optimization for Bilaspur-Manali-Leh Railway line Project (475km) for Northern Railway; Pre-feasibility study for Delhi-Chandigarh-Amritsar HSR Line and FS for Mumbai-Chennai HSR; Preliminary Engineering-cum-Traffic Study for North-South, East-West, East-Coast and

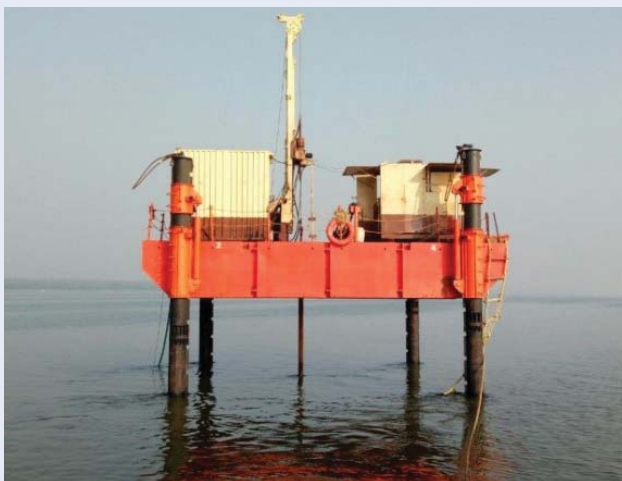
Southern Corridors of future DFCs (6,660 km) for DFCCIL; Engineering Services for the railway infrastructure between Mekelle-Hara Gebeya-Semera-Tadjourah in Ethiopia and Djibouti (660km) for Ethiopian Railway; Detailed Design of Alignment for Delhi-Ghaziabad-Meerut section of RRTS for NCRTC, Pre-Feasibility Study for Agra-Lucknow-Ajamgarh-Varanasi SEMI-HSR passenger railway line (700km) for UPEIDA.

Some major projects currently under execution include: Final Alignment design including Aerial LiDAR Survey for Delhi-Ahmedabad High Speed Rail Corridor (about 886kms long); Establishment and Maintenance of CORS Network for Mumbai-Ahmedabad High Speed Rail Project; Consulting Services for Proposed Dedicated Freight Corridor Alignment within Andhra Pradesh Capital Region for APCRDA; Consultancy Services for Detailed Design for construction of Single Standard Gauge Railway line from Tema to Akosombo on EPC basis in Ghana (100km).

GEO TECHNOLOGY UNIT

The unit is well equipped with state-of-the-art machinery, exploratory drilling equipment, Geophysical instruments for seismic & resistivity survey and latest software for geological & geophysical investigation data processing and interpretation to facilitate DPRs for transport projects in critical and geologically sensitive areas.

The unit has completed GT investigation for elevated section from Dharuhera to Shahjahanpur-Neemrana-Behror for RRTS of NCRTC including drilling of boreholes & conducting various in-



Drilling for undersea tunnel through jack-up rig at Thane creek for Mumbai- Ahmedabad HSR Project

situ tests like SPT, Plate load Test etc. The unit has also completed geotechnical investigation including advanced in-situ rock mechanics testing and laboratory testing for rock mined cavern for storage of LPG at Mangalore LPG import facility of HPCL, Geological, Geophysical and Geotechnical Investigation for six railway tunnels in Koraput sections of East Coast Railway and four railway tunnels in Khurda-Bolangir section of East Coast Railway.

During the year, the unit has secured a contract pertaining to Geophysical investigation including SRT and 2D ERT survey for delineation of subsurface information including bed rock topography and its characteristics for design of tunnels of NHRCL.

DEDICATED FREIGHT CORRIDOR - SPECIAL PROJECT UNIT

The unit is providing Project Management Consultancy Services for the Construction of Double Line Electrified Railway track with Signalling and Telecommunication System and related infrastructure for Western Dedicated Freight Corridor (1477 KM) from Dadri to JNPT Mumbai as a member of consortiums led by Japanese companies in 2 phases as WDFC-PMC-1 (Rewari to Vadodara-922 km) and WDFC- PMC-2 (Rewari to Dadri and JNPT, Mumbai to Vadodara-555 km).

CIVIL ENGINEERING DESIGN UNIT

The Civil Engineering Design Unit provides engineering design services involving planning, design, bidding documents designer support and construction supervision for Railway Bridges, Rail cum Road Bridges, Road Over/Under Bridges, Approach structures like Rail/Road viaducts, Suspension bridges, Cable Stayed & Extra Dose Bridges and Road/Railway Tunnels for various modes of operation including PPP, EPC etc. The

services also include River Engineering involving hydraulic model studies and design of river training and protection works.

Projects completed during the year include; Scheme for rehabilitation of existing arch/slab bridges (Total 148 Nos.); Design of 10m wide multi spans composite plate girder Foot over Bridge in Varanasi Railway Station, detailed engineering for ROB at FGD for Rihand Stage -II & III for NTPC; DPR for 3 tunnels on Kadappa- Bangalore New BG line Pendlimarri-Rayachoti Section for South Central Railway; DPR for 9 Railway Tunnels between Manabar - Chataript and Koraput -Singapur Road section for East Coast Railway river survey & Model Study for Bogibeel Bridge; Design of Drainage System for track/formation, RUBs & yards for single standard gauge railway line (Route length 100 km) from Tema to Akosombo in Ghana.

Projects handled during the year include; designing, developing, installation and commissioning of Structural Health Monitoring System (SHMS) for 4.94 km long Bogibeel Rail cum Road Bridge across river Brahmaputra for N.F. Railway; detailed engineering including designer's support during construction of 2 Nos. Rail Flyovers & 45 ROB's for DFCCIL; design, drawing & proof Checking of major bridges (Total 19 Nos.) for East Central Railway; detailed engineering for Major Bridge between Obra and Paprakund in E.C. Railway; Rail / Road Bridges, designed & detailed to Euro norms for USBRL project in fragile and highly seismically sensitive Himalayan Region in J&K; Designs for slope stability with soil nails/ground anchors; Stability assessment and Rehabilitation Measures for existing 6 Nos. Flyovers in Kolkata, DPRs for 3 highway tunnels across Shinkun La, Tanglang La & Lachalung La for NHIDCL DPRs for 18 Nos. Tunnels in connection with doubling/construction of various section of East Coast Rly river survey &



Consultancy for Bogibeel Bridge at Dibrugarh



Road Over Bridge for DFCCIL



Tunnel T6K at Manipur for Northern Frontier Railway

Model Study for Bogibeel Rail-cum-Road Bridge across river Brahmaputra; Hydrological study for stability/suitability of proposed new single line rail alignment from Khagaria to Kusheshwar Asthan for E.C. Railway.

REGIONAL PROJECT OFFICES (RPOs)

To cater to clients in various regions in India, RITES has established Regional Project Offices (RPOs). These RPOs provide consultancy for development of Rail Infrastructure, construction of railway sidings and connectivity projects of varied industries such as steel, power, mining, ports, airports etc.

NORTH

This Regional Project Office located at Gurugram provides consultancy services mainly in Haryana, Punjab, Rajasthan.

Ongoing projects include construction of third line from Pendra road to Anuppur (50.1 Km) of Bilaspur Division of SECR; DPR and Project Management of coal transportation system for Tanda TPP Stage-II (2x660 MW); PMC for railway siding for THDCIL at Khurja; supervision of box pushing work under railway line near Pragati Maidan, New Delhi; PMC for 5 ROBs/Flyovers at Amritsar; PMC for railway siding for BPCL at Asalpur-Jobner, Rajasthan; Tender management including preparation of construction drawings for construction of toilet blocks in circulating area of railway stations all over India.

Projects secured during the year include; Box pushing at Pragati maidan, New Delhi; consultancy services

for superstructure (composite girders/bowstring girders in railway portion) for construction of 2 lane ROB on NH-112 on Jodhpur-Barmer Railway section, third party inspection work from SDMC.

LUCKNOW

The Regional Project Office (RPO) is having projects in Uttar Pradesh, Madhya Pradesh and Bihar and provides services from concept to commissioning viz. Feasibility and Detailed Study, Design & Drawing and Project Management Consultancy for projects in Rail Infrastructure.

The RPO is involved in establishment and augmentation of Rail Infrastructure of NUPPL Ghatampur (Uttar Pradesh), NTPC Power Plants in Uttar Pradesh and Vindhyanagar, Rail connectivity for Nabinagar and Meja Thermal Power Plants and Various power plant of UPRVUNL at Harduaganj, Obra, Panki & Jawaharpur Thermal plant at Etah. Feasibility studies & Detailed Project Reports for various Power Plants of UPRVUNL and Northern Coalfields Limited are also undertaken. RPO is also providing their services for rail connectivity of almost all the mines of Northern Coalfields Limited.

NAGPUR

The Nagpur RPO is providing customized, techno-economically viable concept to Commissioning solutions for various Rail Transport and Infrastructure works in the states of Madhya Pradesh, Chhattisgarh and Maharashtra (except Mumbai). The unit has executed major PMC assignment for railway sidings for NTPC Khargone, Mouda and Sipat, CSPGCL Marwa, MSPGCL Chandrapur & Koradi, CONCOR



Electrification works (Stage-II) at NTPC Mouda

MIHAN Nagpur & Nya Raipur, MPPGCL Khandawa, SAIL Bhilai, SECR Bilaspur along with PMC services for ROBs for PWD Maharashtra, MSRDC, PWD Raipur, PWD MP & PWD CG and Box pushing works for VIDC, MPD Gondia etc.

Works secured during the year include PMC of "Construction of Railway Siding at Mungoli Nirguda Opencast Mine of Wani Area" from Western Coalfields Limited; construction supervision and quality control work of substructure for 47 Bridges in Maharashtra from MRIDCL; PMC for repairing,

renovation, alteration, addition and modifications in Dr Babasaheb Ambedkar Bhavan from MECL DPR for railway track and railway siding for Suliyari Coal block from Gajrabahra Railway station in Katni Chopan station from APMDCL; Feasibility study and preparation of DPR for implementation of EOL scheme at NTPC Sipat; PMC for Complete Track Renewal of existing BG railway yard of NFL; siding at Vijapur district Guna (MP) near Ruthiyai railway station in Ruthiyai - Maksi railway section of WCR Bhopal.



Railway doubling project between Gooty and Dharmavaram

SECUNDERABAD

This unit covers Telangana State and Andhra Pradesh providing engineering solutions and undertake Projects from concept to completion including Main line railway works, Railway siding works, Building works.

Projects undertaken during the year include railway doubling project between Gooty & Dharmavaram for a length of 91.2 Kms of South Central Railway and works of Center for DNA Providing PMC services for construction of railway siding and Marshalling yard for (5x800 MW) YTPS at Veerlapalem Nalgonda District; Execution of (4 nos) ROB works in lieu of Existing Level Crossings for SCR; Feasibility Report, Engineering Scale Plan, DPR etc. and getting approval from SCR for the proposed private Railway siding at Rudrampur, Telangana; PMC for Railway siding and Marshalling yard for (1x 800 MW) KTPS VII stage, Paloncha, (4x270 MW) BTPS-Providing PMC for Railway siding and Marshalling yard for BTPS, Manuguru, Bhadrachalam, Hotheaded district (TS); Revamping of road, hardstand and drainage system at Nagulapally warehouse, Hyderabad for SAIL; Construction of warehouse, temporary approach road, rail side ware house of M/s CONCOR at Kakinada, Krishnapatnam & Visakhapatnam; Construction of Railway siding at Krishnapatnam of BPCL; civil and permanent way works for 2nd railway line for loading of caustic soda wagons at Port facilities at Vizag of NALCO, Project of Finger printing Diagnostics, Department of Biotechnology under Ministry of Science and Technology.

BENGALURU

This unit is engaged in Project Management Consultancy for Construction of Govt. First Grade Colleges, Polytechnic Colleges, ITI Colleges and Engineering Colleges at various locations in Karnataka.

During the year projects of Railway Siding at many locations in Karnataka & Tamil Nadu have been executed and has also undertaken Cadastral Survey and Utility Identification work for Sub-Urban Railway Project in Bengaluru.

The unit has secured projects of PMC from Karnataka Tourism Department, Department of Kannada Culture and PMC for Doubling of Railway line from Baiyyappanahalli-Hosur and Yeshwantpura-Channasandra at Bengaluru.

Projects completed during the year include; PG centre at Sindhanoor for DCE; Govt. Polytechnic College at Gowribidanur, Basavan and Bagewadi; ITI college at Doddalahalli, Belur, Madhugiri and Hiriya for DTE; Govt. First Grade Colleges at Hebbur, Gubbi and Chennagiri; HPCL siding at Madurai.

KOLKATA

The RPO takes up projects in the states of West Bengal, Bihar and the seven sisters (North East). This RPO provides consultancy services on Project Management from Concept to Commissioning for development of Rail Infrastructure and allied services of various sectors such as Steel, Power and Coal sectors for various Clients in Central / State Govt. Depts., and PSUs like CIL, IOCL, NTPC, PDIL, SJVNL, etc. This unit diversified and developed expertise in infrastructure projects like water works comprising trenchless technology i.e. micro tunnelling work in both elevated structure & cut & cover method, construction of Intake jetty, water treatment plant etc. and river front beautification project of Civil Authorities, namely KMC, KEIP & KMDA.

This unit has also been entrusted with re-habilitation and changing of cables for Vidyasagar Setu, India's longest cable-stayed bridge.



Rehabilitation works for Vidyasagar Setu, India's longest cablestayed bridge



Bogie Repair Shop at New Bongaigaon workshop in Assam

RPO is also providing PMC for Rail connectivity works of thermal power stations namely Raghunathpur TPS (in West Bengal) for DVC, Muzaffarpur TPS & Barauni TPS (both in Bihar) and New Bongaigaon TPS (in Assam) for NTPC.

During the year, the SBU has successfully commissioned single line connectivity from JOC to Inplant yard of DVC/RTPS under ADRA Division of SE Rly and Rly siding project at Sonapur Bazari of ECL.

BHUBANESWAR

The unit takes up projects in South-Eastern part of India viz. Odisha and part of Andhra Pradesh. The unit is involved in developing Rail Infrastructure for industries such as steel, aluminum, coal power and mining sector besides major ports. It also serves

major clients like NALCO, NTPC, MCL, RINL, SAIL, CONCOR, Visakhapatnam Port Trust (VPT), Paradip Port Trust (PPT), Subarnarekha Port, Tata Steel & NSPCL, Odisha.

During the year, this unit handled project; consultancy services from concept to commissioning for establishment of State Forest Academy at Bhubaneswar, pre-feasibility study for Odisha Rail Infrastructure Development Ltd. for a rail link from Tapang to Bhubaneswar Airport, Concept to commissioning of wagon tippler yard at NTPC, Kaniha; installation and commissioning of diamond crossing in line no.13 at North West of R&D yard, Visakhapatnam Port Trust; pre-cast RCC segment box by cut & cover method for RUB at Spur no. 3 & 4 of MCL, Talcher.

RAIGARH

This unit works in parts of Chhattisgarh and Odisha and provides services related with development of Railway Infrastructure for different industries in Power, Steel & Mining Sector.

This unit is looking after three mega projects; (i) DPR & Construction Management services for NTPC-Lara, near Raigarh for a double line MGR of 67 Route KM (170 TKM) in three phases. Out of the three phases of the project, phase-I (priority line) is commissioned (ii) To provide services as owner Engineers for OPGC MGR at Banharpalli for a single



Precast RCC segment box by cut-and-cover method for Road Under Bridge -SPUR No. 3 & 4 of MCL, Talcher



Rail Over Rail Bridge on Howrah-Mumbai Main Line for OPGC MGR project



Loco Shed for NTPC Lara Project

line MGR of 45 Route KM (66.2TKM). The project is substantially completed and (iii) Construction Management services for NTPC-Khargone for 39.6 Route Km (63.92 TKM), which was commissioned during the current year.

RANCHI

The Ranchi unit provides consultancy services to clients in Jharkhand state and its vicinity. At present, the unit is serving several clients like CCL, BCCL, SAIL, DVC & PVUNL.

The unit is also engaged in consultancy for Road & Bridges infrastructure projects; Railway facilities to serve Magadh and Amrapali OCP, Maintenance of Track for Piparwar Railway Siding, Construction of balance work of Piparwar Railway siding, DE & Construction Management for Proposed North Urimari Siding of CCL; Two Wharf wall

loading platform including of Crossing Station; Rehabilitation and upgradation of Critical Railway track and SWS Railway track inside Bokaro steel plant of SAIL; Construction of bridge over river Konar at BTPS Bokaro; PM & Construction of Railway infrastructure for Bokaro-A TPS (1X500 MW) at Bokaro, Renovation/strengthening of existing railway siding at Patherdih Coal Washery 5 MTPA and Patherdih Coal Washery 2.5 MTPA of BCCL; Construction of Railway Siding for excavation of Coal from Rapid Loading System (SILO) at Maheshpur; Renovation/strengthening of existing Railway siding at Bhojudih Coal washery, Santhaldih; Construction of Railway siding for Koderma TPS phase-I (2x 500 MW) of DVC at Koderma, Jharkhand (Larabad Leg); PM and construction of Railway siding system for Patratu STPP (3X800 MW).

Projects secured during the year include; 'Feasibility Report' & 'DPR' for development of additional rail-



Proposed Rail Over Rail Bridge on Howrah-Mumbai Main Line for NTPC Lara Project



Maintenance of Track for Piparwar Railway Siding between Mcluskiganj and Rajdhar

infrastructure for Amrapali and Magadh OCP; rail infrastructure for provision of Silo loading system at KDH Railway Siding and at Ashoka Railway Siding of Piparwar Area; Phase-I of work for renovation/strengthening of Rail infrastructure including construction of ROB for upcoming 2.5 MTPA Moonidih Coking Coal Washery.

BUILDING AND AIRPORT DIVISION

This division provides consultancy services for construction of institutional, commercial, and residential buildings and development of green field and brownfield airports, airport terminals, ICDs, ICPs. Division also provides total solution in the field of station development and associated infrastructure. Division has two strategic business units namely Construction Project Management unit and Airport unit.

CONSTRUCTION PROJECT MANAGEMENT UNIT

The unit is predominantly engaged in Project Management and Quality Audit/ Third Party Inspection Services for Infrastructure Projects like Institutional Buildings, Universities, Colleges, Residential Buildings/Colonies, Hospitals, Office Complexes, Inland Container Depots, Bus Terminals, Workshop Buildings, Warehouses and Sports Complex, Development works, Station Development works, Multi-Modal Logistic Parks, Warehouses, Heavy Duty Pavements etc.

Services rendered by Unit Include Conceptual and Architectural Planning, Detailed Engineering, Geotechnical Investigation/Quantity Surveying/ Estimates, Contract Management, Project Planning, Scheduling & Controlling, Procurements

of Works Contracts, Construction Supervision, Quality Control etc. The unit is also managing Re-development works of Varanasi Railway station and Ayodhya Railway Station and its circulating areas. The unit has entered into an MOU with IRSDC for the development of eight railway stations across India as Project Management Consultant.

The unit is also executing the projects of CONCOR, CWC, and CRWC combining its extensive experience, in Railways Sidings including development and modification of Indian Railway Station Yards, Warehouses, Administrative Buildings, heavy-duty Cement Concrete Pavement and other Civil Engineering and Electrical Engineering Infrastructures for green/ Brownfield PFT/ MMLP at the various locations in Haryana, Rajasthan, Uttar Pradesh and Punjab.

The unit is dealing with the development of MMLPs at Barhi, Sonapat (Haryana), Kathuwas (Rajasthan), Manawala, Amritsar (Punjab), Dadri (Greater Noida), Bamanheri (Muzaffarnagar) for the CONCOR and CWC and CRWC.



Re-development works of Ayodhya and Varanasi (top) railway stations



Model of redeveloped Indore railway station

Quality Surveillance/Third Party Inspection Services provided by the unit include; Conducting random checks of activities of construction from concept to completion stage, laboratory as well as field quality control tests, collection of samples of input materials and arranging tests from the approved laboratories, technical audits, quality review & monitoring action taken on findings.



Commissioning of railway siding of CONCOR at MMLP Barhi, Sonapat

AIRPORT UNIT

The unit provides comprehensive consultancy services in all aspects of airports and airside infrastructure. The unit has successfully completed many projects in the air transport sector in India and abroad.

The range of services provided includes: feasibility studies, DPRs, Master planning, Detailed Engineering & Design; Site selection & EIA studies; Topographic Surveys and Traffic Forecasts; Air Traffic Surveys, obstruction surveys (OLS); Design and construction management of buildings, pavement, towers and facilities; Licensing, clearances, economic & capital expenditure studies; Pavement Evaluation using Non-Destructive test devices; Design of Heliports &



Central University of South Bihar Campus, Panchanpur, Gaya

allied infrastructure; Design & PMC for Development of Integrated Check Posts (ICPs)/Landports.

International projects under execution by the unit include design & PMC for development of Landports at Biratnagar and Nepalgunj in Nepal and Consultancy services for Design and Supervision of old runway rehabilitation (New Parallel Taxiway) at Gautambuddha International Airport project, Bhairahawa, Nepal.

On the domestic front, the unit is working on projects; Design & PMC for; expansion of Srinagar International Airport; upgradation of infrastructure at Belora Airport, Amravati (Maharashtra); Design for Greenfield Heliport at NOIDA (U.P.), development of Dholera Greenfield International Airport (Gujrat), Design services for development of Vijaypur Greenfield Airport (Karnataka) and Heliports in five states under RCS UDAN-2, Ahmedabad & Amritsar airports; Development of Shimoga & Hassan Airport (Karnataka) and at Kasia (Kushinagar) & Chitrakoot in UP, Palia Airport (West Bengal); Feasibility study for a new greenfield airport at Chhindwara, MP; DPR for development of 7 Phase-II ICPs; and PMC services for construction of UG structures at five locations in India.

TRANSPORT DIVISION

INFRASTRUCTURE

This division provides consultancy services for roads and highways including Expressways, National and State Highways, rural roads including bridges viaducts and tunnels, ports and harbours, water resources engineering, inland water transport, including preparation of feasibility studies, detailed project reports, PMC services, Quality Assurance of such projects including safety audits etc. The division has two strategic business units namely Port & Water Resource (PWR) & Highways.

PORTS AND WATER RESOURCES UNIT

This unit provides consultancy services for Ports and Harbours, Water Resources Engineering and Inland Water Transport (IWT). The unit is providing Independent Engineer services for two projects namely (i) Deep draft Coal berth and (ii) Mechanization of EQ berth for Paradip Port Trust. The unit is also providing PMC services for development of National Coast Guard Headquarters in Mauritius. Unit has undertaken consultancy for DPR for development of Greenfield port at Machhilipatnam for Andhra Pradesh Maritime Board (APMB), Govt of Andhra Pradesh. Based on the DPR prepared, unit has also secured contract for PMC services for Development of Greenfield Port at Machhilipatnam.

During the year, the unit had also undertaken DPR for Development of Greenfield Port at Bhavanapadu awarded by the APMB.

HIGHWAYS UNIT

The highways unit provides comprehensive Road Transport Consultancy as well as Project Management Services covering all aspects of Highways viz. Expressways, National Highways, State Highways and Rural Roads including Bridges / Viaducts and Tunnels in relation to Conceptual and Detailed Design, Construction Supervision, Operation and Maintenance, Planning/Management of Networks, Improvement / Upgradation, Safety Audits etc. It is well equipped to carry out a variety of services viz. Survey, Investigation, Traffic Studies, Feasibility Studies and Preliminary / Detailed Project Reports, Construction Supervision, Independent Engineering, Project Advisory, External Technical Audits and Authority's Engineer etc.

Major Contracts Secured during the Year include: Technical Review of Roads & Bridges. Projects including Design Stage Safety Audit (79.87 Km) from Kerala Infra Investment Fund Board; PMC and ETA for Construction of 296.070 Km Bundelkhand Expressway in U.P. and PMC and ETA for Construction of 91.352 Km Gorakhpur Link Expressway in U.P. PMC for Approach Road including a Road Over Bridge at Nigahi of Northern Coalfield Limited.

Projects undertaken during the year include Construction Supervision of Tshesebe to Masunga Road in Botswana; and PMC for Improvement of Ashuganj Akhaura Land Port Road as 4-Lane NH Project (Bangladesh). Domestic Projects undertaken include several prestigious flagship Projects funded

by Government of India (MoRTH, NHAI, NHIDCL etc.) like DPR for NH Sections of length 1700 Km under Bharat Mala scheme in Gujarat, West Bengal, Haryana, Punjab, Madhya Pradesh, Maharashtra & Telangana; DPR for Development of Greenfield Stretches for improving direct connectivity in Indian Cities (Gadchiroli-Karimnagar and Khandwa-Akola NH Sections - 400 km) including Authority's Engineer Services of 4-Laning of Baharagora - Singhara (112 km) of NH-6 (Odisha) and Authority's Engineer Services of 4-Laning of Vijayawada - Machilipatnam (63.8 km) of NH-9 (Andhra Pradesh) and Project Management Consultant - cum - External Technical Auditor for Purvanchal Expressway (350 km) in Uttar Pradesh.

The unit also provided Transaction Advisory Services for Selection of Contractor for Construction of Steel Structure Rail Over Bridge in Kerala, DPR & PMC Services for implementation of 373 RCC bridge construction in West Bengal, DPR for construction of Vivekananda Road Flyover from Ultadanga to Girish Park in W.B., Design Support during implementation stage of Extra-dosed Cable Stayed Bridge over river Hooghly in W.B.; DPR and PMC for redevelopment



PMC for four-laning Ashuganj Akhaura Land Port Road as national highway project in Bangladesh



PMC-cum-ETA for Purvanchal Expressway in Uttar Pradesh

of Kalighat Temple Complex in W.B.; PMC of Sitalkuchi - Gosai Mari and Adabarighat - Sital Road, Coochbehar - Baneswar Alipore Duar Road in W.B., Design Vetting and PMC Services for construction of Grade Separators at NAD Junction, Visakhapatnam, TPA & QA services for Infrastructure Works in Amaravati, Andhra Pradesh etc.

Projects completed during the Year include; Supervision of Four Lanning of three civil Contracts of Guwahati Bypass, PMC for Civil and Utility works at Pithampur (M.P.) for NATRIP, DPR for Construction of Traffic Dispersal System along Kona Expressway (NH-117) newly constructed Santragachi Bus Terminus for WBHDCL in W.B., Pre-Feasibility Study of service road around Govardhan Parikrama Marg in Mathura & DPR for Construction of 2-Lane flyover in Guwahati.

URBAN INFRASTRUCTURE DIVISION

This division provides PMC services in urban transport sector including General Engineering Consultancy services for metro projects, conducting urban and regional transport studies, developing transport sector master plans, including traffic engineering and management surveys. Division has four strategic business units namely: Urban Transport, Urban Transport (General Consultancy), Regional Project Office, Ahmedabad and Urban Infrastructure-Mumbai.

URBAN TRANSPORT

The SBU provides Comprehensive Consultancy services in planning of Urban and Regional Transport, development of Transport Master Plans, Traffic Engineering/ Management, Transport Demand Modeling, Comprehensive Mobility Plans, Bus System Planning, planning & Design of Rail-

Based Mass Rapid Transit System, Station Planning & Inter-modal Integration facilities, Transit Oriented Development Studies etc.

SBU also provides Comprehensive Consultancy Services in the field of Environment Impact Assessment (EIA), Social Impact Assessment (SIA), Water Supply /Sanitation, Pollution Abatement, Ecology and Biodiversity.

SBU has recently completed DPRs for Rail Based Mass Rapid Transit Systems Thane, Nashik, Gurgaon, Chennai Ph II, Gorakhpur and Patna. Comprehensive Mobility Plan for Varanasi, Gorakhpur and Guwahati, Public Transport Plan for Kolkata Metropolitan Area.

Projects handled during the year include; Alternatives Analysis Reports (AARs) and DPRs of MRTS system in Jammu, Srinagar, Thane Ph II, Pimpri Chinchwad, Prayagraj, Coimbatore, Bangalore Phase III, Comprehensive Mobility Plans for Greater Noida, Jammu, Srinagar, Multimodal Traffic Integration for 38 stations of Surat Metro Phase I, New Delhi Railway Station, 9 stations of Mumbai Ahmedabad High Speed Rail and Hebbal Junction in Bangalore, Multimodal Urban Transit study for enhancing connectivity to proposed green field International Airport near Jewar.

The unit has also undertaken detailed EIA & SIA studies for Ahmedabad Metro Phase-II and Surat Metro required for the project implementation. Environmental studies for Ropeways and Tunnels project in the state of Bihar, Uttarakhand, Odisha and Ladakh. ESIA, RAP and Land acquisition for 19 Stations of Mumbai Suburban Rail System.

URBAN TRANSPORT (GENERAL CONSULTANCY)

This unit provides Comprehensive Project Management Consultancy Services in all aspects of urban rail transit systems i.e. Interim Consultancy, Detailed Design, General Consultancy and Project Management of Public Transport Infrastructure and Systems. The systems include High, Medium and Light Capacity Mass Rapid Rail Transit (MRT).

The SBU has been involved in Supervision of Metro Express line (A Light Rail Transit System) in Mauritius. Domestic Projects - General Consultancy for Delhi Metro Phase-IV, Ahmedabad Metro, Nagpur Metro and Pune Metro, DDC services of elevated metro stations and Depots for Ahmedabad Metro, Detailed design for Power Supply and distribution system for Bangalore Metro & Ahmedabad Metro.



3D view of Planned Triveni Nagar Metro Neo Station at Pimpri Chinchwad and (right) MMI planning at Jammu Tawi Railway Station with Metrolite System

Proof Checking works for Viaduct and stations for Ahmedabad Metro. This unit secured new business of General Consultancy for Haryana Orbital Rail Corridor of HRIDC & Detailed design consultancy works for Power Supply, distribution system, 750V DC 3rd Rail Traction & SCADA system for Bhopal, Indore, Ahmedabad-Phase-2 & Surat, Phase-1 MRTS.

REGIONAL PROJECT OFFICE - AHMEDABAD

This SBU covers Gujarat and neighbouring states such as Rajasthan, Madhya Pradesh and parts of Maharashtra for providing service to Central Government departments, PSUs and Private Sector. Services provided by RPO Ahmedabad include Feasibility studies, DPR, Project Management consultancy of Rail siding works, building works, bridge works, ROB/RUBs/Box pushing/Pipe pushing, Multimodal logistic parks etc.

Projects under execution include; shifting of Railway infrastructure and utilities - depot, bridge engineering workshop, Flash Butt Welding Plant, Maintenance centre for track machines, building etc.; Construction supervision of ROB / RUB / PipePushing below railway tracks & Box Pushing in Gujarat, PMC services to CONCOR for Development of Rail Transshipment HUB (RTH) at Swarupganj, Rajasthan.

Projects completed by this unit include; CPOH & DMC Workshop - Store Depot & Scrap Yard at Sabarmati, Road Under Bridge RCC Box Culvert and RCC Road, Construction of DEMU Shed Admin Building along with other associated works.

URBAN INFRASTRUCTURE - MUMBAI

This SBU is executing Consultancy Projects in and around Mumbai and is providing PMC to prestigious



General Consultancy for Double Decker at Nagpur with Flyover at first level and Metro at second level



Railway Workshop and (right) Store Depot & Scrap Yard Campus at Sabarmati

clients like CONCOR, IPRCL, MRVC, CWC, MCGM, MMRDA and BPCL. The unit is also providing detail engineering services for line capacity works in Central and Western Railway viz. 5th and 6th line of BCT – BVI in Western Railway, 5th, and 6th line of CST-KURLA in Central Railway, 3rd line between Nagpur-Sewagram, and Kalyan-Kasara section of Central Railway. Unit is conducting survey for various new lines on Central Railway.

Projects completed during the year include; Road Connectivity from East to West Bandra over Suburban tracks for MMRDA, Multi modal logistic park at Mundra in Gujarat for Container Corporation of India, MMLP at Tihi near Indore Phase-II. This SBU was awarded the work of Consultancy Services for FLS, Geotech investigation detailed estimate

for 4th line between Kalyan and Asangaon station by Central Railways and Supervision of ROB at Vidyavihar by MCGM.

EXPOTECH DIVISION

The division offers integrated export packages for rolling stock including supply, leasing, rehabilitation, maintenance and spare part support. It also renders technical consultancy services for establishment of new and modernisation of workshops, facility planning for rolling stock maintenance, training and technology transfer to overseas clients.

The Division endeavors to provide best rolling stock to clients through continuous technological upgradation, to ensure availability, reliability and customization as per specific transport needs.



Bow girder launch under the supervision of RITES at Nagpur



Launch of Hancock railway overbridge between Sandhurst Road and Byculla stations on main line of Central Railway

Rolling stock is sourced from the production units of the Indian Railways and is customized to suit the transport requirements of clients in other countries. Spare part support is also assured for several years after the delivery of the stock.

During the year, manufacturing of 160 main line passenger coaches and 02 sets of fully air conditioned DMUs comprising 26 coaches was taken up at Integral Coach Factory, Chennai and a part of order has been executed.

The division has also secured contracts for supply of 06 Cape Gauge AC-AC Traction Diesel Electric



Locomotives, and 90 Cape Gauge Passenger Coaches, including 05 sets of DEMUs for CFM Mozambique. Manufacturing of locomotives is done at BLW, Varanasi, and manufacturing of coaches and DEMUs is done at MCF, Rai Bareilly. A part supply has been made during the year, while the remaining rolling stock are under manufacture. Contracts to provide 05 years incidental services for these rolling stock at Mozambique, have also been awarded to RITES.

The SBU had completed the supply & commissioning to the Sri Lankan Railways, of six sets of DMUs (78 coaches) and ten Broad Gauge, AC-AC traction diesel electric locomotives, manufactured at ICF and BLW, respectively. Warranty support for these DMUs and locomotives continues to be provided. RITES also continued to provide technical services to CFM/Mozambique for maintenance of 16 locomotives and supply of spares to Sri Lanka.

QUALITY ASSURANCE DIVISION

The division, renders Quality Assurance and vendor assessment services in India and abroad to a large number of clients both in Government and Private sector. Laboratory testing services are also provided by the division with labs at Kolkata, Mumbai and Delhi. The division headquarter is at Corporate office, Gurugram with five regional offices located at Delhi, Mumbai, Kolkata, Chennai, Bhilai and 36 sub-regional offices spread all over India. Services in the field of Capacity and capability Assessment of manufacturers as well as technical assessment under single point registration scheme of NSIC are also provided.

This year the division has considerably enhanced its business with Indian Railway production units, DFCCIL, COFMOW, Railway Electrification, RVNL,



Trainsets being exported to Sri Lanka



Inspection of DMU Coach Battery Box

IRCON, Indian Railway Station Development Corporation Ltd etc.

In addition, the division is associated with almost all Metro projects under construction and other major infrastructure projects across India. Division is also associated with prestigious non railway clients like TATA, L&T, GMR, Dilip Buildcon, JSPL, KPTL, KEC etc., besides working for reputed Non-Railway clients in Government sector like, Rourkela Steel Plant, Durgapur Steel Plant, Bhilai Steel Plant, BHEL, oil PSUs, NTPC, State PHEDs, State Electricity boards/Utilities, Smart city projects, State rural and Urban development projects etc. This division is also associated with SAIL for providing Third party inspection services for inspection of long products at their conversion and wet leasing agents across India.

The division also carries out inspection of Rails, Plant and Machinery, Wheel sets, Wheel and Axle, Springs and other components of rolling stock in India as well as abroad. Third party inspection work abroad for various items was conducted in Japan, China, USA, Spain, Switzerland, Italy, Finland, Germany, France etc., for Indian Railways and wagon manufacturers.

Bhilai unit of division is the only unit in India having expertise in Rail inspection. All the rails procured by Indian Railways are inspected by this unit at Bhilai Steel Plant and Jindal Steel and Power Plant at Raigarh. More than 9 lakh MT of rails were inspected by Bhilai unit this year. This unit also has expertise in inspection of head hardened rails used for DFCCIL and metro projects.

The RITES QA Division is having ISO: 17020 certifications, a specialized certification relating to conformance criteria of Inspection bodies accorded

by NABCB. QA Division laboratories in Eastern and Western Region are accredited and conforming to rigorous ISO/IEC17025 requirements by NABCB.

RITES experts are also part of various Standards Formulation committees of Bureau of Indian Standards to share its expertise for constant up gradation of national standards, thereby enhancing its contribution to quality movement.

MATERIALS SYSTEM MANAGEMENT UNIT

The unit has been providing comprehensive Procurement, Logistics and Supply Chain Management Services in compliance with the International Best Practices, Guidelines & Procedures of International Funding Organisations (IFOs) and GFR of Govt. of India. The Core Competence of the Unit is to perform a wide range of services in various fields of Materials Management, Supply Chain Management and use of state-of-art technology and resources.

Ongoing projects unit include procurement for NAHEP (National Agriculture Higher Education Project), ICAR funded by World Bank, Procurement of goods and services for Legal Metrology for Ministry of Consumer Affairs Food and Public Distribution, Department of Consumer Affairs, Govt. of India; procurement of drugs and medical equipments and associated services for National AIDS Control Organization (NACO), Deptt. of AIDS Control Project, Ministry of Health & Family Welfare (MOH&FW), Govt. of India; RITES in association with CRIS has been empanelled with Directorate General of Hydrocarbons (DGH), Ministry of Petroleum and Natural Gas in December 2020, to independently carryout auctions through Electronic platform for the price discovery of natural gas produced in India.

TECHNICAL SERVICES DIVISION

This division provides consultancy services for design and development of rolling stock, wet leasing of locomotives, operation and maintenance services of railway sidings for various clients in the power, steel, mining, cement and port sector, consultancy & turnkey solution for setting up of / modernization of Railway workshops and other industrial units and consultancy services for passenger and material ropeways. Division has three strategic business units namely rolling stock design unit, railway equipment services unit, and workshop & ropeway unit.

ROLLING STOCK DESIGN UNIT

Rolling Stock Design (RSD) is the design and development wing of RITES for Mechanical Engineering that provides complete solutions in Rolling Stock Design and Development. It also handles technically complex turnkey projects.

The spectrum of services offered by RSD includes Design & development of new wagons, Design Optimization, Finite Element Modeling and Analysis, Field testing, Total Project Management, Pre and Post Manufacture Technical Support, Detailed Project Report & Technical Studies, Occupant Protection and Crash Simulation Studies, Technically complex R&D Facilities and Turnkey Projects.

Projects undertaken include Design of longer container flat wagon, Design of Food grain Wagon, Design of 20-axle special wagon for carrying 250 tonne transformer, Design of 24 axle special wagon for boiler drums transportation, Setting up Fatigue Testing Laboratory at BEML, Bangalore and fatigue testing of DMRC Bogie Frames, Design of High Capacity High Speed Milk Tank Van, Design, development, simulation and testing of crashworthy coach for Indian Railways, Setting up of Wheel Design, Development and Testing Centre at Rail Wheel Factory, Bangalore, installation and commissioning of Diesel Powered High Speed 200 KMPH SPART (Self Propelled Accident Relief Train), Setting up of Waste to Energy Pilot plants for Indian Railways, DPR for conversion of existing IR Freight Yards to SMART Yards, Study on reduction of pit-line examination time of trains, Study for improvement in freight train examination practices over Indian Railways and Study of Emissions from diesel locomotives and setting up of emission standards.

BEML has developed bogie frames for metro coaches for Mumbai Metropolitan Region Development Authority (MMRDA) and has engaged RITES for overseeing, witnessing and certifying the type tests being conducted on bogie frame. Design of a new light weight under frame for narrow gauge coaches for Kangra Valley Railway is also in progress. Besides this, designing of a new Covered Hopper Wagon for bulk transportation of coal is also in the initial design stage. This environmentally friendly wagon design shall have loading from the top with hatch covers facilities and unloading through AAR standard bottom discharge gates.

WORKSHOP & ROPEWAY UNIT

The unit provides consultancy services from concept to commissioning for setting up of / modernization of Railway workshops and other industrial units ranging from preparation of techno-economic feasibility reports, detailed project reports to turnkey execution including Civil, Electrical and Mechanical works. The unit also provides consultancy services for passenger and material ropeways and funicular railway systems. During the year, the unit provided technical consultancy services for Plant, Machinery & Automation Technology to ALIMCO, Incentive study at Guntupalli & Tirupati, Technical audit of Jivdani Funicular Ropeway. The unit has also completed a turnkey contract for setting up of Wagon POH facilities at Bikaner workshop, NWR

This unit is also undertaking turnkey contracts of Augmentation of wagon POH facilities at Kurduwadi workshop/ CR; Setting up of facilities for refurbishment of LHB coaches at New Bongaigaon/ NFR; Freight train maintenance facility with routine overhauling facility for Freight Wagon at Sarla/ ECoR; Provision of Diesel electric multiple unit/ Mail Line electric unit shed at Lumding/ NFR; PMC for Supply and Commissioning of M&P at Ahmadabad for FBW, Bridge Workshop and CPOH Vatva with NHSRCL, Modernization of workshop to enhance POH capacity from 75 to 100 coaches per month in Carriage workshop, Jodhpur/ NWR and setting up of Wagon POH factory at Dalmianagar/ ECR. The unit is also undertaking the works of PSUs like NTPC for supply and commissioning of various M&Ps.

During the year, the ropeway unit has commissioned Jammu Ropeway (Section -2) and Material ropeway at Katra. These ropeways have been opened for commercial use and ropeway projects at Rajgir & Banka (Bihar) are also commissioned.

RAILWAY EQUIPMENT SERVICES UNIT

This unit is a leading Railway Equipment service provider for non-railway customers in power, steel, mining, cement and port sectors. Railway Equipment Service is a complete one-stop solution for Operation & Maintenance of Diesel Locomotives, Wagons, Railway track, Rehabilitation of Railway Assets and studies pertaining to operation & maintenance for improving efficiency and productivity. The division owns 63 locomotives which are operating on wet lease basis at Major Ports (Adani-Dhamra,



RITES locomotive commissioned at Paradip Trust Port

Visakhapatnam, Paradip, Mumbai, Kolkata etc), Steel Plants (Bhilai, Rourkela, Burnpur, Tata Steel-Kalinganagar etc.) and other sectors.

This unit is maintaining over 130 Diesel Locomotives and 1500 Wagons owned by NTPC, SAIL etc. It has also taken up Higher Schedule Maintenance / Repair / Modification of diesel locomotives of NRCs both at client premises as well as at railway workshops.

List of clients of major contracts secured/renewed during the current financial year are: Ports; Mormugaon, Visakhapatnam, Paradeep, Gopalpur, Steel; SAIL Bhilai, SAIL Rourkela, TATA Steels, Uttam Value Steels, RINL-Visakhapatnam; Mines-SAIL, Bolani, SAIL Gua mines etc. DFCC-L&T ECC, TATA ALDESA, CONCOR, Fertilizer;- RCFL Mumbai, Power Plants-NTPCs (Talcher, Farakka, Kahalgaon, Mouda, Singrauli, Korba, Rihand, Tanda, Khargone, Sipat, Lara, Dharlipali etc.).

In the new area of business, the unit has taken up the work of conversion of 380 nos. ICF coaches to NMG coaches. NMG coaches are used to carry automobiles from manufacturers' production sites to various parts of the country.

FINANCIAL SERVICES DIVISION

Privatization and Concessions Unit and Information Technology Unit are covered under this division.

PRIVATISATION AND CONCESSIONS UNIT

The unit provides Transaction Advisory services for various Public Private Partnership projects in Infrastructure sector, Project Appraisal for

Investment, Legal Advisory for Institutional framework, and Procurement contracts.

During the year, the unit secured assignments of Ministry of Railways with respect to monetization of DFFCIL assets, formation of a Rail Regulatory Authority, besides enhancement of scope of work in assignment for Corporatization of the Production Units of IR to cover other PUs. The unit also secured a contract from East Central Railways for undertaking transaction advisory work for proposed Ganga Bridge between Bikramshila and Katareah in Bihar.

In Railway sector, unit continued to provide end to end transaction advisory service to Ministry of Railways for its ambitious PPP in passenger train operations project which include engaging private operators to efficiently facilitate passenger services including operation of passenger trains and Advisory services for Corporatisation of Production Units of IR to bring in synergy and efficiency. The unit also provided advisory for preparation of revenue model for Gomoh-Dankuni section of DFC on PPP for DFCCIL and legal consultancy services for Diesel Locomotive Factory at Marhowra (Bihar) and Electric Locomotive Factory at Madhepura (Bihar).

In other sectors, the unit is currently undertaking assignment for providing Advisory Services for selection of service provider for bulk movement of food grains for FCI, Financial and transaction advisory to Noida Authority for its Heliport project and Transaction Advisory services for Western Dock development at Paradip Port to allow cape size vessels.

The unit continued to provide consultancy services to various clients/ in-house units for infrastructure sectors such as ports, urban infra, urban transport.

INFORMATION TECHNOLOGY UNIT

The Information Technology unit offers consultancy services to Railway, Non-Railway Government and Public Sector organizations in the field of Web based technologies, Feasibility study, System Analysis, System Design, Software Development, Implementation support, Identification of Hardware & System Software requirements, user training and software conversion/porting of Computerized Commercial Applications particularly in the areas of Company Accounting, Payroll, Material Management, Workshop Management, etc. The unit has developed Rolling Stock portal for Indian Railways and providing annual maintenance support

for various application software developed for clients like Ministry of Railways, IRCON, Govt. of Tripura, etc.

RITES has its own state-of-the-art data centre equipped with high-end blade servers, network equipment, modern surveillance system, fire detection, fire suppression etc. To secure the data a Disaster Recovery facility for its state of art SAP data center has been established. The unit also supports the in-house needs of RITES by providing services for software development, hardware procurement, Access to internet and corporate e-mail services, etc. RITES has successfully implemented Government e-Procurement System of NIC (GePNIC) under Central Public Procurement Portal (CPPP). RITES has also acquired the Information security Management system (ISMS) 27001 certification for IT Security and IT Processes.

An e-invoicing process has been developed in accordance with GST guidelines of GOI for online generation of IRN number and QR Code. To streamline the usage of computers, IT unit is in the process of implementing Active Directory (AD). It will help in network administrator in creating and managing domains, users, and objects within a network.

HUMAN RESOURCE DEVELOPMENT

Being a premier consulting organization, the Company is constantly enhancing its knowledge and professional pool by regularly inducting the desired professionals. The Human Resource Department is committed to achieving deliverables in terms of talent acquisition & retention, employee engagement, career progression, welfare and development of the human capital.

EMPLOYEES STRENGTH & ITS ATTRITION

The Company takes pride in its highly motivated and competent human resource and its contribution. The total employee strength of the company stood at 2970 as on March 31, 2021.

Employee strength as on 31.03.2021	
Regular	1,919
Contractual	694
Experts	174
On Deputation	132
Consultants	51
Total	2,970

The company is having progressive HR policies, which are helping it in employee retention and reduction of attrition. The attrition rate during current year has been reduced and stood at 1.65% in comparison to 2.17% during last year.

Attrition rate of regular employees	
Year	Rate
2017-18	3.28%
2018-19	2.32%
2019-20	2.17%
2020-21	1.65%

EMPLOYEE PRODUCTIVITY

There has been a steady growth in the employee productivity over the past decade. The total income of the company for FY2020-21 is ₹ 1947 crore. The overall income per employee for FY2020-21 stood at ₹ 0.65 crore as compared to ₹ 0.83 crore in FY2019-20.

RECRUITMENT

To maintain its competitive advantage, RITES is determined to induct the best and talented manpower across the hierarchy through various modes viz. fresh Graduate Engineer and Management Trainees, Experienced staff, deputation, absorption, hiring of retired staff and staff on third-party pay roll.

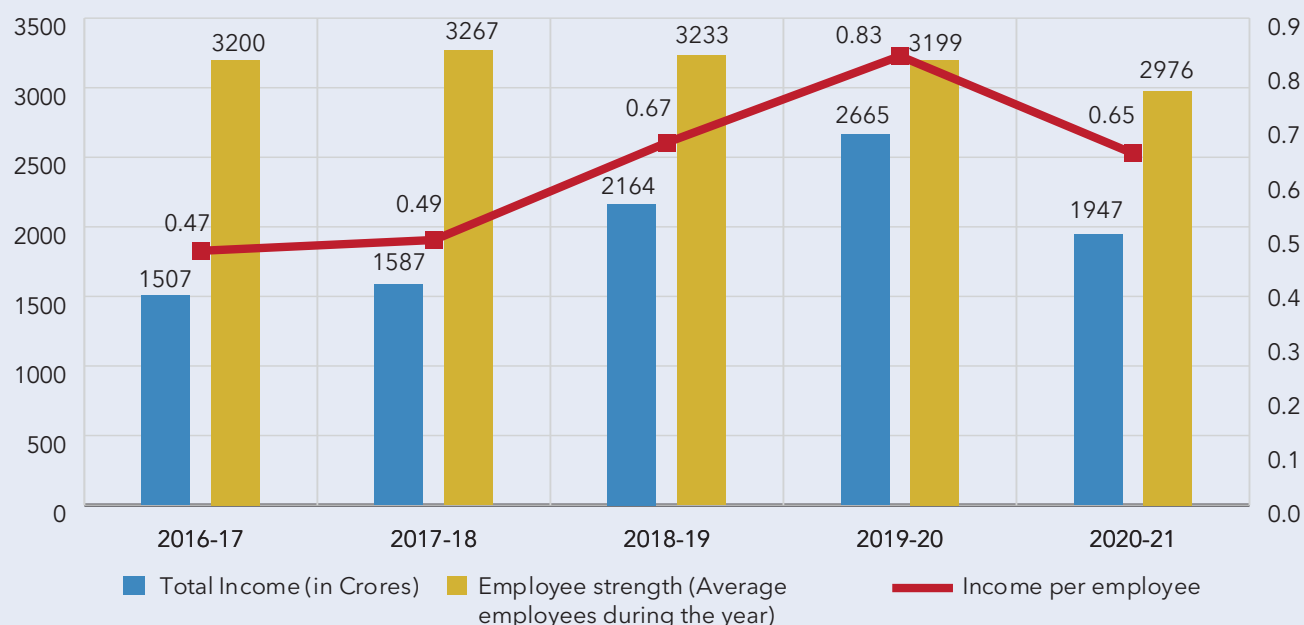
The company has adopted best practices for providing equal opportunities and harmonious environment for advancement of SC, ST, OBC, Minorities and Women employees. Its recruitment policies indicate the forward-looking approach of the management with a strong emphasis on becoming "Equal Opportunity Employer".

During the financial year 2020-21, RITES inducted 104 employees (84 regular and 20 contractual) of which 54 belong to the SC/ST/OBC/EWS category. Further, two PWD candidates were also inducted during the same period.

Selection for employment from contractual employees in the executive cadre was also finalized during the year in which 43 contract staff were selected on the regular basis.

As a means to improve the efficiency of recruitment processes, we have initiated recruitment of 170

INCOME PER EMPLOYEE TREND



contract engineers in civil, electrical and mechanical disciplines by consolidating the company-wise requirements to take care of manpower needs for the next 1-2 years. Additionally, the recruitment of 120 regular positions has also been approved.

CAREER PROGRESSION

RITES' Promotion & Transfer Policy has been framed to provide adequate avenues of career advancement at all levels consistent with merit, suitability, performance & professional attainments of the employees. It is also commensurate with the business needs of the Company to sustain in the competitive environment.

The promotion process was conducted for more than 500 eligible candidates from across all disciplines, levels & regions and 275 employees (executive & non-executive staff) were promoted in FY 2020-21.

Based on the project requirements and compliance with the job rotation policy for sensitive posts, around 350 employees have been transferred and posted across SBUs and locations during the year.

TRAINING AND DEVELOPMENT

Training and Development is a high focus area, RITES continued to emphasize developing its human capital. To ensure continual learning and keep its employees motivated, engaged during lockdown between April-June, RITES organized various online

training programmes and webinars on technical and work-related topics, leveraging internal and outside expertise. Extensive trainings were conducted for employees across RITES offices to ensure employee readiness and flawless adoption of e-Office. Giving priority to employee wellbeing in the testing times, sessions on yoga, Covid protocols, meditation, health talks, and personal financial management were also organized.

Also, employees were nominated to e-training programs / conferences / workshops conducted by various prestigious institutions such as IITs, IIMs, Central Railway institutes, IAHE, CRRI, ESCI etc. Customized programs were conducted on leadership and strategy to develop future leaders.

SUCCESSION PLANNING

The Company believes in consistently improving its systems and processes to attract, motivate and nurture talent. A Succession Plan for middle and senior management level positions was updated for implementation. The Company had assessed its HR processes and practices against the People Capability Maturity Model (PCMM) framework, a global framework developed by CMMI and upgraded itself for further achieving improving to the PCMM Level 3.

PERFORMANCE MANAGEMENT SYSTEM

RITES carries out a performance management process through an online PMS tool called E-PMS.

The robust and transparent system collates performance data of all regular employees across levels and facilitates the timely completion of the processes by involving system checks. In the year 2019-20, more than 1,900 APARs have been completed through this process. Similarly, Annual Property Returns were also filled by employees through the online system. The digitalization of these activities has not only benefitted the end user, but also expedited the overall functioning.

The PMS system captures the component of individual performance of the employee which along with company performance and team performance helps in the finalization of Performance Related Pay (PRP).

USE OF E-OFFICE/IT TOOLS

To maintain business continuity and enable the staff to work from home, the HR Department has taken a leap forward to keeping records in digitized format and implementing e-office for day-to-day operations. Extensive trainings were conducted for employees across RITES offices to ensure employee readiness and flawless adoption. It enabled the office to function smoothly during Covid-induced lockdown. For day-to-day working, e-files have been in use through e-Office across various departments of RITES. Further, to encourage the progressive use of Hindi in office functioning, the e-office system has been made functional bilingually. All noting, typing and other functions of the e-office can be performed in Hindi as well.

HR functions such as Employee Records, Leave Records, Performance Management System (PMS), Annual Property Returns, Employee Engagement, etc. have also been put in an e-format, thereby reducing paper use, bringing transparency and efficiency, and improving quality. More than 650

such files have been scanned and maintained since April 2020. The policies and programmes are communicated to employees through the Employee Self-Service portal and various social media modes.

EMPLOYEE ENGAGEMENT

Employees have been given an opportunity to be part of decision making on issues such as service conditions, resolving grievances and improving productivity by setting up the consultative council called CONCERT. The council comprises elected and nominated representatives of all sections of employees for continuous communication. Periodic meetings are being held to achieve these objectives.

Also, to recognize exceptional performance, periodic awards and recognition are given to employees (individual as well as group).

EMPLOYEE WELFARE

During the service, employees have been granted perks, allowances, and facilities in terms of monetary and non-monetary benefits such as transportation, housing, leased accommodation, subsidized food and medical insurance etc. The primary objective is to enhance their quality of life.

Apart from incorporating the statutory benefits, additional benefits have been incorporated in the policies such as personal healthcare (regular medical check-ups), reimbursement of prolonged treatment expenses, availability of allopathic, ayurvedic, homeopathic doctors and facility of alternative therapy, recreational activities like gym facility, provision of free tea/coffee through vending machines, and merit scholarship cash awards to wards of employees for education and for pursuing higher education etc.

In the battle against Covid 19, RITES has taken



RITES senior officials at the inauguration of Conference Hall at ROC-I



RITES housekeeping & maintenance personnel in PPE kits

various preventive measures on its own and rigorously complied with all government and administrative directives and guidelines of World Health Organization. To ease and facilitate the employees' well-being, provision for reimbursing expenses related to purchase of masks & sanitizers and Covid test/ vaccination has been incorporated. Also, frontline staff and housekeeping & maintenance personnel have been provided PPE kits and sensitized about precautions to be taken while at work and elsewhere.

The buffer amount in the Mediclaim insurance policy has been increased for both serving as well as retiring employees. To look after needs of the retired employees, a dedicated PRMS cell has been formed.

WOMEN EMPOWERMENT

The Company has adopted best practices to ensure equal opportunity and provide a harmonious environment for the advancement of women employees and it is committed to driving positive change for them at the workplace and beyond. As a result, many decisions and initiatives have been taken to ensure fair participation and representation at all forums and to create an environment where women feel stronger, confident, and empowered to take decisions.

International Women's Day (March 8) is celebrated in RITES every year celebrating women's contributions to society and raising awareness about the fight for gender parity. This year, a virtual programme was held to mark the day which was duly represented by top management also. They emphasized on benefits of having diverse representation at the workplace towards fostering creativity & innovation and fueling continuous growth.

A committee for Prevention of Sexual Harassment at Workplace (POSH) is in place to provide a secure working environment to the women workforce. Also, a distress helpline number and an e-mail ID for registering concerns are available. For sensitizing and creating awareness among employees on the issue, regular trainings are conducted on work ethics, code of conduct, POSH, workplace safety etc.

GRIEVANCE REDRESSAL

A Centralized Complaint Cell has been functioning for registration, monitoring & disposal of grievances raised by staff, ex-employees and public. The

employees can raise grievances online through the Employee Self Service (ESS) Portal. Any member of public or ex-Employee of the Company can also submit their complaint through the company website.

WHISTLEBLOWER POLICY

RITES has a separate and well-structured Vigilance Department, which deals with frauds or suspected malpractices involving employees, contractors, suppliers, consultants, service providers or those doing business with the company. Besides, a whistleblower and fraud prevention policy are also in practice to monitor and rein-in unethical activities.

CONTRIBUTION TO GOVT. OF INDIA INITIATIVES

The Company has always been proactively supporting initiatives of the Government of India such as Skill India, Swachh Bharat Mission, Startup India, Make in India, including MSMEs, Digital India, promotion of Solar Ecosystem by formulating its business or governance objectives in line with the government plans.

ENVIRONMENT PROTECTION & ENERGY CONVERSATION

All company offices across the country maintain environment-friendly work processes and sustainability, providing clean, safe, and healthy working conditions to its employees. The company follows all conventional and technological methods to conserve energy and resources and reduce waste generation. It has installed sewage plants solar plants and rain harvesting system on its offices. The launch of e-office is also in line with the company's commitment to reduce carbon footprints.

PROMOTING MSMEs

During the year, the Company procured goods worth ₹ 42.66 crore from Micro, Small and Medium Enterprises (MSMEs), including those belonging to SC/ST and women categories.

Being a Central Public Sector Enterprise, the Company procurement policies and practices are guided by the government policies and practices. These are based on transparent procurement mechanisms, which promote procurement from technically competent suppliers.

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN)	L74899DL1974GOI007227		
2.	Name	RITES Limited		
3.	Registered address	SCOPE Minar, Laxmi Nagar, Delhi - 110092		
4.	Website	www.rites.com		
5.	E-mail id	info@rites.com		
6.	Financial Year reported	2020-21		
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):			
	Group	Class	Sub Class	Description
	711	7110	71100	Design, engineering consultancy and project management for transport infrastructure sector with focus on railways, urban transport, roads and highways, ports, including land ports, inland waterways, airports etc.
	773	7730	77305	Leasing, export, maintenance and rehabilitation of locomotives and other railway rolling stock, including manufacturing of wagons.
	331	3315	33150	
	NA	NA	NA	Turnkey projects for railway workshops, track doubling /tripling/ quadruplicating, new/additional railway line, railway electrification, redevelopment of railway stations, institutional buildings, and wind, solar & other renewable energy projects with or without equity participation.
8.	List three key products/ services that the Company manufactures/provides (as in balance sheet):			
	i) Design, engineering consultancy and project management services for transport infrastructure sector with focus on railways, urban transport, roads & highways, ports, including land ports, inland waterways, airports etc.			
	ii) Leasing, export, maintenance and rehabilitation of locomotives and other railway rolling stock.			
	iii) Turnkey projects for railway workshops, track doubling/tripling/quadruplicating, new/additional railway line, railway electrification and redevelopment of railway stations, institutional buildings, wind, solar and other renewable energy projects.			
9.	Total number of locations where business activity is undertaken by the Company:			
	a) The Company has business activities spread across the length and breadth of the country. With Corporate Office at Gurugram and Regional Inspection and Project offices at Delhi, Raigarh, Mumbai, Kolkata, Chennai, Ahmedabad, Bhubaneswar, Lucknow, Ranchi, Nagpur, Secunderabad, Bengaluru and Bhilai.			
	b) Subsidiaries and Associates: Details of subsidiaries and Associates are provided at Annexure II to the Board's Reports.			
	c) Number of International Locations: RITES subsidiary RITES Afrika Pvt Ltd. is located in Botswana. Besides, for O&M and other project purposes, RITES has deployed its teams in Bangladesh, Mauritius, Mozambique, Sri Lanka, and Nepal.			

10. Markets served by the Company - Local/ State/ National/International

RITES provides engineering consultancy for railways, highways, ropeways, ports & airports and in the related areas all over the country. In the past, RITES has provided these services in over 55 countries in South East Asia, Africa, Latin/ South America, Middle East and SAARC Region.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital	₹ 240.30 crore
2.	Revenue from Operations	₹ 1797.39 crore
3.	Profit After Tax	₹ 424.35 crore
4.	Total Spending on (CSR) as percentage of PAT (as per Section 135 of the Company Act, 2013)	2%
5.	List of CSR activities in which expenditure in 4 above has been incurred: Details are indicated in the Directors' Report in the Annual Report.	

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/Companies:
Yes, please refer to **Annexure II** of the Directors' Report.
- 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):
Yes, the BR initiatives of RITES Ltd generally apply to its subsidiaries also.
- 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%]

The BR initiative of the Company has the cooperation of all its stakeholders, including various Ministries, Departments of State and Central Government, State and Central PSUs in their capacity as our clients, employees, vendors, and the local populace. However, it is difficult to establish the extent their support helps in facilitating the BR initiatives of the Company.

SECTION D: BR INFORMATION

- Details of Director/ Directors responsible for BR
 - Details of the Director/Director responsible for implementation of the BR policy/ policies
 - DIN Number : 08241385
 - Name : Shri Gopal Sureshkumar Varadarajan
 - Designation : Director (Projects)
 - Details of the BR head

No.	Particulars	Details
1.	DIN Number (if applicable)	Not Applicable
2.	Name	Shri Ved Parkash
3.	Designation	Executive Director (Corporate Services)
4.	Telephone number	+91 124 2571673
5.	e-mail id	vedprakash@rites.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Yes/ No)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
		P1: Code of conduct, Board Charter, Whistleblower Policy, Policy on Related Party Transactions, Code on Prevention of Insider Trading, Policy on determination of materiality for disclosure of events, Fraud Prevention Policy, Schedule of Powers, H R Manual, Construction Project Management Guidelines, Finance Manual. P2: Quality Policy. P3: HR Policies, including for welfare measures. P4: Corporate Social Responsibility and Sustainable Development Policy, Communication Policy for Stakeholders' Engagement. P5: CDA Rules, Internal Human Resources Policies. P6: Risk Management Policy, Policy on Preservation of Documents. P7: Influencing public and regulatory policy in responsible manner. P8: CSR Policy, Policy on Distribution of Dividends. P9: Value to the customer.								
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? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies of the Company have been formulated conforming to applicable statutes/ guidelines/ rules/ policies etc. issued by the Government of India. These policies were formulated keeping in view industry practices and standards.								
4	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Policies of the Company have been approved by the Board / Competent Authorities as per Delegated Powers.								
5	Does the Company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://rites.com								
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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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?	Policies of the Company as such are not audited, however People Maturity & Project Management Model was audited by an external agency. Also, quality & financial – internal & external audits, ISO audit, and vigilance & CVC audits are carried out regularly. Policies have been amended from time to time as per Govt guidelines/regulatory/ business/environmental requirements.								

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	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	Not Applicable								
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

- (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.**

Various principles of BR performance are integral to the day-to-day operations of the Company and the same are reviewed by the Board/ Board-level Committee(s) on quarterly basis as an integral item of business.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

As company got listed in 2018-19, this is the third report on Business Responsibility. The BR performance of the company will be part of the Annual Report. Annual Report is uploaded on the RITES website www.rites.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

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?

All the policies relating to ethics, bribery and corruption are “inclusive” and cover Company as well as its employees and all other external stakeholders.

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.

The Company is the pioneer organization in introducing the Integrity Pact (IP) in India. The mechanism of monitoring IP through two Independent External Monitors (IEMs) has considerably reduced the time for resolution of representation/ issues coming up during tender processing and has met the objectives set by Transparency International (India).

Representations from bidders/contractors as well as opinion sought by the Company against various tenders are referred to the IEMs. The bidders can also directly write to the IEMs. They discuss the issues with the executives concerned and bidders’ representatives wherever necessary and give their opinion through a speaking order.

The Company has also put in place a “Stakeholders Relationship Committee”. The Committee specifically looks into redressing Shareholders’ and Investors’ complaints pertaining to transmission of shares, non-receipt of annual report, dividend payments, issue of duplicate share certificates and other miscellaneous complaints, etc. The Company has also put in place shareholders’ service standards, which define service-level standards for shareholders’ requests/complaints.

- **Number of complaints received during April 2020 to March 2021 from Vendors/Contractors: NIL, since then resolved.**
- All representations were forwarded to IEMs who promptly gave their opinion in all cases for further action.
- **Number of complaints received from investors during 2020-21:** The total number of complaints received and replied/attended to the satisfaction of the shareholders was 105. The number of grievances pending at SCORES Platform on March 31, 2021 was Nil.

PRINCIPLE 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

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

a. Railway project:

RITES is carrying out a project for National High Speed Rail Corporation Limited (NHSRCL) titled as “Establishment & Maintenance of CORS network for Mumbai-Ahmedabad High Speed Rail project”. Latest survey equipment and technology that is new to Indian market is being used in the project, which will deliver the sub-centimeter accuracy in real time for accurate and fast construction activities.

This project has very less to zero environmental impact and has positive social impact as small portion of properties will be taken on lease which will be the source of additional income to 60 property owners and approximately 100 people will be employed for this project for a period of about 6 years.

There were three milestones viz. Establishment, Maintenance and Handover of the CORS network. RITES has floated the tender for procurement and establishment of the CORS network.

b. Metro project:

The DPR studies carried out by the Urban Infrastructure (UI) Division have social and environmental considerations. Be it alignment planning, system selection, station planning and operation planning, the objective is to have minimal disturbance to the environment and society. Mitigation measures to counter the negative impact, environmental management and monitoring plans are essential components of the DPR. The costs associated with these measures are included in the project cost so that these measures are implemented along with the project. In 2020-2021, the UT SBU carried out various DPR studies such as DPR for rail-based transit systems for Gurgaon, Jammu, Srinagar, Thane Phase-II, Pimpri Chinchwad, Bangalore Phase-III, Patna, Coimbatore, Nashik, and Gorakhpur.

RITES has been associated with detailed Environmental and Social Impact Assessment Studies at the project implementation stage for the Kanpur Metro Rail Project Phase-I, Surat Metro Rail Project Phase-I and Ahmedabad Phase II.

For Kanpur, the Environmental and Social Impact Assessment Studies have been carried as per the Government of India and European Investment Bank (EIB) guidelines whereas for Surat & Ahmedabad Metro, these studies were carried out as per Agence Française de Développement (AFD) and Kreditanstalt für Wiederaufbau (KfW) guidelines.

Besides, EIA/SIA studies have been carried out for enhancing passenger amenities at 19 suburban stations and upgrading existing signaling systems to CBTC of Mumbai suburban Rail network, and tunnels in Ladakh and Odisha.

The impact of these infrastructure projects was assessed based on secondary data, field studies and on-site public and stakeholders' consultations.

The major negative effects due to these projects are loss of trees, noise & vibration, water & energy consumption, loss of land, loss of livelihood, displacement of people etc. And the major positive effects are employment opportunities, benefits to economy, reduction in road traffic, fuel consumption & GHG emissions, and improvement in quality of life etc.

Mitigation measures to counter the negative impact, environment management and monitoring program, Resettlement Action Plan (RAP), Gender Action Plan (GAP) and Stakeholder Engagement Plan (SEP) were proposed in line with guidelines of respective International Financial Institutions (IFIs).

c. Highway project:

1. RITES has been entrusted with consultancy services for Project Management, including preparation of Feasibility/Detailed Project Report, for Dwarka-Khambhaliya-Devariya and Dhrol-Amron-Maliya road section (NHISIA) in Gujarat for upgradation to two/four lane with paved shoulder NH configuration under the Bharatmala Project; Road Length 173km.
2. RITES has been entrusted with consultancy services for the preparation of Detailed Project Report for development of Economic Corridors, Inter Corridors and Feeder Routes to improve the efficiency of freight movement under the Bharatmala Scheme in Haryana (Lot-2/Haryana/Package-1) - Total length 421 km.

The preparation of Feasibility/DPR includes EIA (Environmental Impact Assessment)/EMP (Environmental Management Plan) and SIA (Social Impact Assessment)/RAP (Resettlement Action Plan) report as per the requirement of Government of India guidelines for the projects in India. The major environmental and social impacts are covered for green field alignments, bypasses, realignments and widening and strengthening of roads. Due consideration to safety of road user, environmental friendly and least risks to affected owners has been emphasized.

The environment-friendly with sound engineering approach having minimal ecological disturbance is designed for construction, green/brown field road projects, which may require felling of trees and diversion of cultivated/habitat land. These are identified with District Administration for compensatory afforestation as per MoEF Guidelines. The partly affected residential and/or commercial structure census and socio-economic survey is conducted and the Land Plan Schedule, along with R&R plans, is prepared. Public consultations are carried out for alignments with stakeholders such as public representatives (Member of Parliament and Member of Legislative Assembly and village panchayat), Public Works Departments, Utility Departments, Irrigation Departments, Ministry of Defence, Forest Departments, project-affected persons, etc.

RITES reports/studies provided various alternatives analysis for minimizing the impact. The proposed alignment corridor has been studied in detail to avoid wildlife sanctuaries; water bodies and protected/reserve forests, if any, to protect/restore ecological imbalance, if any. The implementation of the EMP (Environment Impact Assessment) & RAP (Resettlement Action Plan) is the responsibility of the client/supervising consultant of project.

d. Airport & ICP projects

Design consultancy services for green field and brown field airport projects have been rendered, wherein all-possible efforts have been made not only to mitigate the adverse environmental impact but to add sustainability to the projects. The design features included reduction in energy consumption and water demand by using energy efficient and smart fittings, treatment/reuse of waste water, harnessing solar power, using fly ash, using local construction material, soil conservation and enhancement of green cover etc. With the above, 4-star GRIHA rating has been planned for the Passenger Terminal Building project at Petrapole along the India-Bangladesh border. For the Srinagar airport terminal building project, 3-star GRIHA rating has been planned.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of production (optional):

- 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?**

The company is engaged in design, engineering consultancy and project management on behalf of our client in the transport infrastructure sector. So, this question is not applicable to it.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company has a well-documented Material Management Policy that helps in sourcing the requisites for operations and business activities in a steady, continuous and sustainable manner. The Company has policies of long-term contracts and rate-contracts to ensure that operations and business pursuits do not suffer owing to externalities.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes, the company procurement policy and practices are guided by the Government Policies and practices. These are based on transparent procurement mechanisms which promote procurement from technically competent suppliers. However, care is also taken for the interest of local suppliers and contractors within the frame-work of CVC's guidelines. For example, the Company has a policy to encourage MSMEs and those belonging to SC/ST and Women categories in line with various guidelines issued by the Ministry.

5. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company has always encouraged local suppliers to participate in its tendering process and also promote them through training and hand holding programs. Our continued pursuit in this direction has seen improved participation of small local players and socio-economic development of communities in and around operational locations. The Company has taken necessary steps for implementation of the public procurement policy for procurement from MSMEs. Necessary provisions have been incorporated in all tenders for materials and services. In general, 20% of the requirement has been reserved for eligible MSMEs in line with MSMEs guidelines in the supply and service tenders. The company has been extensively following the guidelines of Government on procurement through GeM and provisions are also made in tenders to promote "Make in India" directives of the Government of India.

6. 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.

The Company's main business relates to design, engineering and consultancy and there has been emphasis on paperless working. Accordingly, the Company has implemented e-office and SAP/ERP and most of the communication is through emails and other electronic means, however clients require reports and drawings in hard paper copy which are provided to them.

In our office complex, all norms of State Pollution Control Board for air, water and disposal of solid wastes are complied with. The sewage water is treated, recycled and used for irrigation of lawns. Similarly, cartridges are refilled from the original suppliers. The waste paper is recycled through NGOs and other stakeholders.

The buildings at RITES office complex in Gurugram have the rainwater harvesting system and have been provided with the solar power panels. Besides, solar power plants have been installed on the roof tops of Gurugram and Jodhpur Railway Stations under RITES CSR scheme. The RITES office complex at Sector 44, Gurugram, has been rated as 'GREHA Gold Standard Building'.

REMC Ltd, a subsidiary company of RITES, has successfully commissioned 26MW windmill in Jaisalmer and has implemented many power procurement agreements under 'open access' policy of the Electricity Act, 2003, resulting in substantial energy savings to Indian Railways.

As per Govt. of India policy, e-waste is given to the vendors approved by the government for recycling of these products.

PRINCIPLE 3: Businesses Should Promote the Wellbeing of all Employees.

1. Please indicate the total number of employees.

The total number of employees (as on March 31, 2021) is 2970. (Regular - 1919; Deputation - 132; Contract - 694; Experts - 174; Consultants - 51)

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

The total number of employees hired on temporary/contractual/casual basis is 694.

3. Please indicate the number of permanent women employees.

The number of permanent women employees is 179.

4. Please indicate the number of permanent employees with disabilities.

The number of permanent employees with disabilities is 23.

5. Do you have an employee association that is recognized by management?

Yes, the company has a participative employee association named as CONCERT. This body comprises the elected representatives of employees (up to manager level) and representatives nominated (up to Executive Director (ED) level) by the management, representing the managerial cadre. The Chairman

& Managing Director and the Director (Finance) are Patrons of the CONCERT, which participates in formulation, review and updation of HR policies.

6. What percentage of your permanent employees is members of this recognized employee association?

100%.All employees i.e. elected members up to the level of Manager and nominated members up to the level of Executive Director (ED).

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.

S. No	Category	No. of Complaints filed during the financial year	No. of complaints pending at the end of financial year
1.	Child labour/forced labour/ involuntary labour	0	0
2.	Sexual Harassment	1	1
3.	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

- (a) Permanent Employees: 55.65%(1068out of 1919)
- (b) Permanent Women Employees:60.33% (108 out of 179)
- (c) Casual/Temporary/Contractual Employees: 17.29% (120 out of 694)
- (d) Employees with Disabilities: 56.52% (13 out of 23)

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

1. Has the Company mapped its internal and external stakeholders?

Yes.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes. At RITES, the CSR initiatives are undertaken, keeping the stakeholders' perspectives in mind, through its comprehensive set of policies, practices and programmes that are integrated with its business operations. RITES has taken various steps to boost the welfare activities to empower marginalized sections through its CSR projects, which include eradicating hunger and poverty, promotion of education, employment, enhancing vocational skills, public health, environment etc., bearing in mind the local cultural context and needs of the people.

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.

The CSR initiatives of RITES cover CSR Projects/Programmes as listed in Schedule-VII of the Companies Act, within the geographical limits of India. The projects are selected with the aim to benefit marginalized, disadvantaged, poor and deprived sections of the community and the environment. While RITES has been engaged in serving the society through various welfare measures by adopting a more structured approach, the initiatives have been able to reach the bottom of the pyramid in its demographic strata

and touch the lives of marginalized sections of society in a positive manner. Many projects related to infrastructure development, education, healthcare & skill development have been undertaken in aspirational districts, mainly populated with such disadvantaged groups. The company complies with the core elements of its CSR policy by continuing commitment of business through ethical principles, taking care for the environment while improving the quality of life of all the stakeholders, including the local community at large.

PRINCIPLE 5: Businesses should respect and promote human rights.

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?

The company policies towards upholding the Human Rights are also applicable to subsidiary companies. However, for joint ventures and consortiums, policies are decided by the agreement of the partners.

2. How many stakeholder complaints have been received in the past financial year and what per cent was satisfactorily resolved by the management?

Please refer answer to part 2 of Principle 1.

PRINCIPLE 6: Business should respect, protect, and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ others.

The policies of the Company extend to its wholly owned subsidiaries in India. While forming the Joint Venture with other Companies, where RITES is the lead partner, other JV partners are perused on the tenets & premises of environmental commitment.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?

RITES is a consultancy organization and as such, addresses the requirements of environmental concerns, climate change, global warming etc., while preparing Detailed Project Reports by identifying the issues and the measures for its mitigations by the project authorities as per scope of work assigned to it.

3. Does the Company identify and assess potential environmental risks?

Yes. These are highlighted in the Detailed Project Reports submitted to the clients as per scope of work assigned to RITES.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so.

No.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.?

Yes. The buildings at RITES office complex in Gurugram have implemented the rainwater harvesting system and have been provided with the solar power panels. Besides, solar power plants have also been installed on the roof tops of Gurugram and Jodhpur Railway Stations under RITES CSR scheme. The RITES office complex at Sector 44, Gurugram, has been rated as 'GREHA Gold Standard Building'.

REMC Ltd., a subsidiary company of RITES, has successfully commissioned 26MW windmill in Jaisalmer and has implemented many power procurement agreements under 'open access' policy of the Electricity Act, 2003 resulting in substantial energy savings to Indian Railways.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?

Yes. The emissions & waste generated by the Company are within permissible limits. Annual Environment Compliance reports are submitted by the respective work units to respective State Pollution Control Boards. All the buildings/offices comply with environmental regulations. Procedures are in place for

storage, handling and disposal of hazardous chemicals and wastes as per data sheet of materials.

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:

None.

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

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes. The Company has association with a number of trade chambers and associations such as:

- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industries (CII)
- Standing Conference on Public Enterprises (SCOPE)
- Federation of Indian Export Organisation (FIEO)
- Engineering Export Promotion Council (EEPC), Ministry of Commerce, Govt. of India
- Consulting Engineers Association of India (CEAI)
- Projects Exports Promotion Council (PEPC)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The company always proposes constructive suggestions through SCOPE or other such institutions in areas of corporate governance, energy security, remuneration & wages, finances, taxation matters, pricing policies, sustainable development, corporate social responsibility and labour reforms that are beneficial to the Industry and society. Further, details are available on the Company's site www.rites.com.

PRINCIPLE 8: Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8?

RITES understands the developmental needs of economically weaker, differently abled and less privileged sections of society. It undertakes CSR initiatives through various projects having geographical locations in India, primarily in the aspirational districts of the country, by creating equitable opportunities for every section of society leading to a more inclusive growth. RITES has always been engaged in creating economic well-being through its CSR interventions, leading to sustained employment opportunities, particularly for the women, and improved standard of living. The company considers social development, which includes childhood development, access to good quality education, health care, improved infrastructure, skill enhancement etc., as an important aspect of its operations. It has aligned its thrust areas in line with the requirements of Schedule VII to the Companies Act, 2013. Besides DPRs, address issues of inclusive growth and equitable sustainable development.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The CSR projects or programs are aligned to national theme/directions from the Ministry of Railways/ DPE and accordingly projects are selected and implemented through executing agencies and progress is monitored by RITES in-house team to make sure that funds made available are properly utilized and project results in intended benefits to the targeted beneficiaries. The progress is reported to CSR Committee, headed by an independent Director.

3. Have you done any impact assessment of your initiative?

Yes. RITES has carried out two impact assessment studies through Indian Institute of Corporate Affairs (an independent agency) for the following projects:

- i). Construction of Hostel for Mewat Model Girls School at Khanpur Ghati, Nuh, Mewat, Haryana
- ii) Construction of Vocational-cum-Skill Development Training Centre in Udaipur, Rajasthan

4. What is your Company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken?

In the year 2020-21, the amount of total CSR spend is ₹ 13.41 crore.

Amount utilized for the annual theme of Health & Nutrition ₹ 11.03 crore.

Details of CSR Projects are given on Page Nos. 32-42 of the Annual Report.

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.

RITES endeavours to understand the stakeholder expectations through a structured engagement process and communication strategy and leverages this understanding for their betterment. As a part of the Project Management process, feedback is taken from the implementing agency with respect to milestones achieved and the overall impact created in society. Impact assessment has also been carried out for the projects after their gestation period. The emphasis during the project lifecycle is to create a participatory approach, instil self-reliance for the stakeholders and thus, take the community forward. Many of the projects have been covered by digital media, including Doordarshan, highlighting the overall benefits accrued to the community.

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

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year:

There are no customer complaints/consumer cases pending against the company as on the end of financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes. Please see RITES corporate brochure on www.rites.com.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year:

There are no case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Yes. The Company interacts on regular basis with its B2B customers with respect to quality and timely delivery of parameters within the project milestones. This kind of interaction with our partners ensures customer satisfaction. Concerns related to the product by any of our clients (comments on draft BBR) are addressed immediately. As a part of quality management system, regular feedback from clients is taken on various parameters and the client satisfaction index is measured and reviewed at the highest management level and discussed during the corporate management review for corrective action, if any. For 2020-21, the average Customer Satisfaction Index (CSI) was calculated as 96.46%.

Dividend Distribution Policy

PREAMBLE

The Shares of RITES Limited (the "Company") are listed on National Stock Exchange of India Limited, Mumbai and Bombay Stock Exchange Limited, Mumbai.

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 has inserted Regulation 43A w.e.f. 08th July, 2016 to the Securities and Exchange Board of India (LODR) Regulations, 2015. As per Regulation 43A, the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites. Considering the fact that the Company, as of 31st March 2019, is amongst the top 500 listed entities as per the criteria, the dividend distribution policy has been formulated.

The Board of Directors of the Company (the "Board") has approved the Dividend Distribution Policy of the Company (the "Policy") in its meeting held on 29th May, 2019.

OBJECTIVE

The objective of this Policy is to ensure a regular dividend income for the members and long term capital appreciation for all stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will refer to the Policy while declaring/recommending dividends on behalf of the Company. Through this Policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans, subject to the applicable laws and conditions.

The policy has been framed broadly in line with the provisions of the Companies Act, 2013 and also taking into consideration guidelines issued by other Regulatory Authorities, to the extent applicable.

STATUTORY AND GOVERNMENT GUIDELINES

The Board of the Company shall comply with the following statutory and government guidelines and requirements while taking decision of a dividend payout:

- Companies Act 2013 and rules & regulations there under ("Act").
- Guidelines or directives issued by Government of India.
- Any other law to the extent applicable.

The Company endeavours to declare dividend as per the guidelines issued by Department of Investment & Public Asset Management (DIPAM), Govt. of India from time to time.

FINANCIAL PARAMETERS

- Financial performance for the year.
- Distributable surplus available as per the "Act".
- Liquidity position.

Internal and External factors that would be considered for declaration of dividend

- Capital expenditure requirements considering expansion and other opportunities.
- Borrowing levels and the capacity to borrow.
- Cost and availability of alternative source of financing.
- Covenants of loan agreements.
- Macroeconomic and business conditions.
- Regulatory norms.
- Any other relevant factors that the board may deem fit to consider before declaring dividend.

Circumstances under which the shareholders of the company may or may not expect dividend

The company has been consistently paying out dividends to its shareholders and is expected to continue in future as well, unless the company is restrained to declare dividends due to financial and other internal and external factors as mentioned above. The company would aim to strike a balance

between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs.

UTILIZATION OF RETAINED EARNINGS

The Company's retained earnings shall be applied for:

- a. Capital and Revenue Expenditures for the growth of the business and operations of the Company.
- b. Issue of bonus shares or buy back of shares as per Government guidelines.
- c. Any other purpose which the board may consider appropriate.

MANNER AND TIMELINES FOR DIVIDEND PAYOUT

- a. Dividend for every financial year shall be decided by the Board considering various statutory requirements, financial performance of the company and other internal and external factors enumerated earlier in the policy.
- b. Interim dividend(s), if any, may be declared by the Board in addition to Final Dividend.
- c. Subject to applicable laws, the payment of interim dividend shall be made within 30 days from the date of approval by the Board to the shareholders entitled to receive dividend on the record date.

- d. Recommendation for final dividend, if any, shall be done by the Board usually in the Board meeting that considers and approves the annual financial statements, subject to approval of shareholders of the company.
- e. Subject to applicable laws, the payment of final dividend shall be made within 30 days from the date of approval by the members to the shareholders entitled to receive dividend on the record date.
- f. The payment of Interim Dividend shall be subject to subject to Shareholders' ratification.

PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

As on date, the Company has issued only one class of equity shares. All the members of the Company on the record date are entitled to receive the same amount of dividend declared per share. The policy shall be revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

OTHER PROVISIONS

The Board of Directors of the Company has approved the Dividend Distribution Policy of the Company.

The Board of Directors of the Company shall have the right to carry out any changes in the Policy, as it may deem appropriate.

Independent Auditor's Report

To the Members of RITES Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of RITES Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes to the Standalone Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements") in which are included the returns for the year ended on that date audited by the branch auditors of the company's branches located at Eastern, Western and Southern Region.

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, of the state of affairs of the Company as at March 31, 2021, the profit including other comprehensive income, statement of changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note no. 57(a) to the Standalone Financial Statements, which describes that the Company has evaluated possible impact that may result from COVID 19 pandemic on the carrying value of its assets and liabilities as at March 31, 2021. Based on the underlying data and current estimates, the Company does not expect any material impact on the carrying amount of these assets and liabilities.

Our opinion is not modified in respect of above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in respect of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard).</i> The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: - Evaluated the design of internal controls relating to implementation of the revenue accounting standard. - Selected a sample of contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of operation of these controls. - Selected a sample of contracts and performed the following procedures: - Read, analysed and identified the distinct performance obligations in these contracts.

Sr. No.	Key Audit Matter	Auditor's Response
	Refer Notes 1.2.1 and 51 to the Standalone Financial Statements.	- Compared these performance obligations with that identified and recorded by the Company. - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. - Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
2	Evaluation of uncertain tax positions The Company has disputed tax positions which involves significant judgment to determine the possible outcome of these disputes. Further the company has considered certain tax deductions based upon legal opinion Refer Note 47(b)(i)(III) and Note 53(c) to the Standalone Financial Statements.	Principal Audit Procedures Obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management and management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings and legal opinion obtained in evaluating management's position on these uncertain tax positions.

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

The Company's Board of Directors is responsible for the other information. The other information 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 our audit 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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current 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 Matters

- (a) We did not audit the financial statements of three branches included in the Standalone Financial Statements of the Company whose financial statements reflect total assets of ₹1641.85 crores at March 31, 2021 and the total revenue of ₹ 637.22 crores and profit before tax of ₹ 227.56 crores for the year ended on that date, as considered in the Standalone Financial Statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.
- (b) The Standalone Financial Statements include company's shares of total assets of ₹ 5.78 crores as at March 31, 2021 and company's share of total revenue of ₹ 3.52 crores and share of net profit after tax including other comprehensive income of ₹ 0.02 crores for the year ended March 31, 2021, in respect of six joint operations, whose financial statements have not been audited by us. The financial statements of these joint operation have been audited by the joint operations' auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of joint operations, is based solely on the report of such joint operations' auditors.
- (c) The Standalone Financial Statements include company's shares of total assets of ₹ 12.96 crores as at March 31, 2021 and Company's share of total revenue of ₹ 6.34 crores and share of net loss after tax including other comprehensive income of ₹ 0.001 crores for the year ended March 31, 2021, in respect of one joint operation, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the Standalone Financial Statements, in so far as it relates to the amount

and disclosures included in respect of the joint operations and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint operation is based only on such unaudited financial statements. In our opinion and according to information and explanations given to us by the Management these financial statements are not material to the group.

Our opinion is not modified in respect of above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of sub section (5) of section 143 of the Act, we give in the "Annexure II" a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
 - (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;
 - (d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in Equity, and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;
 - (e) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (f) In view of exemption given vide notification no. G.S.R 463(E) dated 5th June, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualifications of Directors, are not applicable to the Company;
 - (g) With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure III";
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note 47(b) to the Standalone Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
4. In our opinion and to the best of our information and according to the explanations given to us, provisions of Section 197 of the Act are not applicable to the company with respect to the managerial remuneration paid/provided during the year ended March 31, 2021.

For J.C. Bhalla & Co.
 Chartered Accountants
 Firm's Regn. No. 001111N



(Anshuman Mallick)
 Partner

Membership No. 547705
 UDIN: 21547705AAAAAY2324

Place: Gurugram
 Date : 16th June, 2021

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RITES LIMITED.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of all Fixed Assets.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds/ lease deeds of immovable properties are held in the name of the Company except 4 leasehold building where lease deeds are pending for execution (Refer Note 57(h) of the standalone financial statements) and one number freehold land the title deed of which is yet to be executed in the name of the company (Refer Note 57(i) of the standalone financial statements). Details of such properties are as under:

Lying under the head Property, Plant and Equipment (Refer Note 2 of the Standalone financial statements)

Sr. No.	Particulars	Gross Block as on 31.03.2021 (₹ in crores)	Net Block as on 31.03.2021 (₹ in crores)
1.	Plot of land at Gomti Nagar Extension Lucknow	4.22	4.22

Lying under the head Right of Use asset (Refer Note 4 of the Standalone financial statements)

Sr. No.	Particulars	Gross Block as on 31.03.2021 (₹ in crores)	Net Block as on 31.03.2021 (₹ in crores)
1.	Office Building at Central Metro Railway Building, 56, C.R Avenue, Kolkata (Leasehold)	1.32	1.10
2.	Physical Testing Laboratory at 52 A&B, C.R Avenue, Kolkata	0.46	0.37
3.	Office Building at DLF Cyber City, Bhubaneshwar	5.43	5.28
4.	Wazirpur Northern Railway Colony, Delhi	2.61	1.88

- (ii) As per the information and explanations given to us, physical verification of Inventory, other than in transit, has been carried out by the Management at reasonable intervals during the year and no material discrepancies were noticed on such physical verification of inventory.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, during the year, to any Companies, firms, limited liability partnership or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under during the year. Accordingly, clause (v) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of products sold and services rendered by the Company.

- (vii) (a) According to the information and explanations given to us and on the basis of our verification of records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods and Services Tax and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax which have not been deposited on account of any dispute are as under:

Name of the statute	Nature of dues	Amount Involved (₹ in crore)	Amount paid under protest (₹ in crore)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.21	0.56	A.Y. 2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1.87	Nil	A.Y. 2015-16	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2.18	2.18	A.Y. 2016-17	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	3.03	3.03	A.Y. 2017-18	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	4.79	Nil	A.Y. 2018-19	Assessing Officer
Income Tax Act, 1961	Income Tax	13.68	Nil	A.Y. 2019-20	Assessing Officer
APVAT	Arrears of sales Tax	0.71	0.71	01.04.2014 To 30.11.2015	Appellate Tribunal APVAT
West Bengal VAT	Value Added Tax	1.32	0.20	01.04.2015 To 31.03.2016	President, WBST Appellate-Revisional Board
West Bengal VAT	Value Added Tax	0.42	0.06	01.04.2016 To 31.03.2017	President, WBST Appellate-Revisional Board
Finance Act, 1994	Service Tax Penalty	0.41 0.41	0.04	01.09.2012 To 31.12.2016	Customs, Excise and service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Penalty	1.68 1.69	0.15	01.07.2012 To 31.03.2016	Customs, Excise and service Tax Appellate Tribunal

- (viii) According to the information and explanations given to us, the Company has not taken any loans or borrowing from financial institution, bank, government and has not issued any debentures. Accordingly, clause (viii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (ix) In our opinion and according to the information and explanation given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, clause (ix) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (x) During the course of our examination of the books of accounts and records carried out in accordance with the generally accepted auditing practices and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In view of exemption given vide notification no. G. S. R 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the Company. Accordingly, clause (xi) of paragraph 3 of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause (xiv) of paragraph 3 of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with any of the directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xvi) According to the information and explanations given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, Clause (xvi) of paragraph 3 of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

For J.C. Bhalla & Co.
Chartered Accountants
Firm's Regn. No. 001111N



(Anshuman Mallick)
Partner

Membership No. 547705
UDIN: 21547705AAAAAY2324

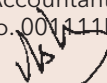
Place: Gurugram
Date : 16th June, 2021

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RITES LIMITED

Report under Section 143 (5) of the Companies Act, 2013 in respect of RITES Limited on Standalone Financial Statements for the year ended March 31, 2021.

Sr. No.	Directions	Auditor's Comments
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has SAP system in place to process all the accounting transactions. As per information and explanations given to us and during the course of our audit we have not come across the any accounting transactions which were outside the IT system and have financial implications.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	According to the information and explanations given to us the Company has not taken any loan. Hence, there are no cases of waiver/write off of debts/ loans/interest etc.
3.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State government or its agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	As per the information and explanations given to us the Company has not received any funds from Central/ State government or its agencies for specific schemes during the year.

For J.C. Bhalla & Co.
 Chartered Accountants
 Firm's Regn. No. 001411N



(Anshuman Mallick)

Partner

Membership No. 547705

UDIN: 21547705AAAAAY2324

Place: Gurugram
 Date : 16th June, 2021

ANNEXURE III TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 3(g) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RITES LIMITED

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

We have audited the internal financial controls with reference to the Standalone Financial Statements of RITES Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements, and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to the Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting with reference to the Standalone Financial Statements

A company's internal financial control over financial reporting with reference to the Standalone 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 control over financial reporting with reference to the Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to the Standalone Financial Statements

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

Opinion

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

For J.C. Bhalla & Co.
Chartered Accountants
Firm's Regn. No. 001111N



(Anshuman Mallick)
Partner

Membership No. 547705
UDIN: 21547705AAAAAY2324

Place: Gurugram
Date : 16th June, 2021

BALANCE SHEET AS AT 31ST MARCH, 2021

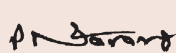
(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	2	387.17	384.77
CAPITAL WORK IN PROGRESS	3	15.48	4.45
RIGHT OF USE ASSETS	4	21.72	22.99
INVESTMENT PROPERTY	5	0.05	-
INTANGIBLE ASSETS	6	4.02	4.19
INTANGIBLE ASSETS UNDER DEVELOPMENT	7	-	-
FINANCIAL ASSETS			
INVESTMENTS	8.1	202.75	179.87
LOANS	9	13.71	16.21
OTHER FINANCIAL ASSETS	10	91.14	68.66
DEFERRED TAX ASSETS (NET)	11	39.60	37.09
OTHER NON CURRENT ASSETS	12	109.43	55.93
		885.07	774.16
CURRENT ASSETS			
INVENTORIES	13	286.16	10.67
FINANCIAL ASSETS			
INVESTMENTS	8.2	110.77	111.66
TRADE RECEIVABLES	14	568.00	821.66
CASH AND CASH EQUIVALENTS-OWNED FUND	15.1	99.23	113.12
CASH AND CASH EQUIVALENTS-CLIENTS FUND	16.1	694.94	764.07
OTHER BANK BALANCES-OWNED FUND	15.2	790.16	988.92
OTHER BANK BALANCES-CLIENTS FUND	16.2	1,740.80	1,734.52
LOANS	17	21.31	18.10
OTHER FINANCIAL ASSETS	18	170.71	209.89
CURRENT TAX ASSETS (NET)	19	20.65	91.85
OTHER CURRENT ASSETS	20	243.46	108.65
		4,746.19	4,973.11
TOTAL ASSETS		5,631.26	5,747.27
EQUITY AND LIABILITIES			
EQUITY			
EQUITY SHARE CAPITAL	21.2	240.30	250.00
OTHER EQUITY	22	2,081.63	2,326.62
		2,321.93	2,576.62
LIABILITIES			
NON CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
LEASE LIABILITIES	52 (a)	2.17	4.38
TRADE PAYABLES			
- TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES	57 (g)	-	-
- TOTAL OUTSTANDING DUES OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES		-	-
OTHER FINANCIAL LIABILITIES	23	220.56	180.96
PROVISIONS	24	10.82	22.94
OTHER NON CURRENT LIABILITIES	25	-	71.28
		233.55	279.56
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
LEASE LIABILITIES	52 (a)	2.00	2.83
TRADE PAYABLES			
- TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES	57 (g)	8.85	8.65
- TOTAL OUTSTANDING DUES OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES		222.51	125.23
OTHER FINANCIAL LIABILITIES	26	2,494.98	2,574.59
PROVISIONS	27	36.90	85.19
OTHER CURRENT LIABILITIES	28	310.54	94.60
		3,075.78	2,891.09
TOTAL EQUITY AND LIABILITIES		5,631.26	5,747.27
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORM AN INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS	1-57		

For and on behalf of the Board


Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143


Bibhu Prasad Nayak
 Director Finance
 DIN:08197975


Parmod Kumar Narang
 Chief Financial Officer
 M.No. : FCA 086360


Joshit Ranjan Sikidar
 Company Secretary
 M. No: ACS 32442

 As per our report of even date attached
 For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N

 Place : Gurugram
 Dated : 16th June, 2021


(ANSHUMAN MALLIK)
 Partner, Membership No. 547705

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
REVENUE			
REVENUE FROM OPERATIONS	29	1,797.39	2,400.57
OTHER INCOME	30	150.16	264.48
TOTAL REVENUE		1,947.55	2,665.05
EXPENDITURE			
EMPLOYEE BENEFIT EXPENSES	31	480.85	516.67
TRAVEL		31.06	49.83
SUPPLIES & SERVICES	32	684.75	773.71
PURCHASES FOR EXPORT		332.61	248.61
CHANGES IN INVENTORIES OF STOCK IN TRADE	33	(279.03)	94.77
FINANCE COST	34	2.84	3.04
DEPRECIATION & AMORTISATION EXPENSES	35	44.81	40.93
OTHER EXPENSES	36	87.31	114.88
TOTAL EXPENDITURE		1,385.20	1,842.44
PROFIT BEFORE TAX		562.35	822.61
TAX EXPENSES			
- CURRENT TAX	37	(140.51)	(189.28)
- DEFERRED TAX	38	2.51	(36.94)
PROFIT AFTER TAX		424.35	596.39
OTHER COMPREHENSIVE INCOME			
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT & LOSS			
- REMEASUREMENTS OF THE DEFINED BENEFIT LIABILITY/ASSET	40	6.76	(9.45)
- INCOME TAX		(1.70)	2.38
		5.06	(7.07)
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)		5.06	(7.07)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		429.41	589.32
EARNING PER SHARE (EQUITY SHARE OF ₹ 10/- EACH) - BASIC & DILUTED	45	₹ 17.22	23.86
WEIGHTED AVERAGE NUMBER OF EQUITY SHARES USED IN COMPUTING EARNING PER SHARE		246,439,597	250,000,000


Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143

For and on behalf of the Board

Bibhu Prasad Nayak
 Director Finance
 DIN:08197975


Parmod Kumar Narang
 Chief Financial Officer
 M.No. : FCA 086360


Joshit Ranjan Sikidar
 Company Secretary
 M. No: ACS 32442

As per our report of even date attached
For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N

Place : Gurugram
 Dated : 16th June, 2021


(ANSHUMAN MALLICK)
 Partner, Membership No. 547705

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A. EQUITY SHARE CAPITAL

(₹ in crore)

BALANCE AS AT 01.04.2020	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR		BALANCE AS AT 31.03.2021
	ISSUE OF BONUS SHARES	BUY BACK OF EQUITY SHARES	
250.00	-	(9.70)	240.30

(₹ in crore)

BALANCE AS AT 01.04.2019	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR		BALANCE AS AT 31.03.2020
	ISSUE OF BONUS SHARES	BUY BACK OF EQUITY SHARES	
200.00	50.00	-	250.00

B. OTHER EQUITY

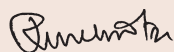
(₹ in crore)

PARTICULARS	RESERVE AND SURPLUS			TOTAL
	GENERAL RESERVE	RETAINED EARNINGS	CAPITAL REDEMPTION RESERVE	
BALANCE AS AT 01.04.2020	1901.85	424.77	0.00	2,326.62
PROFIT FOR THE YEAR	-	424.35	-	424.35
OTHER COMPREHENSIVE INCOME (OCI)	-	5.06	-	5.06
BUY BACK EXPENSES	(1.31)	-	-	(1.31)
TAX ON BUY BACK EXPENSES	0.33	-	-	0.33
BUY BACK OF EQUITY SHARES	(247.30)	-	-	(247.30)
TAX ON BUY BACK OF EQUITY SHARES	(59.85)	-	-	(59.85)
TRANSFER TO CAPITAL REDEMPTION RESERVE FROM GENERAL RESERVE	(9.70)	-	9.70	-
INTERIM DIVIDEND (2020-21)	-	(216.27)	-	(216.27)
FINAL DIVIDEND (2019-20)	-	(150.00)	-	(150.00)
BALANCE AT 31.03.2021	1,584.02	487.91	9.70	2,081.63
INTERIM DIVIDEND PER SHARE FOR 2020-21 (₹)	9.00	NUMBER OF SHARES USED IN COMPUTING DIVIDEND PER SHARE		240,301,887
FINAL DIVIDEND PER SHARE FOR 2019-20 (₹)	6.00	NUMBER OF SHARES USED IN COMPUTING DIVIDEND PER SHARE		250,000,000

(₹ in crore)

PARTICULARS	RESERVE AND SURPLUS			TOTAL
	GENERAL RESERVE	RETAINED EARNINGS	CAPITAL REDEMPTION RESERVE	
BALANCE AT 01.04.2019	1,951.85	231.98	-	2,183.83
PROFIT FOR THE YEAR	-	596.39	-	596.39
OTHER COMPREHENSIVE INCOME (OCI)	-	(7.07)	-	(7.07)
CAPITALISATION OF GENERAL RESERVE (ISSUE OF BONUS SHARES)	(50.00)	-	-	(50.00)
INTERIM DIVIDEND (2019-20)	-	(250.00)	-	(250.00)
FINAL DIVIDEND (2018-19)	-	(80.00)	-	(80.00)
CORPORATE DIVIDEND TAX	-	(66.53)	-	(66.53)
BALANCE AT 31.03.2020	1,901.85	424.77	-	2,326.62
INTERIM DIVIDEND PER SHARE FOR 2019-20 (₹)	10.00	NUMBER OF SHARES USED IN COMPUTING DIVIDEND PER SHARE		250,000,000
FINAL DIVIDEND PER SHARE FOR 2018-19 (₹)	4.00	NUMBER OF SHARES USED IN COMPUTING DIVIDEND PER SHARE		200,000,000

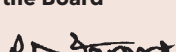
For and on behalf of the Board



Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143



Bibhu Prasad Nayak
 Director Finance
 DIN:08197975



Parmod Kumar Narang
 Chief Financial Officer
 M.No. : FCA 086360



Joshit Ranjan Sikidar
 Company Secretary
 M. No: ACS 32442

As per our report of even date attached
 For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N



(ANSHUMAN MALLICK)

Partner, Membership No. 547705

Place : Gurugram
 Dated : 16th June 2021

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	562.35	822.61
ADJUSTMENTS FOR:		
- DEPRECIATION AND AMORTIZATION	44.81	40.93
- LOSS/(PROFIT) ON SALE OF PROPERTY, PLANT AND EQUIPMENT (NET)	0.01	0.01
- INTEREST INCOME	(81.07)	(105.54)
- INCOME FROM INVESTMENTS	(9.66)	(9.49)
- INCOME FROM INVESTMENT PROPERTIES	(0.18)	-
- LIABILITIES WRITTEN BACK	(8.37)	(0.06)
- PROPERTY, PLANT AND EQUIPMENT WRITTEN OFF	0.01	0.03
- UNREALIZED GAIN/(LOSSES) FROM CHANGES IN FOREIGN EXCHANGE RATE	1.78	2.06
- PROVISION AND IMPAIRMENT EXPENSES (NET)	(20.11)	(22.80)
- FINANCE COST	1.76	1.32
EFFECT OF EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY CASH & CASH EQUIVALENTS	(10.66)	(11.60)
OPERATING PROFIT BEFORE CHANGES IN ASSETS AND LIABILITIES	480.67	717.47
CHANGE IN ASSETS AND LIABILITIES:		
ADJUSTMENTS FOR (INCREASE)/DECREASE IN OPERATING ASSETS:		
- INVENTORIES	(278.93)	94.26
- TRADE RECEIVABLES	244.62	(254.85)
- LOANS, OTHER FINANCIAL ASSETS AND OTHER ASSETS	(103.08)	(120.15)
ADJUSTMENTS FOR INCREASE/(DECREASE) IN OPERATING LIABILITIES:		
- TRADE PAYABLES	99.00	(62.68)
- OTHER FINANCIAL LIABILITIES, OTHER LIABILITIES AND PROVISIONS (NET OF CLIENT FUNDS)	125.56	92.93
CASH GENERATED FROM OPERATIONS	567.84	466.98
- INCOME TAX PAID	(99.69)	(200.17)
NET CASH FLOW FROM OPERATING ACTIVITIES	468.15	266.81
CASH FLOW FROM INVESTING ACTIVITIES		
- PROPERTY, PLANT AND EQUIPMENT/ INTANGIBLE ASSETS/ CWIP/ CAPITAL ADVANCE	(79.71)	(65.93)
- PROCEEDS FROM SALE OF PROPERTY, PLANT AND EQUIPMENT	0.07	0.12
- PROCEEDS FROM SALE OF INVESTMENTS IN JOINT VENTURE	0.12	-
- INVESTMENTS IN JOINT VENTURES	(48.00)	0.00
- REDEMPTION/ (PURCHASE) OF LIQUID MUTUAL FUNDS (NET)	26.08	(111.10)
- LOAN REPAYED BY JOINT VENTURE	2.80	1.40
- DEPOSITS WITH BANK NOT CONSIDERED AS CASH AND CASH EQUIVALENTS	198.76	128.15
- INTEREST INCOME	89.11	116.12
- INCOME FROM INVESTMENTS	9.47	8.93
- INCOME FROM INVESTMENT PROPERTIES	0.18	-
NET CASH FLOW FROM INVESTING ACTIVITIES	198.88	77.69

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
CASH FLOW FROM FINANCING ACTIVITIES		
- DIVIDEND PAID	(366.27)	(330.00)
- DIVIDEND DISTRIBUTION TAX PAID	-	(66.53)
- PAYMENT TOWARDS BUY-BACK OF EQUITY SHARES	(257.00)	-
- BUY-BACK DISTRIBUTION TAX PAID	(59.85)	-
- BUY-BACK EXPENSES	(1.31)	-
- REPAYMENT OF LEASE LIABILITIES	(5.39)	(1.31)
- FINANCE COST	(1.76)	(1.32)
NET CASH FLOW FROM FINANCING ACTIVITIES	(691.58)	(399.16)
EFFECT OF EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY CASH & CASH EQUIVALENTS	10.66	11.60
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(13.89)	(43.06)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	113.12	156.18
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	99.23	113.12

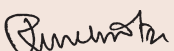
RECONCILIATION OF CASH AND CASH EQUIVALENTS

(₹ in crore)

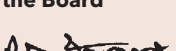
PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
CASH AND CASH EQUIVALENTS-OWNED FUND	15.1	99.23	113.12
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		99.23	113.12
COMPONENTS OF CASH AND CASH EQUIVALENTS (REFER NOTE NO. 15.1)		99.23	113.12

NOTE:

1. CASH AND CASH EQUIVALENTS CONSIST OF CASH AND BANK BALANCES INCLUDING FDs HAVING MATURITY WITHIN 3 MONTHS FROM THE DATE OF ACQUISITION.
2. THE ABOVE STATEMENT OF CASH FLOWS HAS BEEN PREPARED UNDER THE INDIRECT METHOD AS SET OUT IN IND AS 7 STATEMENT OF CASH FLOWS NOTIFIED U/S133 OF COMPANIES ACT, 2013 ("ACT") READ WITH RULE 4 OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES 2015 AND THE RELEVANT PROVISION OF THE ACT.
3. FIGURES IN BRACKET INDICATE CASH OUTFLOW.
4. THE ABOVE STATEMENT OF CASH FLOWS HAS BEEN PREPARED ON THE BASIS OF COMPANY'S OWNED FUNDS ONLY. FUNDS ON BEHALF OF THE CLIENT AND ITS CORRESPONDING LIABILITIES HAVE NOT BEEN CONSIDERED.

For and on behalf of the Board

Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143


Bibhu Prasad Nayak
 Director Finance
 DIN:08197975


Parmod Kumar Narang
 Chief Financial Officer
 M.No. : FCA 086360


Joshit Ranjan Sikidar
 Company Secretary
 M. No: ACS 32442

As per our report of even date attached
 For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N

Place : Gurugram
 Dated : 16th June, 2021


(ANSHUMAN MALLICK)
 Partner, Membership No. 547705

COMPANY OVERVIEW, SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORM AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

Company Overview

RITES Limited is a multidisciplinary engineering and consultancy organization providing diversified and comprehensive array of services from concept to commissioning in all facets of transport infrastructure and related technologies. The major business engagements as consultants, engineers and project managers are in railways, highways, airports, ports, ropeways, urban transport and inland waterways in India and abroad. The company also provides services of third party inspection, quality assurance, construction supervision & project management, operations & maintenance, leasing, export of rolling stock and modernization of railways workshop projects, doubling and electrification on turnkey basis.

The Company is a "Miniratna", Schedule-"A", Category-I CPSE and ISO 9001:2015 certified public limited company incorporated and domiciled in India. The address of its registered office is SCOPE Minar, Laxmi Nagar, Delhi-110092 (India) and address of its corporate office is RITES Bhawan, No. 1, Sector -29, Gurugram, Haryana-122001 (India). President of India through Ministry of Railways is presently holding 72.20% equity share of the company (Refer Note No. 57(b)).

The reporting and functional currency of the company is Indian Rupees (INR). Figures in financial statements are presented in ₹ crore, by rounding off upto two decimals except for per share data and as otherwise stated. Certain figures that are required to be disclosed but do not appear due to rounding off are detailed in note 57(j). Previous periods figures have been regrouped/recasted/rearranged, wherever necessary.

Due to outbreak of COVID-19 globally and in India, in view of the Management assessment, likely impact on the business of the Company is only for short term and no medium to long term risks is perceived which will have an impact on company's ability to continue as a going concern. Further, considering the Company's business plans and the availability of sufficient cash reserves as at March 31, 2021, the Management do not foresee any uncertainty in continuing its business operations and meeting its liabilities as and when it become due for payment.

The Standalone financial statements are approved for issue by the company's Board of Directors in their meeting held on 16th June, 2021.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 GENERAL

(a) Statement of Compliance

The financial statements of the Company are being prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

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

(b) Basis of Preparation

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

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

(c) Use of Estimates and Judgments

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

1.2 REVENUE RECOGNITION

1.2.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

Operating revenue is from various streams viz. consultancy fee, inspection fee, lease services, export sales and construction projects.

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

General Parameters

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

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

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

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

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

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

1.2.1.1 Consultancy Fee

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

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

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

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

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

Reimbursable and supplies are accounted for on accrual basis.

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

1.2.1.2 Inspection Fee

Inspection fee is accounted for on the basis of inspection certificates issued.

1.2.1.3 Export Sales

Export sales are accounted for on the basis of bills raised when or as the Company transfers control of the assets to the customer which happens at the point in time the customer has undisputed right on delivered goods.

1.2.1.4 Construction Projects

In construction contracts/projects, the company recognises revenue over time. Due to high degree of interdependence among various elements of these projects, revenue is accounted for considering these activities as a single performance obligation.

To depict the progress by which the Company transfers control of the promised goods to the customer, and to establish when and to what extent revenue can be recognised, the Company measures its progress towards complete satisfaction of the performance obligation based on work done.

Any expected loss is recognized as an expense immediately.

1.2.1.5 Lease Services

Refer Policy no-1.24:- Leases-Company as lessor.

1.2.2 Other Income

1.2.2.1 Interest Income

Interest income is recognized using effective interest method.

1.2.2.2 Dividend

Revenue is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

1.2.2.3 Export Incentives

Export incentive is recognized when there is a reasonable assurance that the incentive will be received and all the attached conditions have been complied with.

1.2.2.4 OTHERS

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

1.3 PROPERTY, PLANT AND EQUIPMENT (PPE)

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

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

1.3.1 Depreciation

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

Assets	Useful Life (Years)
i) Furniture	10
ii) Fixture	5
iii) Office Equipment	5
iv) Mobile Hand Set	3
v) Coolers & Air Conditioners	7
vi) Air Conditioning Plant	15
vii) Computer Hardware	3
viii) Server & Networks	6
ix) Survey and Equipments	10
x) Vehicles	8
xi) Buildings on Freehold Land	60
xii) Locomotives-New	15
xiii) Locomotives-In-Service	10
xiv) Coaches-New	15
xv) Coaches-In-Service	10

- (c) Any addition or extension, which becomes an integral part of the existing asset and which results in increased economic benefits, is capitalized and depreciated over the remaining useful life of that asset.

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

- (d) In respect of BOT assets, depreciation is charged over the period of project or the life stated above whichever is lower.
- (e) In respect of buildings on lease hold land, depreciation is charged over the period of lease of land or the useful life stated above for buildings on freehold land, whichever is lower.
- (f) As per company's technical assessment, Fixtures, Mobile Hand Set, Coolers & Air Conditioners and In-Service Locomotives & Coaches (refurbished) have lower useful lives than prescribed in part C of schedule II of the Companies Act, 2013. Therefore depreciation is charged at higher rate than prescribed under the Companies Act, 2013.
- (g) Individual low cost assets of value less than ₹ 5,000/- are fully depreciated in the year of acquisition.
- (h) A nominal value of ₹ 1/- is assigned to the fully depreciated assets.

1.3.2 Capital Work in Progress

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

1.3.3 Capital Advances

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

1.4 INTANGIBLE ASSETS

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

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

- (a) Software of value less than ₹ 100,000/- is fully amortized in the year of acquisition.
- (b) A nominal value of ₹1/- is assigned to the fully amortized assets.

1.4.1 Amortization

Estimated useful life of the software is 4 years and amortized on a straight line basis over the period.

1.5 INVESTMENT PROPERTY

Investment properties are measured at cost, including transaction costs less accumulated depreciation and impairment loss, if any.

The Company depreciates building component of investment property over the estimated useful lives of the assets as prescribed in property, plant and equipment.

Investment properties are de-recognised either on disposal or on permanent withdrawal from use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

1.6 INVESTMENTS

Equity investments are measured at fair value through profit and loss except investments in subsidiary, participating joint venture with or without joint control and associate.

Investments in subsidiary, participating joint venture with or without joint control and associate are measured at cost.

1.7 JOINT OPERATIONS

- (a) In case of participating joint operations with joint control, company recognizes in relation to its interest in a joint operation as under:

- (i) its assets, including its share of any assets held jointly;
 - (ii) its liabilities, including its share of any liabilities incurred jointly;
 - (iii) its revenue from the sale of its share of the output arising from the joint operation;
 - (iv) its share of the revenue from the sale of the output by the joint operation; and
 - (v) its expenses, including its share of any expenses incurred jointly.
- (b) In case of participating joint operations without having joint control, interest in such arrangements is to be recognized as per aforesaid accounting policy if the company has right to the assets and obligations for the liabilities relating to joint operations otherwise interest in the joint operation is recognized in accordance with applicable Ind AS.

1.8 INVENTORIES

- (a) Inventories are valued at cost on First In First Out (FIFO) basis or Net Realizable Value whichever is less.
- (b) Cost of inventories comprises of costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (c) The diminution in the value of obsolete, unserviceable, slow moving and non-moving stores and spares are assessed periodically and accordingly provided for.
- (d) Consumables are charged to the Statement of Profit and Loss in the year of purchase irrespective of the value.

1.9 EMPLOYEE BENEFITS

1.9.1 Defined Contribution Plans

Pension Scheme/Post Retiral Medical Schemes

Retirement benefits in the form of pension scheme/post-retirement medical scheme are defined contribution schemes. The Company has no obligation, other than the contribution payable to such funds/ schemes. The Company recognizes contribution payable to such funds/schemes as an expense, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined contributions towards pension under EPFO, superannuation pension fund and post retiral medical schemes are charged to the Statement of Profit and Loss based on contributions made in terms of applicable schemes on accrual basis.

1.9.2 DEFINED BENEFIT PLAN

1.9.2.1 Gratuity

Company provides gratuity, a defined benefit plan covering eligible regular and contract employees. The gratuity plan provides a lump-sum payment to vested employees of an amount based on the respective employee's salary and the tenure of employment with the company at retirement, death, incapacitation, or on completion of terms of employment.

The liabilities with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at the year end.

- (i) Company has set up a Gratuity Trust Fund which is being administered by Life Insurance Corporation of India (LIC) who invests the contribution in the schemes permitted by laws of India.
- (ii) The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.
- (iii) Gain or loss through re-measurements of net defined benefit liability/(asset) is recognized in Other Comprehensive Income.
- (iv) The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income.
- (v) Service cost and net interest cost/(income) on the net defined benefit liability/(asset) are recognized in Statement of Profit and Loss.

1.9.2.2 Provident Fund

The Company makes contribution to the recognized provident fund - "RITES CONTRIBUTORY PROVIDEND FUND" for its employees, which is a defined benefit plan to the extent that the Company has an obligation to

make good the shortfall, if any, between the returns from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

1.9.3 Other Long Term Benefits

- (a) Leave Travel Concession (CDA employees), Leave Encashment (contract employees) and Long Service Award (regular employees)
 - i. Accounted for on actuarial valuation made at the end of year.
 - ii. The actuarial gains/losses are recognized in the Statement of Profit and Loss for the year.
- (b) Leave Encashment and Medical Leave for regular employees
 - i. Liabilities are funded under plan assets through insurance policies from insurance companies approved by Insurance Regulatory Development Authority (IRDA) and are accounted for on actuarial valuation made at the end of year.
 - ii. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.
 - iii. Service cost and net interest cost/(income) on the net defined benefit liability/(asset) are recognized in Statement of Profit and Loss.
 - iv. Actuarial gains/losses are recognized in the Statement of Profit and Loss.

1.9.4 Other Benefits

Ex-gratia payments on death are recognized on payment basis in the Statement of Profit and Loss.

1.10 RESEARCH & DEVELOPMENT

Revenue expenditure incurred/paid during the year on research is charged to the Statement of Profit and Loss.

Development cost is capitalized if following are demonstrated otherwise it is charged to the Statement of Profit and Loss:

- (a) Technical feasibility of completing the intangible asset so that it will be available for use or sell.
- (b) Intention to complete the intangible asset and use or sell it.
- (c) Ability to use or sell the intangible assets.
- (d) Asset will generate future economic benefits.
- (e) There is availability of resources to complete the asset.

The developed asset is carried at cost less any accumulated amortisation and impairment loss, if any. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

1.11 INCOME TAXES

1.11.1 Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

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

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

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

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

1.11.2 Deferred Tax

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

1.12 RATES & TAXES

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

1.13 PREPAID EXPENSES AND PRIOR PERIOD ADJUSTMENTS

1.13.1 Prepaid Expenses

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

1.13.2 Prior Period Adjustments

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

1.14 TRANSLATION AND TRANSACTIONS OF FOREIGN CURRENCIES

1.14.1 Functional Currency

Functional Currency of the company is Indian Rupees and the financial statements are presented in Indian Rupees.

1.14.2 Foreign Currencies

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an available average rate if the average approximates the actual rate at the date of the transaction.

1.14.3 Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

1.14.4 Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

1.15 CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term deposits with an original maturity of three months or less from the date of acquisitions which are readily convertible into

known amounts of cash and be subject to an insignificant risk of change in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.16 STATEMENT OF CASH FLOWS

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

1.17 EARNINGS PER SHARE

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

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

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

1.18 IMPAIRMENT OF ASSETS

1.18.1 Financial Assets

(Other than at Fair Value)

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

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

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

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

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

1.18.2 Non-Financial Assets

(Tangible and Intangible Assets)

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

1.19 WRITE OFF

1.19.1 Financial Assets

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

1.19.2 Non Financial Assets

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

1.20 PROVISION FOR WARRANTY FOR SALE AND SERVICES RENDERED

Provision for warranties is recognized when products are sold and services are rendered with warranty as

per the contract. These provisions are estimated by using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise or incurred. The initial estimate of warranty-related costs is revised annually.

As per the terms of the contracts, the Company provides post-contract services /warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past estimates.

1.21 PROVISION FOR PROFESSIONAL SERVICES (FOR EXPORT SALES)

Provision for professional services for export sales is recognized in the year in which sales are recognized.

1.22 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

1.23 LEASES: COMPANY AS A LESSEE

The Company's leased asset primarily consists of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over lease term.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.24 LEASES:-COMPANY AS A LESSOR

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis/systematic basis over the lease term. However, reimbursable under the contract are accounted for on accrual basis. Initial direct cost are added to the carrying amount of the leased assets and recognized as an expense over the lease term.

1.25 NON-CURRENT ASSETS HELD FOR SALE

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

1.26 DIVIDENDS

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

1.27 FINANCIAL INSTRUMENTS

1.27.1 Initial Recognition

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

1.27.2 Subsequent Measurement

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

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

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

(c) Financial liabilities

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

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

1.27.3 De-recognition of Financial Instruments

A financial asset is de-recognised when:

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

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

1.27.4 Forward Contracts

Forward contracts are measured at marked to market value at every reporting date.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

2 PROPERTY, PLANT AND EQUIPMENT

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED 31.03.2021

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						NET BLOCK
	AS AT 01/04/2020	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2020	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	AS AT 31/03/2021
OTHERS												
LAND #	35.44	-	(0.05)	-	35.39	-	-	-	-	-	-	35.39
BUILDING	65.25	0.92	-	-	66.17	3.84	1.20	-	-	-	5.04	61.13
RESIDENTIAL QUARTERS	19.73	12.87	(0.10)	-	32.50	0.57	0.39	(0.10)	-	-	0.86	31.64
LEASED HOLD IMPROVEMENT	0.86	1.10	-	-	1.96	0.10	0.30	-	-	-	0.40	1.56
OFFICE EQUIPMENTS												
SURVEY AND OTHER INSTRUMENTS	9.92	1.65	-	0.02	11.55	4.37	1.06	-	-	0.02	5.41	6.14
COMPUTER AND EQUIPMENTS	12.49	3.44	-	1.41	14.52	9.53	2.22	-	-	1.38	10.37	4.15
SERVER & NETWORK	5.31	0.89	-	0.01	6.19	4.55	0.26	-	-	0.01	4.80	1.39
OFFICE AND OTHER EQUIPMENTS	6.23	2.06	-	0.34	7.95	3.98	0.95	-	-	0.31	4.62	3.33
AIR-CONDITIONER AND EQUIPMENTS	1.77	0.54	-	0.05	2.26	0.94	0.25	-	-	0.04	1.15	1.11
PLANT & MACHINERY												
AIR CONDITIONER PLANT	6.88	0.10	-	-	6.98	4.09	0.36	-	-	-	4.45	2.53
LOCOMOTIVES NEW @	225.09	10.38	-	-	235.47	34.04	15.54	-	-	-	49.58	185.89
LOCOMOTIVES IN SERVICE @	140.70	1.47	-	0.40	141.77	83.31	15.31	-	-	0.40	98.22	43.55
FURNITURE & FIXTURES												
FURNITURES	5.54	1.96	-	0.06	7.44	2.78	0.61	-	-	0.04	3.35	4.09
FIXTURES	2.61	4.06	-	-	6.67	1.79	0.66	-	-	-	2.45	4.22
VEHICLE												
VEHICLES	2.28	0.53	-	0.05	2.76	1.44	0.32	-	-	0.05	1.71	1.05
SUB TOTAL	540.10	41.97	(0.15)	2.34	579.58	155.33	39.43	(0.10)	-	2.25	192.41	387.17
TOTAL	540.10	41.97	(0.15)	2.34	579.58	155.33	39.43	(0.10)	-	2.25	192.41	387.17

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED 31.03.2020

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						NET BLOCK
	AS AT 01/04/2019	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2019	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	AS AT 31/03/2020
LEASED HOLD												
BUILDING	10.02	-	(10.02)	-	-	0.78	-	(0.78)	-	-	-	-
SUB TOTAL	10.02	-	(10.02)	-	-	0.78	-	(0.78)	-	-	-	-
OTHERS												
LAND #	26.19	9.25	-	-	35.44	-	-	-	-	-	-	35.44
BUILDING	34.51	30.74	-	-	65.25	2.72	1.12	-	-	-	3.84	61.41
RESIDENTIAL QUARTERS	19.75	-	-	0.02	19.73	0.24	0.34	-	-	0.01	0.57	19.16
LEASED HOLD IMPROVEMENT	-	0.86	-	-	0.86	-	0.10	-	-	-	0.10	0.76
OFFICE EQUIPMENTS												
SURVEY AND OTHER INSTRUMENTS	9.75	0.17	-	-	9.92	3.32	1.05	-	-	-	4.37	5.55
COMPUTER AND EQUIPMENTS	11.13	2.02	-	0.66	12.49	8.20	1.96	-	-	0.63	9.53	2.96
SERVER & NETWORK	5.13	0.18	-	-	5.31	4.09	0.46	-	-	-	4.55	0.76

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						NET BLOCK
	AS AT 01/04/2019	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2019	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	AS AT 31/03/2020
OFFICE AND OTHER EQUIPMENTS	4.99	1.66	-	0.42	6.23	3.58	0.77	-	-	0.37	3.98	2.25
AIR-CONDITIONER AND EQUIPMENTS	1.42	0.39	-	0.04	1.77	0.77	0.20	-	-	0.03	0.94	0.83
PLANT & MACHINERY												
AIR CONDITIONER PLANT	6.80	0.08	-	-	6.88	3.73	0.36	-	-	-	4.09	2.79
LOCOMOTIVES NEW @	183.68	41.41	-	-	225.09	20.29	13.75	-	-	-	34.04	191.05
LOCOMOTIVES IN SERVICE @	136.40	4.30	-	-	140.70	67.46	15.85	-	-	-	83.31	57.39
FURNITURE & FIXTURES												
FURNITURES	4.70	0.93	-	0.09	5.54	2.17	0.65	-	-	0.04	2.78	2.76
FIXTURES	2.01	0.66	-	0.06	2.61	1.66	0.18	-	-	0.05	1.79	0.82
VEHICLE												
VEHICLES	1.94	0.34	-	-	2.28	1.16	0.28	-	-	-	1.44	0.84
SUB TOTAL	448.40	92.99	-	1.29	540.10	119.39	37.07	-	-	1.13	155.33	384.77
TOTAL	458.42	92.99	(10.02)	1.29	540.10	120.17	37.07	(0.78)	-	1.13	155.33	384.77

NOTE :

- Depreciation on residential quarters is charged on the total cost of flats in the absence of break-up of land components in the flats value.

In respect of land pending execution of registration (Refer Note No. 57 (i)).

@ Refer Note No. 52 (b)

3 CAPITAL WORK IN PROGRESS

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						NET BLOCK
	OPENING	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	OPENING	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	
AS AT 31.03.2021	4.45	14.94	(3.91)	-	15.48	-	-	-	-	-	-	15.48
AS AT 31.03.2020	2.32	7.66	(5.53)	-	4.45	-	-	-	-	-	-	4.45

4 RIGHT OF USE ASSETS

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF RIGHT OF USE ASSETS FOR THE YEAR ENDED 31.03.2021

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						AS AT 31/03/2021
	AS AT 01/04/2020	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2020	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	
LAND	1.94	0.69	(0.01)	-	2.62	0.32	0.41	-	-	-	0.73	1.89
BUILDING	19.44	2.03	(0.93)	-	20.54	2.15	2.99	(0.60)	-	-	4.54	16.00
RESIDENTIAL QUARTERS	4.33	-	-	-	4.33	0.25	0.25	-	-	-	0.50	3.83
TOTAL	25.71	2.72	(0.94)	-	27.49	2.72	3.65	(0.60)	-	-	5.77	21.72

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF RIGHT OF USE ASSETS FOR THE YEAR ENDED 31.03.2020

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						AS AT 31/03/2020
	AS AT 01/04/2019	ADDITIONS DURING THE YEAR	RECLASSIFY DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2019	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	
LAND	-	1.94	-	-	1.94	-	0.32	-	-	-	0.32	1.62
BUILDING	-	6.58	12.86	-	19.44	-	2.15	-	-	-	2.15	17.29
RESIDENTIAL QUARTERS	-	-	4.33	-	4.33	-	0.25	-	-	-	0.25	4.08
TOTAL	-	8.52	17.19	-	25.71	-	2.72	-	-	-	2.72	22.99

- In respect of Lease Agreements pending execution (refer note no. 57 (h)).

5 INVESTMENT PROPERTY

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF INVESTMENT PROPERTY FOR THE YEAR ENDED 31.03.2021

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						AS AT 31/03/2021
	AS AT 01/04/2020	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2020	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	
LAND	-	-	0.05	-	0.05	-	-	-	-	-	-	0.05
RESIDENTIAL QUARTERS	-	-	0.10	-	0.10	-	-	0.10	-	-	0.10	-
LEASEHOLD BUILDING	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	0.15	-	0.15	-	-	0.10	-	-	0.10	0.05

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF INVESTMENT PROPERTY FOR THE YEAR ENDED 31.03.2020

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						AS AT 31/03/2020
	AS AT 01/04/2019	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2019	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	
LAND	-	-	-	-	-	-	-	-	-	-	-	-
RESIDENTIAL QUARTERS	-	-	-	-	-	-	-	-	-	-	-	-
LEASEHOLD BUILDING	0.89	-	(0.89)	-	-	0.09	0.02	(0.11)	-	-	-	-
TOTAL	0.89	-	(0.89)	-	-	0.09	0.02	(0.11)	-	-	-	-

6 INTANGIBLE ASSETS

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						NET BLOCK
	OPENING	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	OPENING	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	
COMPUTER SOFTWARES (ACQUIRED)												
AS AT 31.03.2021	10.88	1.56	-	1.80	10.64	6.69	1.73	-	-	1.80	6.62	4.02
AS AT 31.03.2020	6.20	4.69	-	0.01	10.88	5.58	1.12	-	-	0.01	6.69	4.19

7 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crore)

DESCRIPTION	GROSS BLOCK					DEPRECIATION/AMORTISATION						NET BLOCK
	OPENING	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	DELETIONS DURING THE YEAR	TOTAL	OPENING	FOR THE YEAR	ADJ DURING THE YEAR	ADJ THROUGH RETAINED EARNING	DELETIONS DURING THE YEAR	TOTAL	
COMPUTER SOFTWARES (ACQUIRED)												
AS AT 31.03.2021	-	-	-	-	-	-	-	-	-	-	-	-
AS AT 31.03.2020	1.59	0.03	(1.62)	-	-	-	-	-	-	-	-	-

8 INVESTMENTS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
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8.1 NON CURRENT INVESTMENTS

A) INVESTMENT IN UNQUOTED EQUITY INSTRUMENTS OF (INVESTMENT CARRIED AT COST):

SUBSIDIARIES

(i) RITES (Afrika) (Pty) Limited, Botswana

0.01

0.01

10,000 (previous year 10,000) equity shares of face value of Pula 1/- each, fully paid-up.

(ii) RITES Infrastructure Services Limited

43 (e)

-

0.05

Nil (previous year 50,000) equity shares of face value of ₹ 10 each, fully paid-up.

Less : Provision for Diminution in value of Investment

-

-

(0.05)

-

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
(iii) REMC Limited		35.70	35.70
53,550,000 (previous year 35,700,000) equity shares of face value of ₹ 10 each, fully paid-up.		35.71	35.71
JOINT VENTURES			
(i) SAIL-RITES Bengal Wagon Industry Private Limited		24.00	24.00
24,000,000 (previous year 24,000,000) equity shares of face value of ₹ 10 each, fully paid-up.			
(ii) BNV Gujarat Rail Private Limited	43 (e)	-	0.26
Nil (previous year 260,000) equity shares of face value of ₹ 10 each, fully paid-up.			
Less : Provision for Diminution in value of Investment		-	(0.14)
(iii) Indian Railway Stations Development Corporation Limited	57 (c)	48.00	-
48,000,000 (previous year Nil) equity shares of face value of ₹ 10 each, fully paid-up.		72.00	24.12
COOPERATIVE SOCIETIES			
(i) Moru Mahal Co-operative Society Limited	57 (j)	-	-
5 (previous year 5) Equity Shares of face value of ₹ 50/- each, fully paid-up acquired for purchase of residential quarter.			
(ii) Amit Industrial Premises Co-operative Society Limited	57 (j)	-	-
10 (previous year 10) Equity Shares of face value of ₹ 50/- each, fully paid-up acquired for purchase of laboratory.			
(iii) Regent Chambers Premises Co-operative Society Limited	57 (j)	-	-
10 (previous year 10) Equity Shares of face value of ₹ 50/- each, fully paid-up acquired for purchase of residential quarter.		-	-
OTHERS			
(i) GPCL Consulting Services Limited (formerly known as Global Procurement Consultants Limited)		0.04	0.04
32,279 (previous year 32,279) equity shares of face value of ₹ 10/- each, fully paid-up (includes 2,279 equity shares of face value of ₹ 10/- each at a price of ₹ 30/- each).			
(ii) Elicius Energy Private Limited	57 (j)	-	-
1,573 (previous year Nil) equity shares of face value of ₹ 10 each, fully paid-up.			
AGGREGATE OF UNQUOTED INVESTMENTS (NON CURRENT)		107.75	59.87
B) INVESTMENT IN QUOTED TAX FREE BONDS OF (INVESTMENT CARRIED AT AMORTISED COST):			
(i) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.55% TAX FREE BONDS 08NOV.2021)			
2,500 Bonds of face value of ₹ 100,000/- each, fully paid		-	25.00
(ii) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.21% TAX FREE BONDS 26NOV.2022)			
300 Bonds of face value of ₹ 1,000,000/- each at premium of ₹100/- each, fully paid		30.00	30.00
(iii) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.22% TAX FREE BONDS 30 NOV.2022)			
100 Bonds of face value of ₹ 1,000,000/- each at premium of ₹100/- each, fully paid		10.00	10.00

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
(iv) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.18% TAX FREE BONDS 19FEB.2023)			
100,000 Bonds of face value of ₹ 1,000/- each, fully paid		10.00	10.00
(v) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 8.35% TAX FREE BONDS 21NOV.2023)			
250 Bonds of face value of ₹ 1,000,000/- each at premium of ₹100/-each, fully paid		25.00	25.00
(vi) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.19% TAX FREE BONDS 31JUL.2025)			
200 Bonds of face value of ₹ 1,000,000/- each at premium of ₹100/-each, fully paid		20.00	20.00
AGGREGATE OF QUOTED INVESTMENTS (NON CURRENT)		95.00	120.00
TOTAL (NON CURRENT)		202.75	179.87

8.2 CURRENT INVESTMENTS

A) INVESTMENT IN UNQUOTED MUTUAL FUNDS (INVESTMENT CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS):

UTI LIQUID CASH PLAN - DIRECT GROWTH PLAN

Nil (previous year 158279.482) units - 51.46

SBI LIQUID FUND - DIRECT GROWTH PLAN

Nil (previous year 193624.150) units - 60.20

BANK OF BARODA LIQUID FUND - DIRECT GROWTH PLAN

 362004.681 (previous year Nil) units **85.77** **85.77** - 111.66

AGGREGATE OF UNQUOTED INVESTMENT (CURRENT)

85.77 111.66

B) INVESTMENT IN QUOTED TAX FREE BONDS OF (INVESTMENT CARRIED AT AMORTISED COST):

(i) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.55% TAX FREE BONDS 08NOV.2021)

 2,500 Bonds of face value of ₹ 100,000/- each, fully paid **25.00** -

AGGREGATE OF QUOTED INVESTMENTS (CURRENT) **25.00** -

TOTAL (CURRENT) **110.77** 111.66

GRAND TOTAL **313.52** 291.53

A	AGGREGATE AMOUNT OF QUOTED INVESTMENTS	120.00	120.00
B	MARKET VALUE OF QUOTED INVESTMENTS*	130.39	129.80
C	AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS	193.52	171.53
D	AGGREGATE AMOUNT OF IMPAIRMENT IN VALUE OF INVESTMENTS	-	0.19

* MARKET VALUE OF SOME OF THE BONDS ARE NOT AVAILBALE AS THESE BONDS ARE NOT FREQUENTLY TRADED, HENCE TAKEN AT AMORTISED COST.

9 NON CURRENT LOANS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
SECURITY DEPOSITS CONSIDERED GOOD-UNSECURED		3.85	3.44
LOANS TO EMPLOYEES CONSIDERED GOOD-SECURED		7.83	7.34
LOANS TO EMPLOYEES CONSIDERED GOOD-UNSECURED		2.03	2.63
LOANS TO EMPLOYEES WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK		-	-
LOANS TO EMPLOYEES -CREDIT IMPAIRED		-	-
LOANS TO JV (RELATED PARTY) CONSIDERED GOOD-SECURED		-	-
LOANS TO JV (RELATED PARTY) CONSIDERED GOOD-UNSECURED	43 (e) (ii)	-	2.80
LOANS TO JV (RELATED PARTY) WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK		-	-
LOANS TO JV (RELATED PARTY)-CREDIT IMPAIRED		-	-
TOTAL		13.71	16.21

10 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
INTEREST ACCRUED (INCLUDING ACCRUED BUT NOT DUE) ON:			
- LOANS TO SRBWPL (RELATED PARTY)	43 (e) (ii)	-	0.65
RETENTION MONEY		43.85	50.28
BANK DEPOSITS HAVING MATURITY OVER 12 MONTHS FROM REPORTING DATE:			
- CLIENTS FUND	16.3	47.29	17.73
TOTAL		91.14	68.66

11 DEFERRED TAX ASSETS/ (LIABILITY) (NET)

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
DEFERRED INCOME TAX ASSETS:			
ACCRUED COMPENSATION TO EMPLOYEES		21.79	20.72
PROVISION FOR DOUBTFUL DEBTS, SECURITY DEPOSITS/ EMD, ADVANCES ETC.		32.89	31.38
LEASE LIABILITY FOR ROU ASSETS		1.05	-
TOTAL DEFERRED INCOME TAX ASSETS - I		55.73	52.10
DEFERRED INCOME TAX LIABILITIES:			
PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS		16.08	11.64
INTEREST ACCRUED BUT NOT RECEIVED ON INCOME TAX REFUND		-	1.61
DONATION TO PM CARES FUND		-	1.76
UNREALIZED SHORT TERM GAIN/(LOSS) ON MUTUAL FUNDS		0.05	-
TOTAL DEFERRED INCOME TAX LIABILITIES - II		16.13	15.01
DEFERRED INCOME TAX ASSETS (NET)	53	39.60	37.09

12 OTHER NON CURRENT ASSETS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
CAPITAL ADVANCE		61.37	36.22
ADVANCES OTHER THAN CAPITAL ADVANCE			
PREPAID EXPENSES		0.67	0.78
DEFERRED COST TOWARDS STAFF LOAN		1.51	2.04
ADVANCE INCOME TAX (NET OF PROVISION)	53	43.92	14.91
WORKS CONTRACT TAX RECEIVABLE		1.96	1.98
TOTAL		109.43	55.93

13 INVENTORIES (AT THE LOWER OF COST AND NET REALISABLE VALUE)

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
(AS CERTIFIED BY MANAGEMENT)		
STOCK IN TRADE*	287.59	8.56
LESS: PROVISION FOR OBSOLETE INVENTORIES	(3.44)	-
STORES & SPARES	2.01	2.11
TOTAL	286.16	10.67

*Includes inventory lying with third parties of ₹ 214.60 crore (previous year ₹ 6.55 crore) & stock in transit ₹ 69.35 crore (previous year Nil).

Note- All inventories are expected to be utilised/sold within twelve months except certain items, which are utilised on need basis. Quantum of such items, which may be utilised beyond one year, is not determinable and is not expected to be material with reference to the total value of inventories.

14 CURRENT TRADE RECEIVABLES

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
TRADE RECEIVABLE CONSIDERED GOOD -SECURED	-	-
TRADE RECEIVABLE CONSIDERED GOOD -UNSECURED*	568.00	821.66
TRADE RECEIVABLE WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK	-	-
TRADE RECEIVABLE -CREDIT IMPAIRED	107.74	101.85
	675.74	923.51
LESS: ALLOWANCE FOR EXPECTED CREDIT LOSSES	(107.74)	(101.85)
TOTAL	568.00	821.66
* Includes dues from subsidiaries (Note no. 43 (e) (i))	3.12	0.92

15 CASH AND BANK BALANCES-OWNED FUND

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
15.1 CASH AND CASH EQUIVALENTS		
BANK BALANCES IN :		
CURRENT ACCOUNTS	35.45	37.74
DEPOSITS #	62.45	74.90
CHEQUES IN HAND	1.33	0.48
TOTAL	99.23	113.12
15.2 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
EARMARKED BALANCE WITH BANKS*	0.38	0.07
DEPOSITS ##	789.78	988.85
TOTAL @	790.16	988.92
TOTAL CASH & BANK BALANCE-OWNED FUND	889.39	1,102.04

Includes flexi deposits and deposits having maturity within 3 months from the date of acquisition.

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

@ Includes restricted cash and bank balances of ₹ 0.93 crore (previous year ₹ 1.00 crore) on account of bank balance held as margin money deposits against guarantees issued by banks and ₹ 0.38 crore (previous year ₹ 0.07 crore) on account of unpaid dividend.

* Earmarked bank balance is for unpaid dividend.

16 CASH AND BANK BALANCES-CLIENTS FUND

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
16.1 CASH AND CASH EQUIVALENTS		
BANK BALANCES IN :		
CURRENT ACCOUNTS	405.33	265.15
DEPOSITS #	289.61	498.92
TOTAL	694.94	764.07
16.2 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
DEPOSITS ##	1,740.80	1,734.52
TOTAL	1,740.80	1,734.52
16.3 BANK BALANCE MORE THAN 12 MONTHS MATURITY-CLIENT FUND (NOTE NO. 10)		
DEPOSITS ###	47.29	17.73
TOTAL	47.29	17.73
TOTAL CASH & BANK BALANCE-CLIENTS FUND*	2,483.03	2,516.32

Includes flexi deposits and deposits having maturity within 3 months from the date of acquisition.

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

Having maturity over 12 months from reporting date.

* Equivalent amount appears in client liabilities at Note no. 23 & Note No. 26.

17 CURRENT LOANS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
SECURITY DEPOSITS CONSIDERED GOOD-UNSECURED		14.31	10.37
SECURITY DEPOSITS CONSIDERED DOUBTFUL-UNSECURED		0.29	0.30
		14.60	10.67
LESS: ALLOWANCES FOR EXPECTED CREDIT LOSSES		(0.29)	(0.30)
LOANS TO EMPLOYEES CONSIDERED GOOD-SECURED		1.60	2.08
LOANS TO EMPLOYEES CONSIDERED GOOD-UNSECURED		2.60	2.85
LOANS TO EMPLOYEES WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK		-	-
LOANS TO EMPLOYEES -CREDIT IMPAIRED		-	-
LOANS TO JV (RELATED PARTY) CONSIDERED GOOD-SECURED		-	-
LOANS TO JV (RELATED PARTY) CONSIDERED GOOD-UNSECURED	43 (e) (ii)	2.80	2.80
LOANS TO JV (RELATED PARTY) WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK		-	-
LOANS TO JV (RELATED PARTY)-CREDIT IMPAIRED		-	-
TOTAL		21.31	18.10

18 OTHER CURRENT FINANCIAL ASSETS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
AMOUNT RECOVERABLES CONSIDERED GOOD-UNSECURED		17.45	11.23
AMOUNT RECOVERABLES CONSIDERED DOUBTFUL-UNSECURED		21.20	22.20
		38.65	33.43
LESS: ALLOWANCES FOR EXPECTED CREDIT LOSSES		(21.20)	(22.20)
INTEREST ACCRUED (INCLUDING ACCRUED BUT NOT DUE) ON:			
- BANK DEPOSITS HAVING MATURITY:			
WITHIN 3 MONTHS FROM THE DATE OF ACQUISITION		0.08	0.14
OVER 3 MONTHS FROM THE DATE OF ACQUISITION AND UPTO 12 MONTHS FROM REPORTING DATE		23.33	30.62
- BONDS		5.89	5.89
- LOANS TO SRBWPL (RELATED PARTY)	43 (e) (ii)	0.65	0.69
RETENTION MONEY		44.17	51.63
ADVANCES TO RELATED PARTIES	43	-	0.04
UNBILLED REVENUE		79.14	109.65
TOTAL		170.71	209.89

19	CURRENT TAX ASSETS (NET)			(₹ in crore)
	PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
	INCOME TAX RECEIVABLES	53	20.65	91.85
	TOTAL		20.65	91.85

20	OTHER CURRENT ASSETS			(₹ in crore)
	PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
	PREPAID EXPENSES		5.01	5.72
	ADVANCES TO SUPPLIERS		177.68	65.10
	LESS: PROVISION FOR DOUBTFUL ADVANCES		(1.11)	-
	OTHER ADVANCES		1.45	6.17
	LESS: PROVISION FOR DOUBTFUL ADVANCES		(0.35)	(0.35)
	EXPORT INCENTIVE RECEIVABLE	41	1.40	1.79
	DEFERRED COST TOWARDS STAFF LOAN		0.30	0.26
	UNAMORTIZED CONTRACT COST	51(n)	5.63	5.02
	GOODS & SERVICE TAX INPUT RECEIVABLE		53.45	24.94
	TOTAL		243.46	108.65

21	EQUITY SHARE CAPITAL			(₹ in crore)
	PARTICULARS		AS AT 31.03.2021	AS AT 31.03.2020
21.1	AUTHORISED			
	300,000,000 (PREVIOUS YEAR 300,000,000) EQUITY SHARES OF ₹ 10/- EACH		300.00	300.00
21.2	ISSUED, SUBSCRIBED AND FULLY PAID-UP			
	240,301,887 (PREVIOUS YEAR 250,000,000) EQUITY SHARES OF ₹ 10/- EACH		240.30	250.00
			240.30	250.00

	PARTICULARS	No. of Shares	(₹ in crore)	No. of Shares	(₹ in crore)
21.3	RECONCILIATION OF NUMBER OF EQUITY SHARES				
	OPENING BALANCE	250,000,000	250.00	200,000,000	200.00
	ADD : ISSUE OF BONUS SHARES	-	-	50,000,000	50.00
	LESS: BUY BACK OF EQUITY SHARES	(9,698,113)	(9.70)	-	-
	CLOSING BALANCE	240,301,887	240.30	250,000,000	250.00

21.4 RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES

The company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held in case poll is demanded by the members in accordance with the provisions of the companies act, 2013. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

	PARTICULARS	No. of Shares	Share-holding (%)	No. of Shares	Share-holding (%)
21.5	EQUITY SHARES HELD BY EACH SHAREHOLDER MORE THAN 5% OF SHARES				
	PRESIDENT OF INDIA ACTING THROUGH MINISTRY OF RAILWAYS (Refer Note No. 57 (b))	173,504,773	72.20%	180,047,174	72.02%
	LIFE INSURANCE CORPORATION OF INDIA	19,584,120	8.15%	19,584,120	7.83%

21.6 FULLY PAID-UP AGGREGATE NUMBER OF EQUITY SHARES ALLOTTED BY WAY OF BONUS SHARES DURING THE YEAR OF FIVE YEARS IMMEDIATELY PRECEEDING BALANCE SHEET DATE

Company issued 5 crore bonus shares of ₹ 10 each during 2019-20 amounting to ₹ 50 crore. Earlier company issued 10 crore bonus shares of ₹ 10 each during 2016-17 amounting to ₹ 100 crore.

21.7 FULLY PAID-UP AGGREGATE NUMBER OF EQUITY SHARES BUY-BACK DURING THE YEAR

The company has bought back 9,698,113 fully paid-up equity shares of ₹ 10 each from the shareholders on 18th November, 2020, on proportionate basis by way of tender offer at a price of ₹ 265 per equity share for an aggregate amount of ₹ 257 crore. Consequent to the said buy-back, the equity share capital of the company has been reduced by ₹ 9.70 crore and capital redemption reserve of an equivalent amount has therefore been created as per the extant provision of the companies act, 2013.

22 OTHER EQUITY (REFER STATEMENT OF CHANGES IN EQUITY) (₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
-------------	---------------------	---------------------

22.1 RESERVE & SURPLUS

GENERAL RESERVE*	1,584.02	1,901.85
CAPITAL REDEMPTION RESERVE**	9.70	-

22.2 RETAINED EARNING

	487.91	424.77
TOTAL ***	2,081.63	2,326.62

* General Reserve represents amount kept by the company out of its profit for future purposes. It is not earmarked for any specific purpose.

** Capital Redemption Reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

***Includes OCI of (₹ 4.82 crore) {previous year (₹ 9.88 crore)}.

23 OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
CLIENTS DEPOSITS	16	47.29	17.73
SECURITY DEPOSITS - CLIENTS	16	156.46	146.18
SECURITY DEPOSITS		16.81	17.05
TOTAL		220.56	180.96

24 NON CURRENT PROVISIONS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
EMPLOYEE BENEFITS	40	2.90	6.56
WARRANTIES	47 (a)	7.92	16.38
TOTAL		10.82	22.94

25 OTHER NON CURRENT LIABILITIES

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
CLIENTS ADVANCES	-	71.28
TOTAL	-	71.28

26 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
CLIENTS DEPOSITS	16	2,214.46	2,294.91
SECURITY DEPOSITS - CLIENTS	16	64.82	57.50
SECURITY DEPOSITS		76.04	67.92
FOREIGN SERVICE CONTRIBUTION	40 (c)	4.93	5.80
SALARY PAYABLES		68.61	87.09
STAFF & OTHER CLAIMS		4.43	7.66
PAYABLE TO RELATED PARTIES	43	-	0.18
PAYABLE FOR OTHER EXPENSES		61.28	53.46
UNPAID DIVIDEND*		0.41	0.07
TOTAL		2,494.98	2,574.59

* No amount is due for payment to Investor Education & Protection Fund

27 CURRENT PROVISIONS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
EMPLOYEE BENEFITS	40	19.10	36.53
WARRANTIES	47 (a)	17.22	41.64
COMMITMENTS	47 (a)	0.58	7.02
TOTAL		36.90	85.19

28 OTHER CURRENT LIABILITIES

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
CLIENTS ADVANCES	268.58	63.33
STATUTORY LIABILITIES	41.96	31.27
TOTAL	310.54	94.60

29 REVENUE FROM OPERATIONS

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
SALE OF SERVICES			
CONSULTANCY FEE		673.22	698.85
INSPECTION FEE		298.78	367.27
LEASE SERVICES	52 (b) (i)	108.27	120.70
		1,080.27	1,186.82
SALE OF PRODUCTS			
EXPORT SALES		93.27	540.87
OTHERS			
TURNKEY CONSTRUCTION PROJECTS		623.85	672.88
TOTAL		1,797.39	2,400.57

Note- 1 Revenue from operation does not include GST of ₹ 256.99 crore (previous year ₹ 269.68 crore)

2 Revenue from operation include unbilled income recognized of ₹ 77.05 crore (previous year ₹ 107.34 crore)

30 OTHER INCOME

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
INTEREST INCOME ON:		
- DEPOSITS WITH BANK	71.71	96.09
- TAX FREE BONDS	9.02	9.02
- STAFF ADVANCES	1.63	1.26
- LOAN TO RELATED PARTIES	0.34	0.43
- INCOME TAX REFUND	-	10.17
- DELAYED CONTRACT PAYMENTS	-	25.69
	82.70	142.66
PROVISION NO LONGER REQUIRED*	33.00	0.62
REVERSAL OF IMPAIRMENT OF FINANCIAL ASSETS	1.01	62.61
LIABILITIES WRITTEN BACK	8.37	0.06
DEFERRED INCOME TOWARDS GOVT OF MOZAMBIQUE RECEIVABLES	-	0.50
DIVIDEND FROM:		

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
- RITES (AFRIKA) (PTY) LIMITED (RELATED PARTY)	-	0.03
- REMC LIMITED (RELATED PARTY)	5.35	6.33
- CURRENT INVESTMENTS	-	1.61
EXPORT INCENTIVES	3.57	9.09
REALIZED GAIN ON CURRENT INVESTMENT (MUTUAL FUNDS)	4.12	0.96
UNREALIZED GAIN ON CURRENT INVESTMENT (MUTUAL FUNDS)	0.19	0.56
RENT FROM INVESTMENT PROPERTIES	0.18	-
EXCHANGE VARIATION	5.89	34.43
MISCELLANEOUS INCOME	5.78	5.02
TOTAL	150.16	264.48

* Includes Reversal of Provision for Warranty (Net) of ₹ 22.19 crore (previous year Nil)

31 EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
SALARIES		361.13	366.50
FOREIGN SERVICE CONTRIBUTION	40 (c)	3.62	4.65
CONTRIBUTION TO PROVIDENT & OTHER FUNDS	40	61.14	58.51
STAFF WELFARE EXPENSES		20.95	23.93
PERFORMANCE RELATED PAYMENT		16.52	42.51
LEAVE ENCASHMENT	40	17.49	20.57
TOTAL		480.85	516.67

32 SUPPLIES & SERVICES

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
TURNKEY CONSTRUCTION PROJECTS	552.63	604.79
OTHERS	132.12	168.92
TOTAL	684.75	773.71

33 CHANGES IN INVENTORIES OF STOCK IN TRADE

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
OPENING BALANCE	8.56	103.33
CLOSING BALANCE	287.59	8.56
NET (INCREASE)/ DECREASE IN INVENTORIES	(279.03)	94.77

34 FINANCE COST

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
UNWINDING WARRANTY	47 (a)	0.74	1.09
UNWINDING LEASE LIABILITY	52 (a)	0.42	0.51
BG/LC CHARGES		1.34	0.81
INTEREST- OTHERS*		0.34	0.63
TOTAL		2.84	3.04

*Includes Interest on Income tax of ₹ 0.01 crore (previous year ₹ 0.40 crore)

35 DEPRECIATION & AMORTISATION EXPENSES

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
PROPERTY, PLANT AND EQUIPMENT	39.43	37.07
RIGHT OF USE ASSETS	3.65	2.72
INVESTMENT PROPERTY	-	0.02
INTANGIBLE ASSETS	1.73	1.12
TOTAL	44.81	40.93

36 OTHER EXPENSES

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
PRINTING, STATIONERY AND DOCUMENTATION		2.77	4.06
ADVERTISEMENT & BUSINESS PROMOTION		5.32	5.98
AUDITORS' REMUNERATION (INCLUDING OUT OF POCKET EXPENSES)	36.1	0.25	0.28
RATES & TAXES		2.02	3.84
OFFICE RENT		5.02	4.58
POSTAGE & TELECOMMUNICATION		5.58	5.86
OFFICE MAINTENANCE		10.45	10.44
REPAIRS TO MACHINERY/EQUIPMENTS		2.57	3.81
FREIGHT & FORWARDING (OUTWARD)		2.69	3.29
POWER AND FUEL CHARGES		4.09	4.74
STORES AND SPARES CONSUMED		2.84	2.66
INTERNAL AUDIT FEE		0.13	0.13
LEGAL AND PROFESSIONAL FEE		1.25	1.98
INSURANCE CHARGES		2.66	1.24
PROPERTY, PLANT AND EQUIPMENT WRITTEN OFF		0.01	0.03
MANPOWER DEVELOPMENT		0.45	2.75
LOSS ON SALE OF PROPERTY, PLANT AND EQUIPMENT		0.01	0.01
IMPAIRMENT LOSS FOR FINANCIAL ASSETS:			
-PROVISION FOR IMPAIRMENT		5.89	12.08
-BAD DEBTS		3.19	7.57
-DIMINUTION IN VALUE OF INVESTMENT		-	0.14
PROVISION FOR:			
-OBSOLETE INVENTORIES		3.44	-
-DOUBTFUL ADVANCES		1.11	-
-WARRANTIES		-	20.62
DONATION		7.00	-
DIRECTORS' SITTING FEE		0.21	0.27
CORPORATE SOCIAL RESPONSIBILITY	57 (e)	13.41	11.21

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
AMORTISED DEFERRED COST TOWARDS GOVT OF MOZAMBIQUE RECEIVABLES		-	0.50
LOSS ON SALE OF INVESTMENT		0.14	-
INVESTMENT WRITTEN OFF		0.05	-
ADVANCES/RECOVERABLE WRITTEN OFF		0.08	0.02
MISCELLANEOUS EXPENSES		4.68	6.79
TOTAL		87.31	114.88

36.1 AUDITORS' REMUNERATION

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
(A) STATUTORY AUDITORS		
STATUTORY AUDIT FEE	0.07	0.07
TAX AUDIT FEE	0.03	0.03
LIMITED REVIEW AND CONSOLIDATION FEE	0.05	0.05
OTHER SERVICES, i.e. CERTIFICATION ETC.*	0.03	0.02
SUB TOTAL (A)	0.18	0.17
(B) BRANCH AUDITORS		
STATUTORY AUDIT FEE	0.02	0.02
TAX AUDIT FEE	0.01	0.01
LIMITED REVIEW FEE	0.03	0.03
SUB TOTAL (B)	0.06	0.06
AUDITORS' REMUNERATION (A+B)	0.24	0.23
AUDITORS' OUT OF POCKET EXPENSES	0.01	0.05

* This amount is exclusive of ₹ 0.03 crore paid to the Statutory Auditors towards certificates in connection with buy-back of shares. The same has been adjusted against general reserve, as these are transaction costs pertaining to buy-back.

37 CURRENT TAX

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
- CURRENT YEAR		(144.14)	(190.58)
- EARLIER YEAR		3.63	1.30
TOTAL	53	(140.51)	(189.28)

38 DEFERRED TAX

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
CREDIT/(CHANGE) RELATING TO TEMPORARY DIFFERENCES			
- CURRENT YEAR		2.09	(36.76)
- EARLIER YEAR		0.42	(0.18)
TOTAL	53	2.51	(36.94)

DISCLOSURES AS PER INDIAN ACCOUNTING STANDARDS (IND AS):

39. Indian Accounting Standard (Ind AS) 2, Disclosure on Inventories is as follows :

Inventories are carried at lower of cost and net realizable value. Cost of finished goods procured or purchased by the company comprises of costs of purchase, costs of conversion and other costs incurred in bringing the inventories to its present location and condition.

Amount of inventories consumed and recognized as expenses during the year is as under:

(₹ in crore)

Particulars	Year ended	
	31.03.2021	31.03.2020
Finished Goods	53.58	343.38
Stores and spares	2.84	2.66
Total	56.42	346.04
Provision for Obsolete inventories	3.44	-

40. Indian Accounting standard (Ind AS) 19, Disclosures on Employee Benefits are as follows:

a) Defined Benefit Plan

i) Gratuity (Funded)-Regular Employees.

I) Changes in Present Value of the Benefit Obligation are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Present Value of obligation as at beginning of year	150.44	138.56
Interest Cost	9.99	10.39
Current Service Cost	8.37	8.56
Benefits paid	(16.55)	(14.26)
Actuarial (Gain)/Loss on obligation	(5.92)	7.19
Present Value of Obligation as at end of year	146.33	150.44

Bifurcation of Present Benefit Obligation at the end of year in current and non-current:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Current liability (Amount due within one year)	14.56	15.66
Non-Current liability (Amount due over one year)	131.77	134.78
Present Value of Obligation as at end of year	146.33	150.44

II) Changes in the Fair Value of Plan Assets are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Fair Value of Plan Assets at beginning of year	131.41	130.55
Actual Interest Income	9.38	8.01
Contributions	19.03	8.02
Benefits Paid	(16.55)	(15.17)
Fair value of Plan Assets at the end of year	143.27	131.41

Major categories of plan assets (as percentage of total plan assets):

Particulars	31.03.2021	31.03.2020
a) Government of India Securities	--	--
b) State Government securities	--	--
c) High Quality Corporate Bonds	--	--
d) Equity Shares of listed companies	--	--
e) Property	--	--
f) Funds Managed by Insurer	100 %	100 %
g) Bank Balance	--	--
Total	100 %	100 %

III) The amount recognized in the Balance Sheet is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Defined Benefit Obligation at end of year	146.33	150.44
Fair value of Plan Assets at the end of year	143.27	131.41
Funded Status - (Surplus)/ Deficit	3.06	19.03
Net (Liability)/ Asset recognized in Balance Sheet	(3.06)	(19.03)

IV) Amount recognized in the Statement of Profit & Loss is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Current Service Cost	8.37	8.56
Net Interest on Net Defined Benefit Liability	1.27	0.60
Expenses recognized in the statement of Profit & Loss	9.64	9.16

Bifurcation of Actuarial Gain/Loss on Obligation:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.20)	8.24
Actuarial (Gain)/Loss on arising from Experience Adjustment	(5.72)	(1.05)

V) Amount recognized in Other Comprehensive Income is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Actuarial (Gains)/Losses on Liability	(5.92)	7.19
Actuarial (Gains)/Losses on Assets	(0.66)	1.78
Other Comprehensive (Income)/Expense	(6.58)	8.97

VI) The principal actuarial assumptions are as follows:

Particulars	31.03.2021	31.03.2020
Discounting rate (%)	6.66%	6.64%
Future salary increase (%)	8.25%	8.25%
Retirement Age (Years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

VII) The significant actuarial assumptions for the determination of the defined obligations are discount rate and expected salary increase. The sensitivity for actuarial assumptions have been computed by varying respective actuarial assumption used for valuation of the defined benefit obligation by 1%, while holding all other assumptions constant.

If the discount rate increases/decreases by 1%, the defined obligations would decrease by ₹ 9.30 crore / increase by ₹ 10.73 crore as on 31st March, 2021 and if the expected salary growth increases /decreases by 1%, the defined benefit obligations would increase by ₹ 4.59 crore/decrease by ₹ 4.93 crore as on 31st March, 2021.

However, the actual change in assumptions would not necessarily behave in isolation to each other. The defined benefit obligations would change accordingly.

The Company is expected to contribute ₹ 3.06 crore to defined benefit plan obligations towards gratuity during the year 2021-22. Remeasurement (gain)/loss of defined employee benefit plans in Other Comprehensive Income (OCI) for the year ended 31.03.2021 and 31.03.2020 are ₹ (6.58) crore and ₹ 8.97 crore respectively.

The defined benefit obligation shall mature as follows:

(₹ in crore)

Year ending March, 31	Defined benefit obligations
2022	14.56
2023	19.45
2024	13.36
2025	14.99
2026	12.92
2027	20.10
2027 onward	50.95

ii) Gratuity (Funded)-Contract Employees.

I) Changes in Present Value of the Benefit Obligation are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Present Value of obligation as at beginning of year	3.45	2.60
Interest Cost	0.23	0.20
Current Service Cost	0.34	0.35
Benefits paid	(0.29)	(0.18)
Actuarial (Gain)/Loss on obligation	(0.16)	0.48
Present Value of Obligation as at end of year	3.57	3.45

Bifurcation of Present Value of the Benefit Obligation at the end of year in current and non-current.

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Current liability (Amount due within one year)	0.15	0.10
Non-Current liability (Amount due over one year)	3.42	3.35
Total Present Value of Obligation as at end of year	3.57	3.45

II) Changes in the Fair Value of Plan Assets are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Fair Value of Plan Assets at beginning of year	2.78	2.40
Actual Interest Income	0.21	0.18
Contributions	0.67	0.20
Benefits Paid	(0.29)	-
Fair value of Plan Assets at the end of year	3.37	2.78

Major categories of plan assets (as percentage of total plan assets) :

Particulars	31.03.2021	31.03.2020
Government of India Securities	--	--
State Government securities	--	--
High Quality Corporate Bonds	--	--
Equity Shares of listed companies	--	--
Property	--	--
Funds Managed by Insurer	100 %	100 %
Bank Balance	--	--
Total	100 %	100 %

III) The amount recognized in the Balance Sheet is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Defined Benefit Obligation at end of year	3.57	3.45
Fair value of Plan Assets at the end of year	3.37	2.78
Funded Status - (Surplus)/ Deficit	0.20	0.67
Net (Liability)/ Asset recognized in Balance Sheet	(0.20)	(0.67)

IV) Amount recognized in the Statement of Profit & Loss is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Current Service Cost	0.34	0.35
Net Interest on Net Defined Benefit Liability	0.04	0.01
Expenses recognized in the statement of Profit & Loss	0.38	0.36

Bifurcation of Actuarial Gain/Loss on Obligation:

(₹ in crore)

Particulars	31.03.2021	31.03. 2020
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.01)	0.37
Actuarial (Gain)/Loss on arising from Experience Adjustment	(0.15)	0.11

V) Amount recognized in Other Comprehensive Income is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Actuarial (Gains)/Losses on Liability	(0.16)	0.48
Actuarial (Gains)/Losses on Assets	(0.02)	-
Other Comprehensive (Income)/Expense	(0.18)	0.48

VI) The principal actuarial assumptions are as follows:

Particulars	31.03.2021	31.03.2020
Discounting rate (%)	6.66%	6.64%
Future salary increase (%)	4.12%	4.12%
Retirement Age (Years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

VII) The significant actuarial assumptions for the determination of the defined obligations are discount rate and expected salary increase. The sensitivity for actuarial assumptions have been computed by varying respective actuarial assumption used for valuation of the defined benefit obligation by 1%, while holding all other assumptions constant.

If the discount rate increases /decreases by 1%, the defined obligations would decrease by ₹ 0.43 crore / increase by ₹ 0.51 crore as on 31st March, 2021 and if the expected salary growth increases /decreases by 1%, the defined benefit obligations would increase by ₹ 0.52 crore/ decrease by ₹ 0.44 crore as on 31st March, 2021.

However, the actual change in assumptions would not necessarily behave in isolation to each other. The defined benefit obligations would change accordingly.

The Company is expected to contribute ₹ 0.20 crore to defined benefit plan obligations towards gratuity during the year 2021-22. Remeasurement (gain)/loss of defined employee benefit plans in Other Comprehensive Income (OCI) for the year ended 31.03.2021 and 31.03.2020 are ₹ (0.18) crore and ₹ 0.48 crore respectively.

The defined benefit obligations shall mature as follows:

(₹ in crore)

Year ending March, 31	Defined benefit obligations
2022	0.16
2023	0.12
2024	0.06
2025	0.09
2026	0.09
2027	0.16
2027 onwards	2.89

iii) Provident Fund

All eligible employees of the company are entitled to receive benefits under the Provident Fund, a defined benefit plan, set up through a Trust named as RITES Contributory Provident Fund Trust. Both employee and employer contribute monthly at a determined rate as specified under the law to the Trust. The obligation of the company is limited to such contribution and to make good the shortfall, if any, between the returns from the investments of the trust and the notified interest rate. Shortfall, if any, is recognised as an expense during the year. As per actuarial valuation, present value of the expected future earnings on the fund is higher than the expected amount to be contributed to the individual members based on the expected guaranteed rate of interest, resulting in no liability on the company.

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 0.03 crore (previous year ₹ 0.05 crore) determined through actuarial valuation. Accordingly company has not recognized the surplus as assets as it pertains to the provident fund trust and not to the company.

The company contributed ₹ 22.84 crore and ₹ 22.27 crore to the provident fund during the year ended 31st March, 2021 and 31st March, 2020 respectively.

I) Changes in Present Value of the Benefit Obligation are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Present value of obligation as at the beginning of the year	599.74	547.78
Interest Cost	51.28	47.06
Current Service Cost	22.84	22.27
Contributions by plan participants/employees	49.56	47.46
Benefits Paid	(79.59)	(72.96)
Total Actuarial (Gain)/Loss on Obligation	0.02	2.47
Settlements/Transfer In	2.56	5.66
Present value of obligation as at the End of the year	646.41	599.74

II) Changes in the Fair Value of Plan Assets are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Fair value of plan assets at the beginning of the period	599.79	551.23
Adjustment as per BS	0.13	0.06
Actual return on plan assets	51.15	46.07
Employer contribution	22.84	22.27
Plan Participants / Employee Contribution	49.56	47.46
Benefits paid	(79.59)	(72.96)
Settlements / Transfer In	2.56	5.66
Fair value of plan assets at the end of the period	646.44	599.79

III) Net defined benefit Surplus(Deficit) is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Defined Benefit Obligation at end of year	646.41	599.74
Fair value of Plan Assets at the end of year	646.44	599.79
Net defined benefit Surplus(Deficit)	0.03	0.05

iv) Other Benefits

i) Other Benefits (Funded):- Earned Leave and Medical Leave- Regular Employees

A) Changes in Present Value of the Benefit Obligation are as follows:

(₹ in crore)

Particulars	Earned Leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Present Value of obligation as at beginning of year	77.79	67.70	63.12	61.76
Interest Cost	5.17	5.08	4.19	4.63
Current Service Cost	7.20	6.63	4.13	3.94
Benefits paid	(15.01)	(15.51)	(2.96)	(3.08)
Actuarial (Gain)/Loss on obligation	8.59	13.89	(3.94)	(4.13)
Present Value of Obligation as at end of year	83.74	77.79	64.54	63.12

B) Changes in the Fair Value of Plan Assets are as follows:

(₹ in crore)

Particulars	Earned Leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Fair Value of Plan Assets at the beginning of the year	68.52	62.96	59.02	54.23
Actual Interest Income	4.90	5.56	4.22	4.79
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Fair value of Plan Assets at the end of year	73.42	68.52	63.24	59.02

C) The amount recognized in the Balance Sheet is as follows:

(₹ in crore)

Particulars	Earned Leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Defined Benefit Obligation at end of year	83.74	77.79	64.54	63.12
Fair value of Plan Assets at the end of year	73.42	68.52	63.24	59.02
Funded Status - (Surplus)/ Deficit	10.32	9.27	1.30	4.10
Net (Liability)/ Asset recognized in Balance Sheet	(10.32)	(9.27)	(1.30)	(4.10)

D) Amount recognized in the Statement of Profit & Loss is as follows:

(₹ in crore)

Particulars	Earned Leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Current Service Cost	7.20	6.63	4.13	3.94
Net Interest on Net Defined Benefit Liability	0.62	0.36	0.27	0.57
Net Actuarial (gain)/loss recognized in the year	8.25	13.05	(4.24)	(4.85)
Expenses recognized in the statement of Profit & Loss	16.07	20.04	0.16	(0.34)

E) The principal actuarial assumptions are as follows:

Particulars	Earned Leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Discounting rate (%)	6.66%	6.64%	6.66%	6.64%
Future salary increase (%)	8.25%	8.25%	8.25%	8.25%

F) Sensitivity Analysis of the defined benefit obligation:

(₹ in crore)

Particulars	Increase (Decrease) in present value of obligation as on 31.03.2021	
	Earned Leave (Regular Employee)	Medical Leave (Regular Employee)
Impact due to Increase of 1 % discount rate	(7.22)	(4.35)
Impact due to Decrease of 1 % discount rate	8.56	5.04
Impact due to Increase of 1 % in Salary	8.34	4.92
Impact due to Decrease of 1 % in Salary	(7.18)	(4.32)

II) Other Benefits (unfunded):- Earned Leave (Contract employee), Leave Travel Concession and Long Service Award (Regular employee).

A) Present value of the defined benefits plan obligations:

(₹ in crore)

Particulars	Earned Leave (Contract Employee)		Leave Travel Concession* (Regular employee)		Long Service Award (Regular employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening Balance	1.27	1.24	0.01	0.02	1.43	1.31
Interest Cost	0.08	0.09	0.00	0.00	0.10	0.12
Current Service Cost	0.44	0.42	0.00	0.00	0.03	0.10
Benefit paid	(0.89)	(0.84)	(0.00)	(0.00)	(0.00)	(0.27)
Actuarial (Gain)/Loss on obligation	0.74	0.36	(0.00)	(0.01)	(0.05)	0.17
Closing Balance	1.64	1.27	0.01	0.01	1.51	1.43

B) Total expenses recognized in the Statement of Profit & Loss are as follows:

(₹ in crore)

Particulars	Earned Leave (Contract Employee)		Leave Travel Concession* (Regular employee)		Long Service Award (Regular employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Current Service Cost	0.44	0.42	0.00	0.00	0.03	0.12
Interest Cost	0.08	0.09	0.00	0.00	0.10	0.10
Actuarial (Gain)/Loss	0.74	0.36	(0.00)	(0.01)	(0.05)	0.17
Expenses recognized in the statement of Profit & Loss	1.26	0.87	(0.00)	(0.01)	0.08	0.39

*The values in Leave Travel Concession are under ₹1 lakh.

C) The principal actuarial assumptions used at the Balance Sheet date are as follows:

Particulars	Earned Leave (Contract employee)		Leave Travel Concession (Regular employee)		Long Service Award (Regular employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Discount rate (%)	6.66%	6.64%	6.66%	6.64%	6.66%	6.64%
Future salary increase (%)	4.12%	4.12%	8.25%	8.25%	-	-

D) Sensitivity Analysis of the defined benefit obligation:

(₹ in crore)

Particulars	Increase (Decrease) in present value of obligation as on 31.03.2021	
	Earned Leave (Contract employee)	Leave Travel Concession (Regular Employee)
Impact due to Increase of 1 % discount rate	(0.23)	0.00
Impact due to Decrease of 1 % discount rate	0.25	0.00
Impact due to Increase of 1 % in Salary	0.25	-
Impact due to Decrease of 1 % in Salary	(0.24)	-

b) Defined Contribution Plans

Post Retirement Benefits (Pension & Medical):

All eligible employees are entitled to benefit under defined contribution plans towards pension under EPFO scheme, post retirement pension fund and medical schemes as defined contribution plans. The company has no obligations other than the contribution payable to such funds/schemes. The company recognizes such contributions as expenses when an employee renders the related service.

During the year, company contributed/ provided ₹ 19.03 crore (previous year ₹ 17.09 crore) towards post retirement pension fund, ₹ 3.69 crore (previous year ₹ 3.94 crore) towards pension under EPFO and ₹ 5.31 crore (previous year ₹ 5.22 crore) towards medical schemes.

c) Foreign Service Contribution

Foreign Service Contribution is recognized on accrual basis in the Statement of Profit and Loss Account as per the deputation terms with parent organizations in respect of officers taken on deputation from other organizations.

41. Indian Accounting Standard (Ind AS-20), Disclosures on Accounting for Government Grants and Disclosure of Government Assistance are as follows:

The Company is receiving government grant in the form of export incentive on export of Rolling Stock and Spare parts. There are two types of export incentive i.e duty drawback and Merchandise Exports from India Scheme

(MEIS) Scrips. The Company has recognized ₹ 3.57 crore (previous year ₹ 9.09 crore) as export incentive. The export incentive receivable at the end of the year is ₹ 1.40 crore (previous year ₹ 1.79 crore).

42. Indian Accounting standard (Ind AS) 21, Disclosures on The Effects of Changes in Foreign Exchange Rates are as follows:

The amount of exchange differences (net) credited to the statement of profit and loss account during the Financial Year is ₹ 5.89 crore (Previous Year ₹ 34.43 crore).

43. Indian Accounting Standard (Ind AS) 24 -Related Party Disclosures are as follows:

a) Subsidiary Companies

Name of Subsidiaries	Country	Holding as on	
		31.03.2021	31.03.2020
M/s RITES (Afrika) (Pty) Limited	Botswana	100%	100%
M/s RITES Infrastructure Services Limited*	India	-	100%
M/s REMC Limited	India	51%	51%

Above does not include RITES Mohawarean Arabia Company Limited, which has completed its liquidation process during the year and investment in equity made by the company has already been recovered.

* RITES Infrastructure Services Limited has completed its liquidation process during the year.

b) Joint Ventures

Name of Joint Ventures	Country	Holding as on	
		31.03.2021	31.03.2020
M/s SAIL-RITES Bengal Wagon Industry Private Limited	India	50%	50%
M/s BNV Gujarat Rail Private Limited **	India	-	26%
M/s Indian Railway Stations Development Corporation Limited	India	24%	-

** Company exited from BNV Gujarat Rail Private Limited (Joint Venture Company) by transferring its shares to the other joint venture partner.

c) Other Related Parties:

Name of Other Related Parties	Country	Nature of Relationship
RITES Contributory Provident Fund	India	Post- Employment Benefit Plan of RITES Limited
RITES Limited Superannuation Pension Trust	India	Post- Employment Benefit Plan of RITES Limited
RITES Limited Retired Employees Medical Trust	India	Post- Employment Benefit Plan of RITES Limited
RITES Employee Gratuity Fund	India	Post- Employment Benefit Plan of RITES Limited

d) Key Management Personnel

Chairman & Managing Director (Chief Executive Officer)

Mr. Rajeev Mehrotra

Whole Time Directors

Mr. Gopi Suresh Kumar Varadarajan - Director Projects

Mr. Anil Vij - Director Technical

Mr. Bibhu Prasad Nayak - Director Finance

Government Nominee Directors

Mr. Alok Kumar Tewari (Up to 31.08.2020)

Mr. Vinay Srivastava

Non-Executive (Independent) Directors

Dr. Pramod Kumar Anand (Up to 18.09.2020)

Dr. Rajendra Nath Goyal (Up to 14.03.2021)

Ms. Geethakumary (Up to 14.03.2021)

Chief Financial Officer

Mr. Parmod Kumar Narang

Company Secretary

Mr. Ashish Srivastava, Company Secretary (up to 31.03.2021)

Mr. Joshit Ranjan Sikidar, Company Secretary (w.e.f. 01.04.2021)

e) Transactions and Balances with Related Parties

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

i) Subsidiary Companies

Transactions with Subsidiary Companies:

(₹ in crore)

Particulars	ITES (Afrika) (Pty) Limited		ITES Infrastructure Services Limited*		REMC Limited	
	Year ended		Year ended		Year ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Investment written off	-	-	0.05	-	-	-
Reimbursement / Recoverable	-	-	-	-	0.04	0.26
Consultancy Fee/ Income from Construction Turnkey Projects	1.74	2.31	-	-	9.95	10.30
Dividend Received	-	0.03	-	-	5.35	6.33
Deposit received for renovation of Office Building	-	-	-	-	1.02	-

Balances with Subsidiary Companies:

(₹ in crore)

Particulars	ITES (Afrika) (Pty) Limited		ITES Infrastructure Services Limited*		REMC Limited	
	As on		As on		As on	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Investments	0.01	0.01	-	0.05	35.70 **	35.70
Recoverable	-	-	-	-	-	0.04
Receivables	0.37	0.04	-	-	2.75	0.88
Unbilled Assets	-	-	-	-	-	0.75
Deposit received for renovation of Office Building	-	-	-	-	1.00	-

* RITES Infrastructure Services Limited has completed its liquidation process during the year and accordingly investment has been written off.

** REMC Limited allotted 1.785 crore equity shares fully paid up as Bonus issue in the ratio 1:2.

ii) Joint Ventures

Transactions with Joint Ventures:

(₹ in crore)

Particulars	SAIL-RITES Bengal Wagon Industry Private Limited		BNV Gujarat Rail Private Limited*		Indian Railway Stations Development Corporation Limited	
	Year ended		Year ended		Year ended	
	31.03.21	31.03.20	31.03.21	31.03.20	31.03.21	31.03.20
Investments (equity)	-	-	-	-	48.00	-
Investment written off	-	-	0.14	-	-	-
Exited from Joint venture by transferring the shares to other Joint venture partner	-	-	0.12	-	-	-
Reimbursement/Recoverable	-	-	-	-	-	-
Operating Income (Consultancy Fee/ Income from Construction Turnkey Projects/Export Sales/Leasing Service)	0.01	0.01	-	-	-	-
Interest on Loan given	0.34	0.43	-	-	-	-
Provision for Diminution in value of investment	-	-	-	0.14	-	-
Foreign service Contribution / remittance received	-	-	-	-	0.03	-

Balances with Joint Ventures

(₹ in crore)

Particulars	SAIL-RITES Bengal Wagon Industry Private Limited		BNV Gujarat Rail Private Limited*		Indian Railway Stations Development Corporation Limited	
	As on		As on		As on	
	31.03.21	31.03.20	31.03.21	31.03.20	31.03.21	31.03.20
Investments(equity)	24.00	24.00	-	0.26	48.00	-
Recoverable (Payable)/ Advances	-	(0.18)	-	-	-	-
Receivables	0.04	0.13	-	-	-	-
Loan (Working Capital)	2.80	5.60	-	-	-	-
Interest accrued on Loan given	0.65	1.34	-	-	-	-

* Company exited from BNV Gujarat Rail Private Limited (Joint Venture Company) by transferring its shares to the other joint venture partner.

iii) Transactions with other related parties (Post-Retirement Benefits Trusts/Plans):

Refer note no 40 & 43(c)

iv) Transactions with Key Managerial Personnel:

(₹ in crore)

Particulars	Year ended	
	31.03.2021	31.03.2020
Compensation to CMD, Whole Time Directors, CFO & Company Secretary:		
Short Term Employee Benefits	2.84	2.56
Post-employment Benefits	0.41	0.75
Other Long Term Benefits	0.21	0.47
Sub-Total	3.46	3.78
Sitting fee to Non-Executive (Independent) Directors	0.21	0.27
Total	3.67	4.05

f) Entities under the control of same Government

Government of India (GOI) as on 31st March 2021 is holding 72.20% equity shares of the company, which are held by President of India through Ministry of Railways. GOI controls the company through Ministry of Railways.

The Company has made various transactions with the Ministry of Railways and with entities being controlled or jointly controlled or having significant influence of the Ministry of Railways. The transactions with them are as under:

Significant Transactions with Government related entities:

(₹ in crore)

Particulars	Year ended	
	31.03.2021	31.03.2020
Revenue	643.24	957.29
Procurements	93.35	151.20
Fee for services & supplies obtained	15.06	25.98
Consumables	0.16	0.62
Lease rent paid	2.77	-
Training expenses	0.10	0.51
Provision for bad debts including written offs	11.63	3.20
Buyback of equity shares	173.37	-
Bonus issue of equity shares fully paid up	-	43.70
Dividend paid	264.18	263.40
Interest on tax free bonds	9.02	9.02

Significant balances with Government related entities:

(₹ in crore)

Particulars	As on	
	31.03.2021	31.03.2020
Capital Advances	-	9.20
Other Advances	174.53	55.62
Recoverable	8.06	6.31
Payables	81.45	25.23
Advance Received	4.21	3.64
Clients Funds Received	96.12	152.97
Receivables	148.14	262.92
Tax Free Bonds	120.00	120.00
Interest on tax free bonds	5.89	5.89

44. Indian Accounting Standard (Ind AS) 27- Disclosures on Separate financial statements are as follows:
a) Investment in subsidiary companies*:-

Name of Company	Principal Place of Business	Proportion of ownership interest	
		As at 31.03.2021	As at 31.03.2020
M/s BITES (Afrika) (Pty) Limited	Botswana	100%	100%
M/s BITES Infrastructure Services Limited #	India	-	100%
M/s REMC Limited	India	51%	51%

* Above does not include BITES Mohawarean Arabia Company Limited, which has completed its liquidation process during the year and investment in equity made by the company has already been recovered.

BITES Infrastructure Services Limited has completed its liquidation process during the year.

b) Investment in joint venture companies:

Name of Company	Principal Place of Business	Proportion of ownership interest	
		As at 31.03.2021	As at 31.03.2020
SAIL-RITES Bengal Wagon Industry Private Limited	India	50%	50%
BNV Gujarat Rail Private Limited*	India	-	26%
Indian Railway Stations Development Corporation Limited	India	24%	-

* Company exited from BNV Gujarat Rail Private Limited (Joint Venture Company) by transferring its shares to the other joint venture partner.

Equity investments in subsidiary and joint venture companies are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

45. Indian Accounting Standard (Ind AS) 33-Disclosures on Earnings per Share (EPS) are as follows:

Particulars		Year Ended	
		31.03.2021	31.03.2020
A	Net Profit available for Equity Shareholder (₹ in crore)	424.35	596.39
B	Weighted average number of Equity Shares	246,439,597	250,000,000
C	Earnings Per Share (Basic & Diluted) (A)/(B)	₹ 17.22	₹ 23.86
D	Face value per equity share	₹ 10/-	₹ 10/-

The company has bought back 9,698,113 fully paid-up equity shares of ₹ 10 each from the shareholders on 18th November, 2021 on proportionate basis by way of tender offer at a price of ₹ 265 per equity share for an aggregate amount of ₹ 257 crore. As per Ind AS 33 due to buy back, earnings per share (basic and diluted) for the year ending 2020-21 have been computed on the basis of weighted average number of equity shares.

46. Indian Accounting Standard (Ind AS) 36, Disclosures on Impairment of Assets are as follows:

The company has carried out the assessment on impairment of assets in terms of Indian Accounting standard (Ind AS) 36, Impairment of Assets and management does not perceive any impairment in the value of the carrying amount of assets.

47. Indian Accounting Standard (Ind AS) 37, Disclosures on Provisions, Contingent Liabilities and Contingent Assets are as follows:

- a) Provisions include mainly towards warranty which has been made for fulfillment of warranty obligation after export sale of rolling stocks/ locomotives & spares. Estimation of such provision is based on past experience, nature of rolling stock exported to various clients and period specified in the agreements with them. Actual expenditure may vary during the warranty period as per the requirements.

(₹ in crore)

Items	Carrying amount 01.04.20	Additional Provision made during the year	Provisions used during the year	Unused amount reversed during the year	Unwind-ing Cost	Carrying amount as on 31.03.21
Warranties	58.02	3.47	11.43	25.66	0.74	25.14
Commitments	7.02	-	-	6.44	-	0.58

(₹ in crore)

Items	Carrying amount 01.04.19	Additional Provision made during the year	Provisions used during the year	Unused amount reversed during the year	Unwind-ing Cost	Carrying amount as on 31.03.20
Warranties	39.94	20.62	3.63	-	1.09	58.02
Commitments	7.07	-	-	0.05	-	7.02

As per the agreements with the customers, warranty years are varying from two to five years, i.e. extending beyond one year, require discounting to work out net present value of such provisions made towards warranty.

Effect of change in the discount rates

Discount rate is based on the average of interest rates in Fixed Deposits with banks during the reporting period. Average interest rate for the year 2020-21 is of 5.68% vice 6.47% for the year 2019-20. The effect of interest rate change on the above provisions is ₹ 0.11 crore.

Commitments pertain to estimated expenditure to be incurred for removing the defects in connection with construction/PMC projects and estimated period for utilization of provision for commitments is less than one year.

b) Contingent liabilities and Commitments to the extent not provided for include:

i) Contingent Liabilities

- I) Claims (excluding interest) against the company not acknowledged as debts are ₹ 27.15 crore (previous year ₹ 27.63 crore).
- II) The company is subject to legal/arbitration proceeding and claims, which have arisen in the ordinary course of business. Management does not reasonably expect that when these cases ultimately conclude and determined, will have any material and adverse effect on the company's results of operations or financial conditions.
- III) Disputed taxes and duty:
 - A) Demand on account of income tax includes of ₹ 5.77 crore (excluding interest) (previous year ₹ 8.33 crore) which are being contested by the company. This excludes ₹ 3.52 crore (previous Year ₹ 12.28 crore) relating to cases where company has already won the same at different appellate authorities during earlier years, against which income tax department has gone for appeal at higher appellate authorities. In similar cases of past years, the appeal of the income tax department has been dismissed.
 - B) Demand on account of service tax, VAT etc. amounting to ₹ 2.45 crore (previous year ₹ 2.45 crore) which are being contested by the company at different forums.
 - C) Stamp duty of ₹ 1.17 Crore (previous year Nil) against alternative land at Gomati Nagar Extension, Lucknow allotted by Lucknow Development Authority (Refer note 57(i)).
- IV) The Company has issued indemnity bond to the official Liquidator of RITES Infrastructure Service Limited for indemnifying the claimants in future against all lawful claims and liabilities arise or observed even after the dissolution of RITES Infrastructure Service Limited and losses that may arise pursuant to dissolution of RITES Infrastructure Service Limited. However, company does not foresee any liability on this account as on 31.03.2021.
- V) A number of cases are lying for adjudication at various forums or under arbitration, which Company is contesting on behalf of Clients. The Company is not subject to any liability that may result pursuant to adjudication / arbitral award.
- VI) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where amount cannot be quantified.

ii) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounting to ₹ 191.25 crore (previous year ₹ 150.24 crore).

c) Contingent Assets

- i) In a pre-closed contract in the year 2005-06, company invoke arbitration for a claims of ₹ 233.93 crore (previous year ₹ 233.93 crore) against a client. Client also submit counter claims of ₹ 469.10 crore (previous year ₹ 469.10 crore) before arbitrator. The sole arbitrator awarded ₹ 88.31 crore in favour of the company

against the claim of Rs.233.93 Crore, while rejecting the counter claims of the client. Since the awarded amount is less than the claimed amount, Company appealed against the aforesaid award. Appellate authority awarded ₹ 231.68 crore with applicable interest in favour of the company. Client filed a petition in the Civil Court for setting aside the aforesaid award, which was dismissed by the court on 22.11.2017 and preliminary objections of company are allowed. Thereafter the company filed writ petition before Hon'ble Jharkhand High court on 05.07.2018 to issue the direction to client to pay the awarded amount. Hearing in the matter is yet to be scheduled.

- ii) In the above contract, executing agency also raised claims (excluding interest) of ₹184.41 crore (previous year ₹ 184.41 crore) against the company before the arbitration tribunal. The Company also submitted a counter claims of ₹ 644.53 crore (previous year ₹ 644.53 crore) against the executing agency. Both the parties had concluded their arguments before the Tribunal and award was published on 18th October, 2016 in favour of the company. As per the award, Company was to get ₹ 63 crore from executing agency effective from the date of publication of award i.e. 18th October, 2016. The executing agency had filed two petitions i.e. arbitration appeal before Hon'ble Jharkhand High Court on 25.05.2017 and commercial revocation to set aside the award before the commercial court, Ranchi on 06.01.2018. The arbitration appeal has already been dismissed by Hon'ble Jharkhand High Court on 11.03.2019. The commercial revocation has also been dismissed on 29.06.2019. Now RITES Limited filed the commercial execution case no. 03 of 2020 on 16.01.2020 before commercial court Ranchi to execute the award amount. Same is pending and next date of hearing is fixed on 19.06.2021. In view of above, the company has not recognized the award amount in the books of account.

48. Indian Accounting Standard (Ind AS) 40, Disclosures on Investment Property are as follows:

a) Amounts recognized in the Statement of Profit and Loss are as follows:

(₹ in crore)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Rental income	0.18	-
Direct proportionate operating expenses relating to rental income (including repair & maintenance)	0.00	-
Profit before depreciation	0.18	-
Depreciation for the period	0.00	-
Profit from investment property	0.18	-

The company has leased out one flat at Asian Games Village Complex, New Delhi to Land Port Authority of India (super area of 177.37 sq.m.).

b) Fair Value

Market value of investment property as on 31.03.2021 is ₹ 3.53 crore based on valuations performed by an external independent valuer and management considered no significant change in the value.

Methods & assumptions for valuation:

The valuation is carried out by an Independent agency on the basis of present construction/replacement cost of similar structures/constituents without considering the value of furniture, fixture & fitting, office equipments etc. There is no capital commitment in respect of investment property.

49. Indian Accounting Standard (Ind AS) 107, Disclosures on Financial Instruments are as follows

a) Financial Instruments by category

The carrying value and fair value of financial instruments categories-wise as on 31st March, 2021 are as under:

(₹ in crore)

Particulars	Total carrying Value	Amortized Cost	Financial assets/ liabilities at fair value through Profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
Financial Assets:						
Cash and Bank Balance - Owned Fund	889.39	889.39	-	-	-	-

(₹ in crore)

Particulars	Total carrying Value	Amortized Cost	Financial assets/ liabilities at fair value through Profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
Cash and Bank Balance-Client Fund	2483.03	2483.03	-	-	-	-
Investments:		-				
Equity	0.04	-	-	0.04	-	-
Tax Free Bonds	120.00	120.00	-	-	-	-
Liquid Plan of Mutual Fund	85.77	-	-	85.77	-	-
Trade Receivables	568.00	568.00	-	-	-	-
Loans	35.02	35.02	-	-	-	-
Other Financial Assets	214.56	214.56	-	-	-	-
Total	4395.81	4310.00	-	85.81	-	-
Financial Liabilities:						
Trade Payables	231.36	231.36	-	-	-	-
Lease Liability	4.17	4.17	-	-	-	-
Other Financial Liabilities	2715.54	2715.54	-	-	-	-
Total	2951.07	2951.07	-	-	-	-

The carrying value and fair value of financial instruments categories-wise as on 31st March, 2020 are as under:
(₹ in crore)

Particulars	Total carrying Value	Amortized Cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
Financial Assets:						
Cash and Bank Balance - Owned Fund	1102.04	1102.04	-	-	-	-
Cash and Bank Balance-Client Fund	2516.32	2516.32	-	-	-	-
Investments:						
Equity	0.04	-	-	0.04	-	-
Tax Free Bonds	120.00	120.00	-	-	-	-
Liquid Plan of Mutual Fund	111.66	-	-	111.66	-	-
Trade Receivables	821.66	821.66	-	-	-	-
Loans	34.31	34.31	-	-	-	-
Other Financial Assets	260.82	260.82	-	-	-	-
Total	4966.85	4855.15		111.70	-	-
Financial Liabilities:						
Trade Payables	133.88	133.88	-	-	-	-
Lease Liability	7.21	7.21	-	-	-	-
Other Financial Liabilities	2755.55	2755.55	-	-	-	-
Total	2896.64	2896.64	-	-	-	-

b) Fair value hierarchy & valuation techniques

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

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Fair value of financial instruments that are not traded in an active markets is determined using valuation techniques and observable inputs for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (observable inputs).

Fair value hierarchies of assets and liabilities as on 31st March, 2021 are as follows:

(₹ in crore)

Particulars	Carrying Value As on 31.03.2021	Fair Value As on 31.03.2021	Level
Financial Assets:			
Investments:			
Equity*	0.04	0.04	III
Tax Free Bonds	120.00	130.39	II
Liquid Plan of Mutual Fund	85.77	85.77	I
Trade Receivables**	568.00	568.00	III
Loans**	35.02	35.02	III
Other Financial Assets**	214.56	214.56	III
Financial Liabilities:			
Trade Payables**	231.36	231.36	III
Lease Liability**	4.17	4.17	III
Other Financial Liabilities**	2715.54	2715.54	III

Fair value hierarchies of assets and liabilities as on 31st March, 2020 are as follows:

(₹ in crore)

Particulars	Carrying Value As on 31.03.2020	Fair Value As on 31.03.2020	Level
Financial Assets:			
Investments:			
Equity*	0.04	0.04	III
Tax Free Bonds	120.00	129.80	II
Liquid Plan of Mutual Fund	111.66	111.66	I
Trade Receivables**	821.66	821.66	III
Loans**	34.31	34.31	III
Other Financial Assets**	260.82	260.82	III
Financial Liabilities:			
Trade Payables**	133.88	133.88	III
Lease Liability**	7.21	7.21	III
Other Financial Liabilities**	2755.55	2755.55	III

* Equity shares of ₹ 0.04 crore of GPCL Consulting Services Limited and ₹ 0.0016 crore of Elicius Energy Private Limited which are not tradable and amount of investment in the entity is immaterial, hence investment is recognized at cost and same is considered as its fair value.

** The carrying amounts of trade receivables, trade payables, short term loans, other current financial assets and liabilities are considered to be same as their fair value due to their short-term nature.

c) Financial Risk Management

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

i) Market Risk

The Company operates internationally and a considerable portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk for its sales and services in the Middle East and South Asian countries. The exchange rates between the rupee and foreign currencies have changed substantially in recent years which may also fluctuate substantially in the future. However, company has currency risk management policy and exchange fluctuations are regularly monitored by the risk management committee to mitigate this risk. Policy covers various aspects of currency risk management, benchmarking, hedging and risk appetite, permissible instruments, hedging policy, structure of the risk management committee and treasury group, reporting procedures etc.

Analysis of foreign currency risk from financial instruments is as follows:

Particulars	Currency	As on 31.03.2021	As on 31.03.2020	As on 31.03.2021	As on 31.03.2020
		(Figure in Millions)		(₹ in crore)	
Cash & Cash equivalents	US Dollar	2.23	3.27	16.10	24.22
	MUR	1.92	1.13	0.34	0.21
Loans	US Dollar	0.01	0.01	0.04	0.05
	MUR	0.65	0.62	0.12	0.12
Trade Receivables	US Dollar	9.86	30.73	71.21	227.80
	MUR	-	-	-	-
Other financial assets	US Dollar	7.36	9.65	53.17	71.54
	MUR	-	-	-	-
Trade Payable	US Dollar	(1.82)	(3.06)	(13.11)	(22.68)
	MUR	-	-	-	-
Other financial liabilities	US Dollar	(0.23)	(0.39)	(1.69)	(2.86)
	MUR	(0.16)	(0.66)	(0.03)	(0.12)
Net assets/(liabilities)	US Dollar	17.41	40.21	125.72	298.07
	MUR	2.41	1.09	0.43	0.21

For the year ended 31st March, 2021 and 31st March, 2020, every percentage increase/decrease in the exchange rate between the INR & US Dollar has affected the Company's incremental margins by approximately 0.22 % (previous year 0.36%) each. For the year ended 31st March, 2021 and 31st March, 2020, every percentage increase/decrease in the exchange rate between the INR & MUR has an insignificant affect on the Company's incremental margins.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting year and the current reporting year.

The above foreign currency exposure is unhedged as these are covered through foreign currency risk management policy.

ii) Credit Risk

Credit Risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Primarily exposure to the credit risk is from trade receivables amounting to ₹ 675.74 crore (previous year ₹ 923.51 crore) and unbilled revenue amounting to ₹79.14 crore (previous year ₹ 109.65 crore) which are typically unsecured. Credit risk is being managed by continuously monitoring the outstanding dues from the customers. Trade Receivables towards export sales are generally managed by establishing Letter of Credit with the clients. Further, most of the clients of the company are Government or Government

Undertakings; hence credit risk is bare minimum and company also does not foresee any impact on credit risk of the company due to outbreak of COVID-19. Company has impaired, as a prudent measure, the trade receivables towards expected credit loss as per company accounting policy to the extent of ₹107.74 crore (previous year ₹ 101.85 crore). Keeping in view the nature of business expected credit loss is provided for on case to case basis as per the policy on impairment of financial assets.

Movement of Impairment of Financial Assets

(₹ in crore)

Sl.No.	Particulars	Balance at the beginning of the year	Provision during the year	Reversal during the year	Balance at the end of the year
1	Trade & Other Receivable	124.35	39.34	34.46	129.23

No significant credit risk on cash and bank balances including clients' funds amounting to ₹ 3372.42 crore (previous year ₹ 3618.36 crore) is expected as company parks surplus funds with Schedule Banks having good credit adequacy ratio and least NPA as determined by RBI and guidelines of the company. Company has parked its owned funds in fixed deposits of ₹ 852.23 crore (previous year ₹ 1063.75 crore) with Schedule banks with negligible credit risks.

Non-Strategic Investments primarily include investments in liquid mutual fund units of ₹ 85.77 crore (previous year ₹ 111.66 Crore) and tax free bonds of ₹ 120 crore (previous year ₹ 120 crore) issued by Public Sector Undertaking where risk is minimal.

Company has given loans to employees and one of its joint ventures. House building, Multi-purpose loans etc. to the employee which are insured, and are mortgage against house properties in line with the policies of the company. The loan provided to the joint venture is long term. The risk of default in respect of these loans is considered negligible.

iii) Liquidity Risk

Company's principal sources of liquidity are "cash and bank balances" and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company has a working capital of ₹ 1670.41 crore (previous year ₹ 2082.02 crore) including cash and bank balance (owned funds) of ₹ 889.39 crore (previous year ₹ 1102.04 crore) and current investment ₹ 110.77 crore (previous year ₹ 111.66 crore). Company believes that the working capital is sufficient to meet its requirements, accordingly no liquidity risk is perceived by the company.

Maturities of financial liabilities

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

(₹ in crore)

Contractual maturities of financial Liabilities	Within a year	Between 1-5 Years	Beyond 5 Years	Total
31st March, 2021				
Trade Payables	231.36	-	-	231.36
Lease Liabilities	2.25	2.29	-	4.54
Other Financial Liabilities	2494.98	220.56	-	2715.54
Total	2728.59	222.85	-	2951.44
31st March, 2020				
Trade Payables	133.88	-	-	133.88
Lease Liabilities	3.37	4.71	-	8.08
Other Financial Liabilities	2574.59	180.96	-	2755.55
Total	2711.84	185.67	-	2897.51

50. Indian Accounting Standard (Ind AS) 108, Disclosures on Operating Segments are as follows:

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

- a) Company has identified four operational reportable segments based on operations being carried out which are as under:-
 - Consultancy Services
 - Leasing of railway rolling stock & equipments
 - Export of rolling stock, equipments and spares
 - Turnkey Construction Projects
- b) Geographical wise revenue segment is disclosed as under:-
 - i) Revenue within India from consultancy includes quality assurance & project management services, turnkey construction projects and domestic lease rental services to clients located inside India.
 - ii) Revenue from outside India includes services rendered and export sales of rolling stock & spare parts to the clients located outside India.
- c) The accounting principles used in the preparation of the financial statements are consistently applied to record revenue & expenditure in individual segment, as set out in the note of significant accounting policies.
- d) Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of attributed direct cost. All other expenses which are not attributable or allocable to the segments have been disclosed as un-allocable expenses.
- e) Assets and liabilities used in the Company's business are not identified to any of the reportable segments as these are used interchangeably between segments. Depreciation, amortization & impairment on Property, Plant & Equipment and Intangible Assets cannot be allocated to a specific segment. Company believes that it is currently not practicable to provide segmental disclosure relating to total assets, total liabilities and depreciation, amortization & impairment since a meaningful segregation of the available data could be onerous.

f) Operational Segments:

Year ended 31.03.2021

(₹ in crore)

Description	Consultancy Services		Leasing		Export Sale	Turnkey Construction Projects-Domestic	Total
	Domestic	Abroad	Domestic	Abroad			
Revenue	892.60	79.40	108.27	-	93.27	623.85	1797.39
Identifiable operating expenses	507.51	35.26	69.68	-	75.52	600.38	1288.35
Segmental profit from operations	385.09	44.14	38.59	-	17.75	23.47	509.04
Add: Interest Income*							82.70
Add: Other Income **							67.46
Less: Finance Cost							2.84
Less: Un allocable Expenses							94.01
Net Profit Before Tax							562.35
Less: Income Tax (including Deferred Tax)							138.00
Net Profit After Tax							424.35
Additional Information:							
Depreciation and amortization							44.81
Non-cash expenses/ (income) other than depreciation and amortization							5.54
Reversal of Provisions							34.01
Loss on sale of PPE							0.01

Year ended 31.03.2020

(₹ in crore)

Description	Consultancy Services		Leasing		Export Sale	Turnkey Construction Projects-Domestic	Total
	Domestic	Abroad	Domestic	Abroad			
Revenue	999.30	66.82	120.70	-	540.87	672.88	2400.57
Identifiable operating expenses	551.73	35.92	74.16	-	418.18	649.91	1729.90
Segmental profit from operations	447.57	30.90	46.54	-	122.69	22.97	670.67
Add: Interest Income*							142.66
Add: Other Income **							121.82
Less: Finance Cost							3.04
Less: Un allocable Expenses							109.50
Net Profit Before Tax							822.61
Less: Income Tax (including Deferred Tax)							226.22
Net Profit After Tax							596.39
Additional Information:							
Depreciation and amortization							40.93
Non-cash expenses/(income) other than depreciation and amortization							19.78
Reversal of Provisions							63.23
Loss on sale of PPE							0.01

g) Geographical Segment

(₹ in crore)

Description	Year ended 31.03.2021					Year ended 31.03.2020				
	India	Abroad			Total	India	Abroad			Total
		Asia	Africa	America			Asia	Africa	America	
Revenue	1624.72	51.00	121.67	-	1797.39	1792.88	552.10	51.40	4.19	2400.57
Identifiable operating expenses	1177.57	41.91	68.87	-	1288.35	1275.80	422.30	28.54	3.26	1729.90
Segmental profit from operations	447.15	9.09	52.80	-	509.04	517.08	129.80	22.86	0.93	670.67
Add: Interest Income*					82.70					142.66
Add: Other Income **					67.46					121.82
Less: Finance Cost					2.84					3.04
Less: Un-allocable Expenses					94.01					109.50
Net Profit before Tax					562.35					822.61
Less: Income Tax (including Deferred Tax)					138.00					226.22
Net Profit after Tax					424.35					596.39
Additional Information:										
Depreciation and amortization					44.81					40.93
Non-cash expenses/(income) other than depreciation and amortization					5.54					19.78
Reversal of Provisions					34.01					63.23
Loss on sale of PPE					0.01					0.01

* Interest income includes interest on bank deposits, bonds, staff advances, loans, income tax refunds etc.

** Other income includes provision/liability no longer required, profit on sale of assets, export incentives, rental income from investment properties, dividend on current & non-current investments, exchange gain etc.

Note:- No Impairment and its reversal have been recognized in Other Comprehensive Income (OCI) during the year ended 31.03.2021 and 31.03.2020.

- h) Revenue of ₹ 582.49 crore (previous year ₹ 1160.41 crore) from major customers is given below: (₹ in crore)

Description	Year ended 31.03.2021					Year ended 31.03.2020				
	Consultancy	Lease Services	Export Sales	Turnkey Construction Projects-Domestic	Total	Consultancy	Lease Services	Export Sales	Turnkey Construction Projects-Domestic	Total
Customer 1	193.25	1.49	-	97.67	292.41	258.28	-	-	404.65	662.93
Customer 2	4.15	-	-	285.93	290.08	-	-	497.48	-	497.48
Total	197.40	1.49	-	383.60	582.49	258.28	-	497.48	404.65	1160.41

Note: - PSUs under the same ministry have not been considered as one customer.

51. Indian Accounting Standard (Ind AS) 115, Disclosures on Revenue from Contracts with Customers are as follows:

a) Significant management judgments on Revenue Recognition:

Recognised amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion which is determined based on physical progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considered appropriate. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation and uncertainty.

b) Company has contracts with customers for different services which are given below:-

- Consultancy Services
- Export of rolling stock, equipments and spares
- Turnkey Construction Projects

Beside above, company has contracts with customers for wet leasing which are covered under Indian Accounting Standard (Ind AS) 116, Leases

c) Company has recognized revenue either on the basis of over time or point in time depending upon satisfaction of performance obligation on transferring control of goods or services to customers. Revenue has been recognized by the company over time basis if any one of the following condition is met:

- Customer simultaneously receives and consumes the benefits.
- Company's performance creates or enhances an assets that the customer controls as the assets is created or enhanced.
- Company's performance does not create with alternative use and company has enforceable right to payment for performance completed to date.

In case, none of the above condition is met, revenue recognized by the company on the basis of point in time.

d) Disaggregation Revenue information:

The below presents Disaggregated Revenues from contract with customer for the year ended 31st March, 2021 from various streams of revenue. The company believe that this Disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factor.

(₹ in crore)

Particulars	Consultancy Services		Inspection Fee		Export Sale	Turnkey Construction Projects-Domestic	Total
	Domestic	Abroad	Domestic	Abroad			
2020-21	599.30	73.92	293.30	5.48	93.27	623.85	1689.12
2019-20	635.96	62.89	363.34	3.93	540.87	672.88	2279.87

e) Company is rendering many project management consultancy services for and on behalf of clients where fee is due to company for professional services.

f) In most of the cases, payments from customers are linked with performance obligations. Wherever on the reporting date work has been performed and payment is not due as per the contract, in such cases contract

assets have been created. However, where payment has been received including advance but performance has not been completed, in such cases contract liabilities have been created. Advances received by the company for execution of work are in the nature of security i.e a source of protection and are not for financing the project.

- g) Company provides warranty in the nature of assurance for which provisions are made as per the Indian Accounting Standard (Ind AS) 37, Provisions, Contingent Liabilities and Contingent Assets.
- h) During the year provision for impairment of amount receivable from client for services rendered/goods supplied amounting to ₹ 9.08 crore (previous year ₹ 14.13 crore) which includes provisions for lease services amounting to ₹ 0.22 crore (previous year ₹ 0.18 crore).
- i) Balances of Receivables/Contract assets/Contract liabilities are as under:

(₹ in crore)

Particulars	As on 31.03.2021	As on 31.03.2020
Receivables includes lease receivables of ₹ 36.32 crore (Previous year ₹ 44.40 crore)	675.74	923.51
Contract assets	167.16	211.56
Contract liabilities includes lease liabilities of ₹ 0.27 crore (Previous year ₹ 0.27 crore)	268.58	134.61

- j) During the year ended March 31st, 2021, ₹ 107.56 crore and March 31st 2020, ₹ 37.67 crore of unbilled revenue as of April 1st, 2020 and April 1st 2019 respectively has been reclassified to trade receivables upon billing to customers on completion of milestones.
- k) During the year ended March 31, 2021 ₹ 14.65 crore and March 31, 2020 ₹ 158.53 crore of contract liabilities as of April 1, 2020 and April 1, 2019 has been recognized as revenue after completion of milestones.
- l) The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2021 is ₹ 6,074 crore which pertains to various segment of the company. Company is likely to recognize this revenue over a period ranging from one year to three years. The aggregate value of performance obligations that was completely or partially unsatisfied as at March 31, 2020 was ₹ 5,325 crore which pertains to various segment of the company.
- m) Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to statement of Profit and Loss.
- n) Company has recognized unamortized contract assets of ₹ 5.63 crore (previous year ₹ 5.02 crore) on account of costs incurred in fulfilling the contract. The unamortized contract cost will be charged to statement of Profit and Loss on completion of performance obligations.
- o) The Company's project management consultancy and turnkey business got impacted due to travel restrictions, non-availability of labor, delay in procurement of raw material, delay in acquisition of land etc. Quality assurance work got impacted due to travel restrictions and less procurement by Railways. Export's deliveries of locomotives got delayed due to supply chain disruptions across globe leading to delay in imports of certain sub-assemblies, therefore affecting the timelines set for shipment of locomotives and coaches. Leasing business got impacted due to stalled works at certain project sites, ports etc. during lockdown but with rising in demand, this business has quickly recovered. Pandemic disrupted the business flow, but company has tried to negate the Covid impact through remote working.

52. Indian Accounting Standard (Ind AS-116): Disclosures on Leases are as follows:

a) Company as Lessee:

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the term of useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. Company has no borrowing, as such 3 year SBI MCLR rate 8.05% and 8.75% has been considered as weighted average incremental borrowing rate for calculation of present value of lease liability for the FY- 2020-21 and 2019-20 respectively.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

- i) The following is the summary of practical expedients applied:
- The Company has used a single discount rate to a portfolio of leases with similar characteristics.
 - Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
 - Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- ii) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

(₹ in crore)

Particulars	Category of ROU Assets			Total
	Land	Building	Residential Quarters	
Balance as at April 1, 2020	1.62	17.29	4.08	22.99
Additions	0.69	2.03	-	2.72
Deletion	-	-	-	-
Adjustment	(0.01)	(0.33)	-	(0.34)
Depreciation	0.41	2.99	0.25	3.65
Balance as at March 31, 2021	1.89	16.00	3.83	21.72

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

(₹ in crore)

Particulars	Category of ROU Assets			Total
	Land	Building	Residential Quarters	
Balance as at April 1, 2019	-	-	-	-
Reclassified on account of adoption of Ind AS 116	-	12.08	4.33	16.41
Reclassification of investment property	-	0.78	-	0.78
Additions	1.94	6.58	-	8.52
Deletion	-	-	-	-
Depreciation	0.32	2.15	0.25	2.72
Balance as at March 31, 2020	1.62	17.29	4.08	22.99

Depreciation on right-of-use assets is as follows:

(₹ in crore)

Description	Year Ended 31.03.2021	Year Ended 31.03.2020
Land	0.41	0.32
Building	2.99	2.15
Residential qtrs	0.25	0.25
Total	3.65	2.72

- iii) The following is the break-up of current and non-current lease liabilities:

(₹ in crore)

Particulars	As on 31.03.2021	As on 31.03.2020
Current lease liabilities	2.00	2.83
Non-current lease liabilities	2.17	4.38
Total	4.17	7.21

iv) The following is the movement in lease liabilities :

(₹ in crore)

Particulars	As on 31.03.2021	As on 31.03.2020
Opening Balance	7.21	-
Additions	2.72	8.52
Finance cost accrued during the period	0.42	0.51
Payment of lease liabilities	5.81	1.82
Adjustment	(0.37)	-
Closing Balance	4.17	7.21

v) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in crore)

Particulars	As on 31.03.2021	As on 31.03.2020
Less than one year	2.25	3.37
One to five years	2.29	4.71
More than five years	-	-
Total	4.54	8.08

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

vi) During the year ended 31 March 2021, the Company incurred expenses amounting to ₹ 11.42 crore (Previous year ₹ 8.24 crore) on accounts of short-term leases and leases of low-value assets. For the year ended 31 March 2021, the total cash outflows for leases, including short-term leases and low-value assets amounted to ₹17.24 crore (Previous year ₹ 10.06 crore).

vii) The company does not have any lease restrictions and commitment towards variable lease rent as per the contract.

viii) The company has no commitments towards Leases yet to be commenced as on 31.03.2021.

ix) The company has not sub-leased any of the assets taken on lease.

b) Company as a lessor:-

i) Operating Lease: As Lessor

i) The company has leasing arrangement of locomotives in domestic market mainly on cancelable basis which includes providing services of its experts for maintenance of these locomotives for which lease rent is received from the clients as per terms of the contracts.

New & In-Service Locomotives (refer note no.2)

(₹ in crore)

Description	Year ended	
	31.03.2021	31.03.2020
Gross carrying amount	377.24	365.79
Accumulated depreciation	147.80	117.35
Net carrying amount	229.44	248.44
Depreciation provided for the year	30.85	29.60

- II) The company has leased out one flat at Asian Games Village Complex, New Delhi to Land Port Authority of India (super area of 177.37 sq.m.).

(₹ in crore)

Description	Year ended	
	31.03.2021	31.03.2020
Gross carrying amount	0.15	-
Accumulated depreciation	0.10	-
Net carrying amount	0.05	-
Depreciation provided for the year	0.00	-

- c) The Company does not envisage any contraction in demand which could result in significant down-sizing of its business operations. Due to COVID-19 there is no change in terms of leases which company has entered as lessee as well as lessor.

53. Indian Accounting Standard (Ind AS) 12, Disclosures on Income Taxes are as follows:

The Company opted to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as promulgated by the GOI vide the Taxation Laws (Amendment) Ordinance, 2019 and accordingly Corporate tax rate of 25.168% (Income tax 22%+Surcharge 10%+Higher Education Cess 4%) has been considered for the purpose of provision for taxes and measuring the deferred tax assets / liabilities in the books of accounts.

a) Income tax expense in the Statement of Profit & Loss comprises:

(₹ in crore)

Particulars	Year Ended	
	31.03.2021	31.03.2020
Income Tax Expenses:		
- Current Taxes	144.14	190.58
- Earlier Years (Net)	(3.63)	(1.30)
Sub Total - A	140.51	189.28
Tax on Other Comprehensive Income (OCI)- B	1.70	(2.38)
Tax on Buy Back Expenses-C	(0.33)	-
Sub Total -D= (A+B+C)	141.88	186.90
Deferred Tax (Net) - Prior Periods	(0.42)	0.18
Deferred Tax (Net) - Current Years	(2.09)	36.76
Sub Total -E	(2.51)	36.94
Total - F=D+E	139.37	223.84

Entire deferred income tax for the year ended 31st March, 2021 and 31st March, 2020 relates to origination and reversals of temporary differences.

b) Reconciliation of the Income Tax Expenses for the year to amount computed as expected tax expense by applying statutory income tax rates is as follows:

(₹ in crore)

Particulars	Year Ended	
	31.03.2021	31.03.2020
Profit before Tax	562.35	822.61
Enacted Tax Rates in India on Normal Income	25.17%	25.17%
Enacted Tax Rates in India on LTCG	23.30%	23.30%
Special Enacted Tax Rates in India on Dividend from foreign company	17.47%	17.47%

(₹ in crore)

Particulars	Year Ended	
	31.03.2021	31.03.2020
Computed Expected Tax Expense	141.53	207.03
Tax effect of Income Exempted from Taxation	(3.62)	(4.27)
Tax effect due to deductible temporary differences	1.16	1.08
Tax effect due to earlier period taxes	(4.05)	(1.12)
Tax Effect due to claim of Expenditure not charged to Profit and Loss A/c	(2.12)	-
Additional Tax Effect due to Income from House Property and other sources	(0.01)	(0.14)
Effect of Non-Deductible Expenditures for determining taxable Profit	3.47	3.06
Tax effect due to income from joint operations	1.31	(0.13)
Tax effect due to change in corporate Tax rates on Deferred Tax Expenses	-	20.71
Income tax expenses (including tax effect on OCI) for the year	137.67	226.22
Tax effect due to OCI	1.70	(2.38)
Current Tax Expense for the year	139.37	223.84

- c) Based upon the Expert Opinion and judicial pronouncements, the company has considered cumulative tax relief of ₹ 5.18 crore while estimating current income tax liability for the financial year 2020-21.

- d) **Details of income tax assets and liabilities as of 31st March, 2021 and 31st March, 2020 are as follows:**

(₹ in crore)

Particulars	As on	
	31.03.2021	31.03.2020
Income Tax Assets	210.09	294.96
Less: Current income tax liabilities	145.52	188.20
Net Current Income Tax Assets/(Liability) at the end	64.57	106.76

- e) **The gross movement in the current income tax asset/(liability) for the year ended 31st March, 2021 and 31st March, 2020 is as follows:**

(₹ in crore)

Particulars	Year Ended	
	31.03.2021	31.03.2020
Net current income tax Asset/(Liability) at the beginning of the year	106.76	93.49
Current Income Tax on OCI	(1.70)	2.38
Current Income Tax on Buy Back	0.33	-
Income Tax paid	99.69	200.17
Current income tax expense	(140.51)	(189.28)
Net Current Income Tax Asset/(Liability) at the end of the year	64.57	106.76

f) Tax effects of significant temporary differences that resulted in deferred income tax asset and liabilities are as follows: (₹ in crore)

Particulars	As on	
	31.03.2021	31.03.2020
Deferred Income Tax Assets:		
Accrued Compensation to Employees	21.79	20.72
Provisions for Doubtful Debts, Security Deposits/EMD, Advances Etc.	32.89	31.38
Lease Liability for ROU Assets	1.05	-
Total Deferred Income Tax Assets - I	55.73	52.10
Deferred Income Tax Liabilities:		
Depreciation on Property Plant & Equipment and Intangible Assets	16.08	11.64
Interest Accrued on Income Tax Refund	-	1.61
Donation to PM Cares Fund	-	1.76
Unrealised Short-term Gain (Loss) on Mutual Funds	0.05	-
Total Deferred Income Tax Liabilities - II	16.13	15.01
Deferred Income Tax Assets after set off	39.60	37.09
Deferred Income Tax Liabilities after set off	-	-

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

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

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

g) The gross movement in the deferred income tax account for the year ended 31st March, 2021 and 31st March, 2020 are as follows:

(₹ in crore)

Movement during the year ended 31.03.2021	As on 31.03.2020	Recognised in Profit and Loss	Recognised in OCI	As on 31.03.2021
Tax Effect of items constituting deferred Tax Liabilities				
(i) Property, Plant & Equipments	11.64	4.44	-	16.08
(ii) Interest on Income Tax Refund Accrued but not received	1.61	(1.61)	-	-
(iii) Donation to PM Cares Fund	1.76	(1.76)	-	-
(iv) Unrealised Short term Gain (Loss) on Mutual Funds	-	0.05	-	0.05
TOTAL-A	15.01	1.12	-	16.13
Tax Effects of Items Constituting deferred Tax Assets				
(i) Provisions for Leave Encashment of Employees	19.80	1.50	-	21.30
(ii) Provision for superannuation Medical	0.73	(0.41)	-	0.32

(₹ in crore)

Movement during the year ended 31.03.2021	As on 31.03.2020	Recognised in Profit and Loss	Recognised in OCI	As on 31.03.2021
(iii) Other Employee Benefits	0.19	(0.02)	-	0.17
(iv) Prov. For Doubtful Debts & Advances	31.38	1.51	-	32.89
(v) Lease Liability for ROU Assets	-	1.05	-	1.05
TOTAL-B	52.10	3.63	-	55.73
Deferred Tax (Assets)/Liabilities (A-B)	(37.09)	(2.51)	-	(39.60)

The gross movement in the deferred income tax account for the year ended 31st March, 2020 and 31st March, 2019 are as follows:

(₹ in crore)

Movement during the year ended 31.03.2020	As on 31.03.2019	Recognised in Profit and Loss	Recognised in OCI	As on 31.03.2020
Tax Effect of items constituting Deferred Tax Liabilities				
(i) Property, Plant & Equipments	11.51	0.13	-	11.64
(ii) Interest on Income Tax Refund Accrued but not received	-	1.61	-	1.61
(iii) Donation to PM Cares Fund	-	1.76	-	1.76
(iv) Unrealised Short term Gain (Loss) on Mutual Funds	-	-	-	-
TOTAL-A	11.51	3.50	-	15.01
Tax Effects of Items Constituting Deferred Tax Assets				
(i) Provisions for Leave Encashment of Employees	23.96	(4.16)	-	19.80
(ii) Provision for superannuation Medical	0.35	0.38	-	0.73
(iii) Other Employee Benefits	-	0.19	-	0.19
(iv) Prov. For Doubtful Debts & Advances	61.23	(29.85)	-	31.38
(v) Lease Liability for ROU Assets	-	-	-	-
TOTAL-B	85.54	(33.44)	-	52.10
Deferred Tax (Assets)/Liabilities (A-B)	(74.03)	36.94	-	(37.09)

The composition of deferred assets relating to temporary differences during the year ended 31st March, 2021 is primarily on account of Property Plant and Equipment, Trade Receivable and Compensation to Employees.

54. Indian Accounting Standard (Ind AS)1, Disclosures on Presentation of Financial Statements are as follows:

a) Reclassifications and comparative figures

Certain reclassifications have been made to the comparative period's financial statements to enhance the comparability with the current year's financial statements

As a result, certain items have been reclassified in the balance sheet, the details of which are as under:

i) Items of Balance Sheet before and after reclassification for the year ended 31st March, 2020

(₹ in crore)

Particulars	Before Reclassification	Reclassification	After Reclassification
NON CURRENT ASSETS			
Other Financial Assets	50.93	17.73	68.66
Other Non Current Assets	53.95	1.98	55.93
CURRENT ASSETS			
Other Bank Balances-Clients Fund	1752.25	(17.73)	1734.52
Other Current Assets	78.69	29.96	108.65
NON CURRENT LIABILITIES			
Other Financial Liabilities	163.23	17.73	180.96
CURRENT LIABILITIES			
Other Financial Liabilities	2587.30	(12.71)	2574.59
Other Current Liabilities	67.68	26.92	94.60

ii) Items of statement of Cash Flow before and after reclassification for the year ended 31st March, 2020

(₹ in crore)

Particulars	Before Reclassification	Reclassification	After Reclassification
Net Cash flow from Operating activities	268.84	(2.03)	266.81
Net Cash flow from Investing activities	76.29	1.40	77.69
Net Cash flow from Financing activities	(399.79)	0.63	(399.16)

b) Subsequent Event-Dividend

Company has proposed a sum of ₹ 96.12 crore (₹ 4 per share to 24.03 crore equity shares) as final dividend for FY 2020-21 subject to approval of shareholders in Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹ 96.12 crore.

55. Disclosure as per regulation 34(3) of listing agreements with the stock exchange

(₹ in crore)

Particulars	Financial Year	Outstanding balance	Maximum amount due during the year
Investment in Subsidiaries			
(i) REMC Limited	31.03.2021	35.70	35.70
	31.03.2020	35.70	35.70
(ii) RITES (Afrika) (Pty) Limited., Botswana	31.03.2021	0.01	0.01
	31.03.2020	0.01	0.01
Investment in Joint Ventures			
(i) SAIL-RITES Bengal Wagon Industry Private Limited	31.03.2021	24.00	24.00
	31.03.2020	24.00	24.00
(ii) BNV Gujarat Rail Private Limited	31.03.2021	-	0.26
	31.03.2020	0.26	0.26
(iii) Indian Railway Stations Development Corporation Limited	31.03.2021	48.00	48.00
	31.03.2020	-	-
Loans & Advances to Subsidiaries			
(i) REMC Limited	31.03.2021	-	-
	31.03.2020	-	-
(ii) RITES (Afrika) (Pty) Limited., Botswana	31.03.2021	-	-
	31.03.2020	-	-
Loans & Advances to Joint Ventures			
(i) SAIL-RITES Bengal Wagon Industry Private Limited	31.03.2021	3.45	6.94
	31.03.2020	6.94	8.44
(ii) BNV Gujarat Rail Private Limited	31.03.2021	-	-
	31.03.2020	-	-
(iii) Indian Railway Stations Development Corporation Limited	31.03.2021	-	-
	31.03.2020	-	-

56. Capital Management:

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

57. Other Disclosures:

a) Impact of COVID-19:

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventories, receivables, loans and advances, property plant and equipment, intangibles etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets and liabilities. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

b) The Company has bought back 9,698,113 fully paid-up equity shares of ₹ 10 each from the shareholders on 18th November, 2020 on proportionate basis by way of tender offer at a price of ₹ 265 per equity share for an aggregate amount of ₹ 257 crore. At present, holding by the public and Government of India is 27.80% and 72.20% respectively.

c) The Company has invested ₹ 48 crore (4.80 crore equity share of ₹ 10/- each) for 24% equity stake in Indian Railway Stations Development Corporation Limited. The other joint venture partners are Rail Land Development Authority and IRCON International Limited having equity stake of 50% and 26% respectively.

d) Assets and liabilities are classified between current and non-current considering 12 months period as operating cycle.

e) Information on CSR expenditure:

i) Gross amount required to be spent including advances given during the year 2020-21 is ₹ 13.40 crore (previous year 2019-20 ₹ 11.20 crore).

ii) Expenditure incurred including advance on CSR during the year on:

(₹ in crore)

Particulars		Amount Paid		Yet to be Paid		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
(i)	Construction/acquisition of any asset	-	-	-	-	-	-
(ii)	On purposes other than (i) above*	13.41	11.18	-	0.03	13.41	11.21
	Total	13.41	11.18	-	0.03	13.41	11.21

* Includes following expenditure on account of admin overhead and capacity builds

(a) Salary Expenses ₹ 0.65 crore (previous year ₹ 0.51 crore)

(b) Other Expenses ₹ 0.02 crore (previous year ₹ 0.05 crore)

f) Salary expenses and Travel expenses included in expenditure on Capital work in progress/Property, Plant & Equipment and expenditure incurred during warranty period are as follows:

(₹ in crore)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Salary Expenses	5.71	1.92
Travel Expenses	0.14	0.26

- g) Details of dues to micro, small and medium enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006* are given on the basis of information available with the management.

(₹ in crore)

Sl. No.	Particulars	As on 31.03.2021	As on 31.03.2020
A	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year - Principal amount due to micro and small enterprises - Interest due on above	8.85 -	8.65 -
B	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 amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
C	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under The Micro, Small and Medium Enterprises Development Act, 2006.	0.07	-
D	The amount of interest due and remaining unpaid at the end of each accounting year	-	-
E	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of The Micro, Small and Medium Enterprises Development Act, 2006.	-	-

* The Company identify supplier registered under The Micro, Small and Medium Enterprises Development Act, 2006, by obtaining confirmations from all suppliers at the time of issue of tender. Information has been collated only to the extent of information received.

- h) Lease deeds are pending for execution in respect of the office building at Central Metro Railway Building, 56, C.R Avenue, Kolkata of ₹ 1.32 crore, the physical testing laboratory at 52 A&B, C.R Avenue, Kolkata of ₹ 0.46 crore, office building at DLF Cybercity, Bhubaneswar of ₹ 5.43 crore, plot in Wazirpur Northern Railway Colony, Delhi of ₹ 2.61 crore.
- i) Land for office building at Gomati Nagar Extension, Lucknow allotted by Lucknow Development Authority (LDA) having a total cost of ₹ 4.22 crore is yet to be registered in the name of the Company due to dispute of stamp duty. However, physical possession of the land has been with the Company w.e.f. 27 th June 2019. An amount of ₹1.17 crore on account of disputed stamp duty is included in contingent liability (Refer note no.47(b)(i)(III)(C).)
- j) The financial statements are presented in ₹ crore. Those items which are required to be disclosed but can't be presented in the financial statement due to rounding off to the nearest ₹ crore are given as follows:-

Balance sheet items

(Figures in ₹)

Description	Note No.	As on 31.03.2021	As at 31.03.2020
Non-current Investment			
(i) Moru Mahal Co-operative Society Limited	8	250.00	250.00
(ii) Amit Industrial Premises Co-operative Society Limited		500.00	500.00
(iii) Regent Chambers Premises Co-operative Society Limited		500.00	500.00
(iv) Elicius Energy Private Limited		15730.00	-

- k) (i) Balances shown under trade receivable, advances and trade payables are subject to confirmation/reconciliation/adjustment, if any. The company has been sending letters for confirmation to parties. However, the Company does not expect any material dispute w.r.t. the recoverability/payment of the same.

- (ii) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.
- l)** Information as regard to loans, investments made as required under section 186(4) of the Companies Act, 2013 have been given vide note no. 8,9,10,17 & 18 .
- m)** The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.

n) Recent Accounting Pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

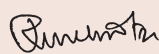
- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

For and on behalf of the Board



Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143



Bibhu Prasad Nayak
 Director Finance
 DIN:08197975



Parmod Kumar Narang
 Chief Financial Officer
 M.No.:FCA 086360



Joshit Ranjan Sikidar
 Company Secretary
 M.No. : ACS 32442

As per our report of even date
For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N

Place : Gurugram
Dated : 16th June, 2021



(ANSHUMAN MALLICK)
 Partner, Membership No. 547705

COMMENTS BY CAG

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RITES LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of RITES Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 16 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of RITES Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India



(K. S. Ramuwalia)

Principal Director of Audit
Railway Commercial, New Delhi

Place: New Delhi
Dated: 29th July, 2021

Independent Auditor's Report

To the Members of RITES Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of RITES Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entities, which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss including Other Comprehensive Income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory statement (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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, of the consolidated state of affairs of the Group and its jointly controlled entities as at March 31, 2021, the consolidated profit including other comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) 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 Group and its jointly controlled entities 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 Consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to Note No. 63(a) to the Consolidated Financial Statements, which describes that the Group has evaluated possible impact that may result from COVID 19 pandemic on the carrying value of its assets and liabilities as at March 31, 2021. Based on the underlying data and current estimates, the Group does not expect any material impact on the carrying amount of these assets and liabilities.

Our opinion is not modified in respect of above matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in respect of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard).</i> The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: - Evaluated the design of internal controls relating to implementation of the revenue accounting standard. - Selected a sample of contracts and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of operation of these controls. - Selected a sample of contracts and performed the following procedures: - Read, analysed and identified the distinct performance obligations in these contracts. - Compared these performance obligations with that identified and recorded by the Group.

Sr. No.	Key Audit Matter	Auditor's Response
	Refer Notes 1.2.1 and 57 to the Consolidated Financial Statements.	– Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. – Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
2	<i>Evaluation of uncertain tax positions</i> The Group has disputed tax positions which involves significant judgment to determine the possible outcome of these disputes. Further the Group has considered certain tax deductions based upon legal opinion. Refer Note 52(b)(i)(III) and 59(c) to the Consolidated Financial Statements.	<i>Principal Audit Procedures</i> Obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management and management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence, other rulings and legal opinion obtained in evaluating management's position on these uncertain tax positions.

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

The holding Company's Board of Directors is responsible for the preparation of 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 our audit report.

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

In connection with our audit of the 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 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 Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for assessing the ability of the Group and of its jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its jointly controlled entities.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding Company has adequate internal financial controls with reference to the Consolidated 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 Group and its jointly controlled entities 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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its jointly controlled entities to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of holding company included in the Consolidated Financial Statements of which we are the Independent auditors. For the other entities included in the Consolidated Financial Statements, such other auditors remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

- We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 243.42 crores as at March 31, 2021, total revenue of ₹ 74.75 crores, net profit after tax of ₹ 24.16 crores and net cash flows amounting to ₹ 14.65 crores for the year ended on that date, as considered in the consolidated financial statements. The Consolidated Financial Statements include the Group's share of net profit after tax (Including Other Comprehensive Income) of ₹ 1.24 crores for the year ended March 31, 2021, in respect of one jointly controlled entity. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.
- The Consolidated financial statements include the Group's share of net loss (including other comprehensive income) of ₹ 0.17 crores for the year end March 31, 2021 as considered in the Consolidated financial statements in respect of one jointly controlled entity whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated financial statements, in so far as it relates to the amount and disclosure in respect of the jointly controlled entity and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entity is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
- Further, of these subsidiaries and jointly controlled entities, one subsidiary is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally

accepted in Botswana and which have been audited by another auditor under generally accepted auditing standards applicable in Botswana. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in Botswana to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the financial information of such subsidiary located outside India, is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. In terms of sub section (5) of section 143 of the Act, based on our audit and on the consideration of the report of the auditor of a subsidiary company, as referred in the 'Other Matters' paragraph we give in the Annexure 'I' a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries and jointly controlled Companies, as referred in the 'Other Matters' paragraph we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act;
 - (e) In view of exemption given vide notification no. G.S.R 463(E) dated 5th June, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualifications of Directors, are not applicable to the Holding Company and its subsidiaries. On the basis of the reports of the statutory auditors who are appointed under Section 139 of the Act, of its jointly controlled companies, none of the directors of the jointly controlled companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure II;
 - (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 Auditor's) Rules, 2014, 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 and the other financial information of subsidiaries and jointly controlled Companies, as referred in the 'Other Matters' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled companies - Refer Note 52(b) to the consolidated financial statements;
 - ii. The Group and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and jointly controlled companies incorporated in India.
3. In our opinion and to the best of our information and according to the explanations given to us, provisions of Section 197 of the Act are not applicable to the Group and its jointly controlled companies with respect to the managerial remuneration paid/provided during the year ended March 31, 2021.

For J.C. Bhalla & Co.

Chartered Accountants

Firm's Regn. No. 001111N

(Anshuman Mallick)

Partner

Membership No. 547705

UDIN: 21547705AAAAAZ9297

Place : Gurugram

Date : 16th June, 2021

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RITES LIMITED.

Report under Section 143 (5) of the Companies Act, 2013 in respect of RITES Limited on the Consolidated Financial Statements for the year ended March 31, 2021.

Sr. No.	Directions	Auditor's Comments
1.	Whether the Holding Company and a subsidiary Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Holding Company has SAP system and a subsidiary Company has Tally ERP.9 software in place to process all the accounting transactions. As per information and explanations given to us and during the course of our audit we have not come across the any accounting transactions which were outside the IT system and have financial implications.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	According to the information and explanations given to us the Holding Company has not taken any loan. However, one of subsidiary Company has taken loan but there are no cases of waiver/write off of debts/loans/ interest etc.
3.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State government or its agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	As per the information and explanations given to us the Holding Company and a subsidiary Company has not received any funds from Central/State government or its agencies for specific schemes during the year.

For J.C. Bhalla & Co.

Chartered Accountants

Firm's Regn. No. 001111N



(Anshuman Mallick)

Partner

Membership No. 547705

UDIN: 21547705AAAAAZ9297

Place : Gurugram
Date : 16th June, 2021

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RITES LIMITED.

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to the Consolidated Financial Statements of RITES Limited (hereinafter referred to as "the Holding Company") and its subsidiary company and its jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to the Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to the Consolidated Financial Statements

A company's internal financial control over Financial Reporting with reference to the Consolidated 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 control over Financial Reporting with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to the Consolidated 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 over financial reporting with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company, its subsidiary company and its jointly controlled companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to the Consolidated Financial Statements in so far as it relates to the one subsidiary company and one jointly controlled company, which are the companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For J.C. Bhalla & Co.

Chartered Accountants

Firm's Regn. No. 001111N

(Anshuman Mallick)

Partner, Membership No. 547705

UDIN: 21547705AAAAZ9297

Place : Gurugram

Date : 16th June, 2021

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	2	557.88	562.43
CAPITAL WORK IN PROGRESS	3	15.49	4.45
RIGHT OF USE ASSETS	4	22.54	23.86
INVESTMENT PROPERTY	5	0.05	-
INTANGIBLE ASSETS	6	4.02	4.19
INTANGIBLE ASSETS UNDER DEVELOPMENT	7	-	-
INVESTMENT IN JOINT VENTURES APPLYING EQUITY METHOD	8	83.06	28.90
FINANCIAL ASSETS			
INVESTMENTS	9.1	95.04	120.04
LOANS	10	14.93	17.42
OTHER FINANCIAL ASSETS	11	91.14	69.29
DEFERRED TAX ASSETS (NET)	12	27.01	28.80
OTHER NON CURRENT ASSETS	13	111.03	57.33
		1,022.19	916.71
CURRENT ASSETS			
INVENTORIES	14	286.16	10.67
FINANCIAL ASSETS			
INVESTMENTS	9.2	110.77	111.66
TRADE RECEIVABLES	15	584.37	843.74
CASH AND CASH EQUIVALENTS-OWNED FUND	16.1	118.57	116.66
CASH AND CASH EQUIVALENTS-CLIENTS FUND	17.1	694.95	764.08
OTHER BANK BALANCES-OWNED FUND	16.2	806.30	993.69
OTHER BANK BALANCES-CLIENTS FUND	17.2	1,743.40	1,738.66
LOANS	18	21.31	18.10
OTHER FINANCIAL ASSETS	19	180.03	216.48
CURRENT TAX ASSETS (NET)	20	20.64	95.33
OTHER CURRENT ASSETS	21	244.60	108.80
		4,811.10	5,017.87
TOTAL ASSETS		5,833.29	5,934.58
EQUITY AND LIABILITIES			
EQUITY			
EQUITY SHARE CAPITAL	22.2	240.30	250.00
OTHER EQUITY	23	2,151.67	2,383.27
EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY		2,391.97	2,633.27
NON-CONTROLLING INTERESTS	23.5	88.16	81.48
		2,480.13	2,714.75
LIABILITIES			
NON CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
BORROWINGS	24	24.64	32.59
LEASE LIABILITIES	58 (a)	2.17	4.38
TRADE PAYABLES			
- TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES	63 (g)	-	-
- TOTAL OUTSTANDING DUES OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES		-	-
OTHER FINANCIAL LIABILITIES	25	220.56	180.96
PROVISIONS	26	10.82	22.94
OTHER NON CURRENT LIABILITIES	27	-	71.28
		258.19	312.15
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
BORROWINGS	28	0.07	-
LEASE LIABILITIES	58 (a)	2.00	2.83
TRADE PAYABLES			
- TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES	63 (g)	8.85	8.65
- TOTAL OUTSTANDING DUES OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES		228.10	127.13
OTHER FINANCIAL LIABILITIES	29	2,506.83	2,588.13
PROVISIONS	30	37.14	85.34
OTHER CURRENT LIABILITIES	31	311.98	95.60
		3,094.97	2,907.68
TOTAL EQUITY AND LIABILITIES		5,833.29	5,934.58
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORM AN INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS	1-65		

For and on behalf of the Board


Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143


Bibhu Prasad Nayak
 Director Finance
 DIN:08197975


Parmod Kumar Narang
 Chief Financial Officer
 M.No.:FCA 086360


Joshit Ranjan Sikidar
 Company Secretary
 M.No. : ACS 32442

As per our report of even date attached
 For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N

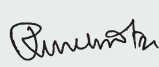
Place : Gurugram
 Dated : 16th June, 2021


(ANSHUMAN MALLICK)
 Partner, Membership No. 547705

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

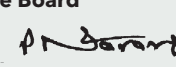
(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
REVENUE			
REVENUE FROM OPERATIONS	32	1,859.54	2,474.41
OTHER INCOME	33	145.48	260.10
TOTAL REVENUE		2,005.02	2,734.51
EXPENDITURE			
EMPLOYEE BENEFIT EXPENSES	34	483.08	520.97
TRAVEL		31.42	50.52
SUPPLIES & SERVICES	35	687.02	775.68
PURCHASES FOR EXPORT		332.61	248.61
CHANGES IN INVENTORIES OF STOCK IN TRADE	36	(279.03)	94.77
GENERATION EXPENSES	37	8.20	5.09
FINANCE COSTS	38	6.01	6.92
DEPRECIATION & AMORTISATION EXPENSES	39	51.87	47.27
OTHER EXPENSES	40	92.36	117.99
TOTAL EXPENDITURE		1,413.54	1,867.82
PROFIT BEFORE SHARE OF NET PROFIT/(LOSS) OF JOINT VENTURES		591.48	866.69
SHARE OF NET PROFIT/(LOSS) OF JOINT VENTURES	41	1.07	7.66
PROFIT BEFORE TAX		592.55	874.35
TAX EXPENSES			
- CURRENT TAX	42	(146.55)	(198.02)
- DEFERRED TAX	43	(1.79)	(43.07)
PROFIT AFTER TAX		444.21	633.26
OTHER COMPREHENSIVE INCOME			
ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT & LOSS			
- FOREIGN CURRENCY TRANSLATION RESERVE		0.14	(0.03)
- INCOME TAX EFFECT		-	-
		0.14	(0.03)
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT & LOSS			
- REMEASUREMENTS OF THE DEFINED BENEFIT LIABILITY/ASSET	46	6.76	(9.45)
- INCOME TAX EFFECT		(1.70)	2.38
		5.06	(7.07)
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)		5.20	(7.10)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		449.41	626.16
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
EQUITY SHAREHOLDERS OF THE COMPANY		432.38	616.10
NON-CONTROLLING INTERESTS		11.83	17.16
		444.21	633.26
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
EQUITY SHAREHOLDERS OF THE COMPANY		437.58	609.00
NON-CONTROLLING INTERESTS		11.83	17.16
		449.41	626.16
EARNING PER SHARE (EQUITY SHARE OF ₹ 10/- EACH) - BASIC & DILUTED	50	₹ 17.54	24.64
WEIGHTED AVERAGE NUMBER OF EQUITY SHARES USED IN COMPUTING EARNING PER SHARE		246,439,597	250,000,000


Rajeev Mehrotra
Chairman & Managing Director
and Chief Executive Officer
DIN: 01583143

For and on behalf of the Board

Bibhu Prasad Nayak
Director Finance
DIN:08197975


Parmod Kumar Narang
Chief Financial Officer
M.No.:FCA 086360


Joshit Ranjan Sikidar
Company Secretary
M.No. : ACS 32442

As per our report of even date attached
For J C BHALLA & COMPANY, Chartered Accountants
Firm Registration No. 001111N

Place : Gurugram
Dated : 16th June, 2021


(ANSHUMAN MALLICK)
Partner, Membership No. 547705

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A. EQUITY SHARE CAPITAL

(₹ in crore)

BALANCE AS AT 01.04.2020	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR		BALANCE AS AT 31.03.2021
	ISSUE OF BONUS SHARES	BUY BACK OF EQUITY SHARES	
250.00	-	(9.70)	240.30

(₹ in crore)

BALANCE AS AT 01.04.2019	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR		BALANCE AS AT 31.03.2020
	ISSUE OF BONUS SHARES	BUY BACK OF EQUITY SHARES	
200.00	50.00	-	250.00

B. OTHER EQUITY

(₹ in crore)

PARTICULARS	OTHER EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY						NON-CONTROLLING INTERESTS	TOTAL	
	RESERVE AND SURPLUS				OTHER COMPREHENSIVE INCOME	DISCONTI-NUED OPERATIONS			TOTAL
	GENERAL RESERVE	RETAINED EARNINGS	CAPITAL RESERVE	CAPITAL REDEMPTION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE				
BALANCE AS AT 01.04.2020	1926.23	456.86	0.00	0.00	0.70	(0.52)	2,383.27	81.48	2,464.75
PROFIT FOR THE YEAR		432.38					432.38	11.83	444.21
OTHER COMPREHENSIVE INCOME (OCI)		5.06			0.14		5.20		5.20
BUY BACK EXPENSES	(1.31)						(1.31)		(1.31)
TAX ON BUY BACK EXPENSES	0.33						0.33		0.33
BUY BACK OF EQUITY SHARES	(247.30)						(247.30)		(247.30)
TAX ON BUY BACK OF EQUITY SHARES	(59.85)						(59.85)		(59.85)
ADJUSTMENT ON ACCOUNT OF WINDING UP		(0.52)				0.52	-		-
TRANSFER TO CAPITAL REDEMPTION RESERVE FROM GENERAL RESERVE	(9.70)			9.70			-		-
INTERIM DIVIDEND (2020-21)		(216.27)					(216.27)		(216.27)
FINAL DIVIDEND (2019-20)		(150.00)					(150.00)	(5.15)	(155.15)
PRE-ACQUISITION PROFIT OF JOINT VENTURE [NOTE NO - 63 (c)]			5.22	-			5.22		5.22
BALANCE AT 31.03.2021	1,608.40	527.51	5.22	9.70	0.84	-	2,151.67	88.16	2,239.83
INTERIM DIVIDEND PER SHARE FOR 2020-21 (₹)	9.00	NUMBER OF SHARES USED IN COMPUTING DIVIDEND PER SHARE							240,301,887
FINAL DIVIDEND PER SHARE FOR 2019-20 (₹)	6.00	NUMBER OF SHARES USED IN COMPUTING DIVIDEND PER SHARE							250,000,000

(₹ in crore)

PARTICULARS	OTHER EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY						NON-CONTROLLING INTERESTS	TOTAL	
	RESERVE AND SURPLUS				OTHER COMPREHENSIVE INCOME	DISCONTI-NUED OPERATIONS			TOTAL
	GENERAL RESERVE	RETAINED EARNINGS	CAPITAL RESERVE	CAPITAL REDEMPTION RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE				
BALANCE AS AT 01.04.2019	1,966.00	255.89	-	-	0.73	(0.52)	2,222.10	71.65	2,293.75
CAPITALISATION OF GENERAL RESERVE (ISSUE OF BONUS SHARES)	(50.00)						(50.00)		(50.00)
PROFIT FOR THE YEAR		616.10					616.10	17.16	633.26
OTHER COMPREHENSIVE INCOME (OCI)		(7.07)			(0.03)		(7.10)		(7.10)
INTERIM DIVIDEND (2019-20)		(250.00)					(250.00)		(250.00)
FINAL DIVIDEND (2018-19)		(80.00)					(80.00)	(6.08)	(86.08)
CORPORATE DIVIDEND TAX		(67.83)					(67.83)	(1.25)	(69.08)
TRANSFER TO GENERAL RESERVE FROM RETAINED EARNINGS	10.23	(10.23)	-	-			-		-
BALANCE AT 31.03.2020	1,926.23	456.86	-	-	0.70	(0.52)	2,383.27	81.48	2,464.75
INTERIM DIVIDEND PER SHARE FOR 2019-20 (₹)	10.00	NUMBER OF SHARES USED IN COMPUTING DIVIDEND PER SHARE							250,000,000
FINAL DIVIDEND PER SHARE FOR 2018-19 (₹)	4.00	NUMBER OF SHARES USED IN COMPUTING DIVIDEND PER SHARE							200,000,000

For and on behalf of the Board


Rajeev Mehrotra
Chairman & Managing Director
and Chief Executive Officer
DIN: 01583143


Bibhu Prasad Nayak
Director Finance
DIN:08197975


Parmod Kumar Narang
Chief Financial Officer
M.No.:FCA 086360


Joshit Ranjan Sikidar
Company Secretary
M.No. : ACS 32442

As per our report of even date attached
For J C BHALLA & COMPANY, Chartered Accountants
Firm Registration No. 001111N


(ANSHUMAN MALLICK)

Partner, Membership No. 547705

Place : Gurugram
Dated : 16th June, 2021

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	592.55	874.35
ADJUSTMENTS FOR:		
- DEPRECIATION AND AMORTIZATION	51.87	47.27
- LOSS/(PROFIT) ON SALE OF PROPERTY, PLANT AND EQUIPMENT (NET)	0.01	0.01
- SHARE OF PROFIT/(LOSS) OF JOINT VENTURES	(1.07)	(7.66)
- INTEREST INCOME	(81.93)	(106.78)
- INCOME FROM INVESTMENTS	(4.31)	(3.13)
- FINANCE COST	4.91	5.15
- INCOME FROM INVESTMENT PROPERTIES	(0.18)	(0.04)
- LIABILITIES WRITTEN BACK	(8.37)	(0.06)
- PROPERTY, PLANT AND EQUIPMENT WRITTEN OFF	0.01	0.03
- UNREALIZED GAIN/(LOSSES) FROM CHANGES IN FOREIGN EXCHANGE RATE	1.92	2.03
- PROVISION AND IMPAIRMENT EXPENSES (NET)	(20.07)	(23.83)
EFFECT OF EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY CASH & CASH EQUIVALENTS	(10.66)	(11.60)
OPERATING PROFIT BEFORE CHANGES IN ASSETS AND LIABILITIES	524.68	775.74
CHANGE IN ASSETS AND LIABILITIES:		
ADJUSTMENTS FOR (INCREASE)/DECREASE IN OPERATING ASSETS:		
- INVENTORIES	(278.93)	94.26
- TRADE RECEIVABLES	250.29	(252.71)
- LOANS, OTHER FINANCIAL ASSETS AND OTHER ASSETS	(106.66)	(120.87)
ADJUSTMENTS FOR INCREASE/(DECREASE) IN OPERATING LIABILITIES:		
- TRADE PAYABLES	102.69	(63.76)
- OTHER FINANCIAL LIABILITIES, OTHER LIABILITIES AND PROVISIONS (NET OF CLIENT FUNDS)	126.03	94.19
CASH GENERATED FROM OPERATIONS	618.10	526.85
- INCOME TAX PAID	(102.45)	(209.85)
NET CASH FLOW FROM OPERATING ACTIVITIES	515.65	317.00
CASH FLOW FROM INVESTING ACTIVITIES		
- PROPERTY, PLANT AND EQUIPMENT/ INTANGIBLE ASSETS/ CWIP/ CAPITAL ADVANCE	(79.78)	(112.51)
- PROCEEDS FROM SALE OF PROPERTY, PLANT AND EQUIPMENT	0.07	0.12
- PROCEEDS FROM SALE OF INVESTMENTS IN JOINT VENTURE	0.13	-
- INVESTMENTS IN JOINT VENTURES	(48.00)	(0.00)
- REDEMPTION/ (PURCHASE) OF LIQUID MUTUAL FUNDS (NET)	26.08	(111.10)
- LOAN REPAY BY JOINT VENTURE	2.80	1.40
- DEPOSITS WITH BANK NOT CONSIDERED AS CASH AND CASH EQUIVALENTS	188.02	140.33
- INTEREST INCOME	89.83	117.52
- INCOME FROM INVESTMENTS	4.12	2.57
- INCOME FROM INVESTMENT PROPERTIES	0.18	0.04
NET CASH FLOW FROM INVESTING ACTIVITIES	183.45	38.37
CASH FLOW FROM FINANCING ACTIVITIES		
- INCREASE/(DECREASE) IN SECURED LOAN FROM BANK	(7.95)	(7.34)
- FINANCE COST OTHER THAN INTEREST ON BORROWINGS	(1.76)	(1.32)
- INTEREST PAID ON BORROWINGS	(3.24)	(3.90)
- DIVIDEND PAID	(366.27)	(330.00)
- DIVIDEND DISTRIBUTION TAX PAID	-	(67.83)
- PAYMENT TOWARDS BUY-BACK OF EQUITY SHARES	(257.00)	-
- BUY-BACK DISTRIBUTION TAX PAID	(59.85)	-
- BUY-BACK EXPENSES	(1.31)	-
- REPAYMENT OF LEASE LIABILITIES	(5.39)	(1.31)
- INCREASE/(DECREASE) IN NON-CONTROLLING INTEREST	(5.15)	(7.33)
NET CASH FLOW FROM FINANCING ACTIVITIES	(707.92)	(419.03)
EFFECT OF EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY CASH & CASH EQUIVALENTS	10.66	11.60
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1.84	(52.06)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	116.66	168.72
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	118.50	116.66

RECONCILIATION OF CASH AND CASH EQUIVALENTS

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
CASH AND CASH EQUIVALENTS-OWNED FUND	16.1	118.57	116.66
LESS : BANK OVERDRAFT	28	(0.07)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		118.50	116.66
COMPONENTS OF CASH AND CASH EQUIVALENTS		118.57	116.66

RECONCILIATION OF FINANCIAL LIABILITIES

(₹ in crore)

PARTICULARS		YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
LONG TERM BORROWING AT THE BEGINNING OF THE YEAR		40.26	47.60
- CASH FLOWS (REPAYMENT)		(7.95)	(7.34)
- NON CASH CHANGES		-	-
LONG TERM BORROWING AT THE END OF THE YEAR		32.31	40.26
INTEREST PAYABLE ON BORROWING AT THE BEGINNING OF THE YEAR	29	0.29	0.36
- CASH FLOWS (REPAYMENT)		(3.24)	(3.90)
- NON CASH CHANGES	38	3.15	3.83
INTEREST PAYABLE ON BORROWING AT THE END OF THE YEAR	29	0.20	0.29

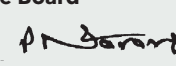
NOTE:

- CASH AND CASH EQUIVALENTS CONSIST OF CASH AND BANK BALANCES INCLUDING FDs HAVING MATURITY WITHIN 3 MONTHS FROM THE DATE OF ACQUISITION.
- THE ABOVE STATEMENT OF CASH FLOWS HAS BEEN PREPARED UNDER THE INDIRECT METHOD AS SET OUT IN IND AS 7 STATEMENT OF CASH FLOWS NOTIFIED U/S133 OF COMPANIES ACT, 2013 ("ACT") READ WITH RULE 4 OF THE COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES 2015 AND THE RELEVANT PROVISION OF THE ACT.
- FIGURES IN BRACKET INDICATE CASH OUTFLOW.
- THE ABOVE STATEMENT OF CASH FLOWS HAS BEEN PREPARED ON THE BASIS OF GROUP OWNED FUNDS ONLY. FUNDS ON THE BEHALF OF THE CLIENT AND ITS CORRESPONDING LIABILITIES HAVE NOT BEEN CONSIDERED.


Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143

For and on behalf of the Board


Bibhu Prasad Nayak
 Director Finance
 DIN:08197975


Parmod Kumar Narang
 Chief Financial Officer
 M.No.:FCA 086360


Joshit Ranjan Sikidar
 Company Secretary
 M.No. : ACS 32442

As per our report of even date attached
 For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N

Place : Gurugram
 Dated : 16th June, 2021


(ANSHUMAN MALLICK)
 Partner, Membership No. 547705

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS

COMPANY OVERVIEW

RITES Ltd. is a multidisciplinary engineering and consultancy organization providing diversified and comprehensive array of services from concept to commissioning in all facets of transport infrastructure and related technologies. The major business engagements as consultants, engineers and project managers are in railways, highways, airports, ports, ropeways, urban transport and inland waterways in India and abroad. The company also provides services of third party inspection, quality assurance, construction supervision & project management, operations & maintenance, leasing, export of rolling stock and modernization of railways workshop projects, doubling and electrification on turnkey basis.

The Company is a "Miniratna", Schedule-"A", Category-I CPSE and ISO 9001:2015 certified public limited company incorporated and domiciled in India. The address of its registered office is SCOPE Minar, Laxmi Nagar, Delhi-110092 (India) and address of its corporate office is RITES Bhawan, No. 1, Sector -29, Gurugram, Haryana-122001 (India). President of India through Ministry of Railways is presently holding 72.20% equity share of the company (Refer Note No. 63(b)).

Besides the above activities, RITES Limited (The "Holding Company/Company") along with its subsidiaries and joint venture entities (collectively referred to as "the Group" and individually referred to as "Entity") is also into the business of generating power from wind mills and solar energy plants, manufacturing and rehabilitation of wagons, carrying out civil construction work and station development.

The financial statements of the Group, comprises of RITES Limited, the holding company, RITES (Afrika) (Pty) Ltd. (RAPL), Botswana, a wholly owned subsidiary, REMC Ltd., India, a subsidiary with 51% stake and joint venture entities viz. SAIL-RITES Bengal Wagon Industry Pvt. Ltd. (SRBWIPL) (50%) & Indian Railway Station Development Corporation Limited (24%) (joint venture entities in India).

The reporting and functional currency of the company is Indian Rupees (INR). Figures in financial statements are presented in ₹ crore, by rounding off upto two decimals except for per share data and as otherwise stated. Certain figures that are required to be disclosed but do not appear due to rounding off are detailed in note- 63(j). Previous periods figures have been regrouped/recasted/rearranged, wherever necessary.

Due to outbreak of COVID-19 globally and in India, in view of the Management assessment of holding company, likely impact on the business of the holding company is only for short term and no medium to long term risks is perceived which will have an impact on company's ability to continue as a going concern. Further, considering the holding company's business plans and the availability of sufficient cash reserves as at March 31, 2021, the management do not foresee any uncertainty in continuing its business operations and meeting its liabilities as and when it become due for payment.

The consolidated financial statements are approved for issue by the holding company's Board of Directors in their meeting held on 16th June, 2021.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 GENERAL

(a) Statement of Compliance

These consolidated financial statements of the Group are being prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

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

(b) Basis of Preparation

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

- Derivative financial instruments,
- which are specifically indicated in the concerned accounting policies.

(c) Use of Estimates and Judgements

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

(d) Basis of Consolidation

- i) The consolidated financial statements comprise the financial statements of the Company and its controlled entities i.e. subsidiaries at the reporting date. Control is achieved when the Group is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee, if and only if, the Group has:
 - Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
 - Exposure or rights to variable returns from its involvement with the investee, and
 - The ability to use its power over the investee to affect its returns.
- ii) Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
 - The contractual arrangement with the other vote holders of the investee.
 - Rights arising from other contractual arrangements.
 - The Group's voting rights and potential voting rights.
 - The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.
- iii) The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.
- iv) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.
- v) The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purpose, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.
- vi) **Consolidation procedure for:**
 - A) Subsidiaries**
 - (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
 - (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
 - (c) Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Intra group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
 - (d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary.
- De-recognises the carrying amount of any non-controlling interests.
- De-recognises the cumulative translation differences recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities.

B) Joint Ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement and have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether joint control exist are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

1.2 REVENUE RECOGNITION

1.2.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

Operating revenue is from various streams viz. consultancy fee, inspection fee, lease services, export sales, construction projects and power generation.

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

General Parameters

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

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

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

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

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

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

1.2.1.1 Consultancy Fee

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

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

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

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

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

Reimbursable and supplies are accounted for on accrual basis.

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

1.2.1.2 Inspection Fee

Inspection fee is accounted for on the basis of inspection certificates issued.

1.2.1.3 Export Sales

Export sales are accounted for on the basis of bills raised when or as the Company transfers control of the assets to the customer which happens at the point in time the customer has undisputed right on delivered goods.

1.2.1.4 Construction Projects

In construction contracts/projects, the company recognises revenue over time. Due to high degree of interdependence among various elements of these projects, revenue is accounted for considering these activities as a single performance obligation.

To depict the progress by which the Company transfers control of the promised goods to the customer and to establish when and to what extent revenue can be recognised, the Company measures its progress towards complete satisfaction of the performance obligation based on work done.

Any expected loss is recognized as an expense immediately.

1.2.1.5 Wind Mill Projects

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

1.2.1.6 Consultancy - Advisory service for Power Procurement

Income from consultancy is recognized as per the terms and conditions of the agreement with the beneficiary.

1.2.1.7 Lease Services

Refer Policy no-1.24.2- Leases-Group as lessor

1.2.2 Other Income

1.2.2.1 Interest Income

Interest income is recognized using effective interest method.

1.2.2.2 Dividend

Revenue is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

1.2.2.3 Export Incentives

Export incentive is recognized when there is a reasonable assurance that the incentive will be received and all the attached conditions have been complied with.

1.2.2.4 Others

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

1.3 PROPERTY, PLANT AND EQUIPMENT (PPE)

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

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

1.3.1 Depreciation

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

Assets	Useful Life (Years)
i) Furniture	10
ii) Fixture	5
iii) Office Equipment	5
iv) Mobile Hand Set	3
v) Coolers & Air Conditioners	7
vi) Air Conditioning Plant	15
vii) Computer Hardware	3-4
viii) Server & Networks	6
ix) Survey and Equipments	10
x) Vehicles	4-8
xi) Buildings on Freehold Land	60
xii) Locomotives-New	15
xiii) Locomotives-In-Service	10
xiv) Coaches-New	15
xv) Coaches-In-Service	10
xvi) Windmill Plant	25

- (c) Any addition or extension, which becomes an integral part of the existing asset and which results in increased economic benefits, is capitalized and depreciated over the remaining useful life of that asset.

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

- (d) In respect of BOT assets, depreciation is charged over the period of project or the life stated above whichever is lower.
- (e) In respect of buildings on lease hold land, depreciation is charged over the period of lease of land or the useful life stated above for buildings on freehold land, whichever is lower.
- (f) In case of RITES Ltd., as per company's assessment, Fixtures, Mobile Hand Set, Coolers & Air Conditioners and In-Service Locomotives & Coaches (refurbished) have lower useful lives than prescribed in part C of schedule II of the Companies Act, 2013. Therefore depreciation is charged at higher rate than prescribed under the Companies Act, 2013. In case of REMCL, Windmill plants have higher useful life of 25 years than prescribed in part C of schedule II of the Companies Act, 2013 or 22 years. Therefore, depreciation is charged at lower rate than prescribed under the Companies Act, 2013.
- (g) In case of holding & its subsidiary companies in India, Individual low cost assets of value less than ₹ 5,000/- is fully depreciated in the year of acquisition.
- (h) In case of holding company & its subsidiary companies in India, a nominal value of ₹ 1/- is assigned to the fully depreciated assets.

1.3.2 Capital Work in Progress

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

1.3.3 Capital Advances

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

1.4 INTANGIBLE ASSETS

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

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

- (a) Software of value less than ₹ 100,000/- is fully amortized in the year of acquisition.
- (b) A nominal value of ₹ 1/- is assigned to the fully amortized assets.

1.4.1 Amortization

Estimated useful life of the software is 4 years and amortized on a straight line basis over the period.

1.5 INVESTMENT PROPERTY

Investment properties are measured at cost, including transaction costs less accumulated depreciation and impairment loss, if any.

The Company depreciates building component of investment property over the estimated useful lives of the assets as prescribed in property, plant and equipment.

Investment properties are de-recognised either on disposal or on permanent withdrawal from use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

1.6 INVESTMENTS

Equity investments are measured at fair value through profit and loss except investments in subsidiary, participating joint venture with or without joint control and associate.

Investments in subsidiary, participating joint venture with or without joint control and associate are measured at cost.

1.7 JOINT ARRANGEMENTS

1.7.1 Joint Ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

1.7.2 Joint Operations

- (a) In case of participating joint operations with joint control, company recognizes in relation to its interest in a joint operation as under :-
 - (i) its assets, including its share of any assets held jointly;
 - (ii) its liabilities, including its share of any liabilities incurred jointly;
 - (iii) its revenue from the sale of its share of the output arising from the joint operation;
 - (iv) its share of the revenue from the sale of the output by the joint operation; and
 - (v) Its expenses, including its share of any expenses incurred jointly.
- (b) In case of participating joint operations without having joint control, interest in such arrangements is to be recognized as per aforesaid accounting policy if the company has right to the assets and obligations for the liabilities relating to joint operations otherwise interest in the joint operation is recognized in accordance with applicable Ind AS.

1.8 INVENTORIES

- (a) Inventories are valued at cost on First In First Out (FIFO) basis or net realizable value whichever is less.
- (b) Cost of inventories comprises of costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (c) The diminution in the value of obsolete, unserviceable, slow moving and non-moving stores and spares are assessed periodically and accordingly provided for.
- (d) Consumables are charged to the Statement of Profit and Loss in the year of purchase irrespective of the value.

1.9 EMPLOYEE BENEFITS

1.9.1 Defined Contribution Plans

Pension Scheme/Post Retiral Medical Schemes

Retirement benefits in the form of pension scheme/post-retirement medical scheme are defined contribution schemes. The Company has no obligation, other than the contribution payable to such funds/ schemes. The Company recognizes contribution payable to such funds/schemes as an expense, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined contributions towards pension under EPFO, superannuation pension fund and post retiral medical schemes are charged to the Statement of Profit and Loss based on contributions made in terms of applicable schemes on accrual basis.

1.9.2 DEFINED BENEFIT PLAN

1.9.2.1 Gratuity

Company provides gratuity, a defined benefit plan covering eligible regular and contract employees. The gratuity plan provides a lump-sum payment to vested employees of an amount based on the respective employee's salary and the tenure of employment with the company at retirement, death, incapacitation, or on completion of terms of employment.

The liabilities with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at the year end.

- (i) Company has set up a Gratuity Trust Fund which is being administered by Life Insurance Corporation of India (LIC) who invests the contribution in the schemes permitted by laws of India.
- (ii) The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.
- (iii) Gain or loss through re-measurements of net defined benefit liability/(asset) is recognized in Other Comprehensive Income.
- (iv) The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income.
- (v) Service cost and net interest cost/(income) on the net defined benefit liability/(asset) are recognized in Statement of Profit and Loss.

1.9.2.2 Provident Fund

The Company makes contribution to the recognized provident fund - "RITES Contributory Provident Fund" for its employees, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the returns from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

1.9.3 Other Long Term Benefits

- (a) Leave Travel Concession (CDA employees), Leave Encashment (contract employees) and Long Service Award (regular employees)
 - i. Accounted for on actuarial valuation made at the end of year.
 - ii. The actuarial gains/losses are recognized in the Statement of Profit and Loss for the year.
- (b) Leave Encashment and Medical Leave for regular employees
 - i. Liabilities are funded under plan assets through insurance policies from insurance companies approved by Insurance Regulatory Development Authority (IRDA) and are accounted for on actuarial valuation made at the end of year.
 - ii. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.
 - iii. Service cost and net interest cost/(income) on the net defined benefit liability/(asset) are recognized in Statement of Profit and Loss.
 - iv. Actuarial gains/losses are recognized in the Statement of Profit and Loss.

1.9.4 Other Benefits

Ex-gratia payments on death are recognized on payment basis in the Statement of Profit and Loss.

1.10 RESEARCH & DEVELOPMENT

Revenue expenditure incurred/paid during the year on research is charged to the Statement of Profit and Loss.

Development cost is capitalized if following are demonstrated otherwise it is charged to the Statement of Profit and Loss:

- (a) Technical feasibility of completing the intangible asset so that it will be available for use or sell.
- (b) Intention to complete the intangible asset and use or sell it.
- (c) Ability to use or sell the intangible assets.

- (d) Asset will generate future economic benefits.
- (e) There is availability of resources to complete the asset.

The developed asset is carried at cost less any accumulated amortisation and impairment loss, if any. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

1.11 INCOME TAXES

1.11.1 Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. In case of domestic entities, the tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

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

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

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

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

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

1.11.2 Deferred Tax

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

Deferred income taxes are not provided on the undistributed earnings of the subsidiaries where it is expected that the earning of the subsidiaries will not be distributed in foreseeable future.

1.12 RATES & TAXES

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

1.13 PREPAID EXPENSES AND PRIOR PERIOD ADJUSTMENTS

1.13.1 Prepaid Expenses

Prepaid expenses upto ₹ 500,000/- in each case are treated as expenditure/income of the year and accounted for to the natural head of accounts.

1.13.2 Prior Period Adjustments

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

1.14 TRANSLATION AND TRANSACTIONS OF FOREIGN CURRENCIES

1.14.1 Functional Currency

Functional Currency of the company is Indian Rupees and the financial statements are presented in Indian Rupees.

1.14.2 Foreign Currencies

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an available average rate if the average approximates the actual rate at the date of the transaction.

1.14.3 Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

1.14.4 Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

1.14.5 Assets and liabilities for each balance sheet presented including comparatives are translated at the exchange rate prevailing on the reporting date.

Income and expenses for each statement of profit and loss is presented including comparatives are translated at exchange rate prevailing on the date of transaction.

All resulting exchange differences are recognised in other comprehensive income.

1.14.6 On the disposal off foreign operation, the cumulative amount of exchange differences relating to that foreign operation, recognised in other comprehensive income (OCI) and accumulated in separate component of equity is re-classified from equity to Statement of Profit and Loss.

1.15 CASH AND CASH EQUIVALENTS

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

1.16 STATEMENT OF CASH FLOWS

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

1.17 EARNINGS PER SHARE

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

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

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

1.18 IMPAIRMENT OF ASSETS

1.18.1 Financial Assets

(Other than at Fair Value)

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

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

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

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

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

1.18.2 Non-Financial Assets

(Tangible and Intangible Assets)

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

1.19 WRITE OFF

1.19.1 Financial Assets

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

1.19.2 Non Financial Assets

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

1.20 PROVISION FOR WARRANTY FOR SALE AND SERVICES RENDERED

Provision for warranties is recognized when products are sold and services are rendered with warranty as per the contract. These provisions are estimated by using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise or incurred. The initial estimate of warranty-related costs is revised annually.

As per the terms of the contracts, the Company provides post-contract services /warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past estimates.

1.21 PROVISION FOR PROFESSIONAL SERVICES (FOR EXPORT SALES)

Provision for professional services for export sales is recognized in the year in which sales are recognized.

1.22 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

1.23 BORROWING COST

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

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

1.24 LEASES

1.24.1 Group as a lessee

The Group leased asset primarily consists of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over lease term.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.24.2 Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis/systematic basis over the lease term. However, reimbursable under the contract are accounted for on accrual basis. Initial direct cost are added to the carrying amount of the leased assets and recognized as an expense over the lease term.

1.25 NON-CURRENT ASSETS HELD FOR SALE

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

1.26 DIVIDENDS

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

1.27 FINANCIAL INSTRUMENTS

1.27.1 Initial Recognition

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

1.27.2 Subsequent Measurement

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

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

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

(c) Financial liabilities

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

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

1.27.3 De-recognition of Financial Instruments

A financial asset is de-recognised when:

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

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

1.27.4 Forward Contracts

Forward contracts are measured at marked to market value at every reporting date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

2 PROPERTY, PLANT AND EQUIPMENT

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED 31.03.2021

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						NET BLOCK AS AT 31/03/ 2021
	AS AT 01/04/ 2020	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	ADJ OF EX-CHANGE RATE	DELE-TIONS DURING THE YEAR	TOTAL	AS AT 01/04/ 2020	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EX-CHANGE RATE	DELE-TIONS DURING THE YEAR	TOTAL	
OTHERS													
LAND #	35.44	-	(0.05)	-	-	35.39	-	-	-	-	-	-	35.39
BUILDING	111.73	0.92	-	-	-	112.65	3.90	1.98	-	-	-	5.88	106.77
RESIDENTIAL QUARTERS	25.96	12.87	(0.10)	-	-	38.73	0.73	0.49	(0.10)	-	-	1.12	37.61
LEASED HOLD IMPROVEMENT	0.86	1.10	-	-	-	1.96	0.10	0.30	-	-	-	0.40	1.56
OFFICE EQUIPMENTS													
SURVEY AND OTHER INSTRUMENTS	9.92	1.65	-	-	0.02	11.55	4.37	1.06	-	-	0.02	5.41	6.14
COMPUTER AND EQUIPMENTS	12.67	3.47	-	-	1.42	14.72	9.62	2.26	-	-	1.39	10.49	4.23
SERVER & NETWORK	5.31	0.89	-	-	0.01	6.19	4.55	0.26	-	-	0.01	4.80	1.39
OFFICE AND OTHER EQUIPMENTS	6.23	2.09	-	-	0.34	7.98	3.98	0.95	-	-	0.31	4.62	3.36
AIR-CONDITIONER AND EQUIPMENTS	1.77	0.54	-	-	0.05	2.26	0.94	0.25	-	-	0.04	1.15	1.11
PLANT & MACHINERY													
AIR CONDITIONER PLANT	6.88	0.10	-	-	-	6.98	4.09	0.36	-	-	-	4.45	2.53
LOCOMOTIVES NEW @	225.09	10.38	-	-	-	235.47	34.04	15.54	-	-	-	49.58	185.89
LOCOMOTIVES IN SERVICE @	140.70	1.47	-	-	0.40	141.77	83.31	15.31	-	-	0.40	98.22	43.55
WIND MILL PLANT ^	152.22	-	-	-	-	152.22	27.15	6.09	-	-	-	33.24	118.98
FURNITURE & FIXTURES													
FURNITURES	5.55	1.96	-	-	0.06	7.45	2.78	0.61	-	-	0.04	3.35	4.10
FIXTURES	2.61	4.06	-	-	-	6.67	1.79	0.66	-	-	-	2.45	4.22
VEHICLE													
VEHICLES	2.28	0.53	-	-	0.05	2.76	1.44	0.32	-	-	0.05	1.71	1.05
VEHICLES ABROAD	0.03	-	-	-	-	0.03	0.03	-	-	-	-	0.03	-
SUB TOTAL	745.25	42.03	(0.15)	-	2.35	784.78	182.82	46.44	(0.10)	-	2.26	226.90	557.88
TOTAL	745.25	42.03	(0.15)	-	2.35	784.78	182.82	46.44	(0.10)	-	2.26	226.90	557.88

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED 31.03.2020

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						NET BLOCK AS AT 31/03/ 2020
	AS AT 01/04/ 2019	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	ADJ OF EXC- HANGE RATE	DELE- TIONS DURING THE YEAR	TOTAL	AS AT 01/04/ 2019	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EX- CHANGE RATE	DELE- TIONS DURING THE YEAR	TOTAL	
LEASEDHOLD													
LAND	1.05	-	(1.05)	-	-	-	0.14	-	(0.14)	-	-	-	-
BUILDING	10.02	-	(10.02)	-	-	-	0.78	-	(0.78)	-	-	-	-
SUB TOTAL	11.07	-	(11.07)	-	-	-	0.92	-	(0.92)	-	-	-	-
OTHERS													
LAND #	26.19	9.25	-	-	-	35.44	-	-	-	-	-	-	35.44
BUILDING	34.51	77.22	-	-	-	111.73	2.72	1.18	-	-	-	3.90	107.83
RESIDENTIAL QUARTERS	25.98	-	-	-	0.02	25.96	0.29	0.45	-	-	0.01	0.73	25.23
LEASEDHOLD IMPROVEMENT	-	0.86	-	-	-	0.86	-	0.10	-	-	-	0.10	0.76

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						NET BLOCK AS AT 31/03/ 2020
	AS AT 01/04/ 2019	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	ADJ OF EXC- HANGE RATE	DELE- TIONS DURING THE YEAR	TOTAL	AS AT 01/04/ 2019	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EX- CHANGE RATE	DELE- TIONS DURING THE YEAR	TOTAL	
OFFICE EQUIPMENTS													
SURVEY AND OTHER INSTRUMENTS	9.75	0.17	-	-	-	9.92	3.32	1.05	-	-	-	4.37	5.55
COMPUTER AND EQUIPMENTS	11.22	2.11	-	-	0.66	12.67	8.25	2.00	-	-	0.63	9.62	3.05
SERVER & NETWORK	5.13	0.18	-	-	-	5.31	4.09	0.46	-	-	-	4.55	0.76
OFFICE AND OTHER EQUIPMENTS	4.99	1.66	-	-	0.42	6.23	3.58	0.77	-	-	0.37	3.98	2.25
AIR-CONDITIONER AND EQUIPMENTS	1.42	0.39	-	-	0.04	1.77	0.77	0.20	-	-	0.03	0.94	0.83
PLANT & MACHINERY													
AIR CONDITIONER PLANT	6.80	0.08	-	-	-	6.88	3.73	0.36	-	-	-	4.09	2.79
LOCOMOTIVES NEW @	183.68	41.41	-	-	-	225.09	20.29	13.75	-	-	-	34.04	191.05
LOCOMOTIVES IN SERVICE @	136.40	4.30	-	-	-	140.70	67.46	15.85	-	-	-	83.31	57.39
COACHES	-	-	-	-	-	-	-	-	-	-	-	-	-
WIND MILL PLANT ^	152.22	-	-	-	-	152.22	21.06	6.09	-	-	-	27.15	125.07
FURNITURE & FIXTURES													
FURNITURES	4.70	0.94	-	-	0.09	5.55	2.17	0.65	-	-	0.04	2.78	2.77
FIXTURES	2.01	0.66	-	-	0.06	2.61	1.66	0.18	-	-	0.05	1.79	0.82
VEHICLE													
VEHICLES	1.94	0.34	-	-	-	2.28	1.16	0.28	-	-	-	1.44	0.84
VEHICLES ABROAD	0.03	-	-	-	-	0.03	0.03	-	-	-	-	0.03	-
SUB TOTAL	606.97	139.57	-	-	1.29	745.25	140.58	43.37	-	-	1.13	182.82	562.43
TOTAL	618.04	139.57	(11.07)	-	1.29	745.25	141.50	43.37	(0.92)	-	1.13	182.82	562.43

NOTE :

- Depreciation on Residential Quarters is charged on the total cost of flats in the absence of break-up of land components in the flats value.

In respect of Land pending execution of registration (refer note no. 63 (i)).

^ Plant & Machinery of ₹ 152.22 crore is mortgated/hypothecated against Borrowings (refer note no. 24).

@ Refer Note no. 58 (b) (i)

3 CAPITAL WORK IN PROGRESS

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						NET BLOCK
	OPENING	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	OPENING	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	
AS AT 31.03.2021	4.45	14.95	(3.91)	-	-	15.49	-	-	-	-	-	-	15.49
AS AT 31.03.2020	2.32	7.66	(5.53)	-	-	4.45	-	-	-	-	-	-	4.45

4 RIGHT OF USE ASSETS

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF RIGHT OF USE ASSETS FOR THE YEAR ENDED 31.03.2021

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						NET BLOCK AS AT 31/03/2021
	AS AT 01/04/2020	ADDITIONS DURING THE YEAR	RECLASSIFY DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2020	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	
LAND ^	2.85	0.69	(0.01)	-	-	3.53	0.36	0.46	-	-	-	0.82	2.71
BUILDING	19.44	2.03	(0.93)	-	-	20.54	2.15	2.99	(0.60)	-	-	4.54	16.00
RESIDENTIAL QUARTERS	4.33	-	-	-	-	4.33	0.25	0.25	-	-	-	0.50	3.83
TOTAL	26.62	2.72	(0.94)	-	-	28.40	2.76	3.70	(0.60)	-	-	5.86	22.54

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF RIGHT OF USE ASSETS FOR THE YEAR ENDED 31.03.2020

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						NET BLOCK AS AT 31/03/2020
	AS AT 01/04/2019	ADDITIONS DURING THE YEAR	RECLASSIFY DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2019	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	
LAND ^	-	1.94	0.91	-	-	2.85	-	0.36	-	-	-	0.36	2.49
BUILDING	-	6.58	12.86	-	-	19.44	-	2.15	-	-	-	2.15	17.29
RESIDENTIAL QUARTERS	-	-	4.33	-	-	4.33	-	0.25	-	-	-	0.25	4.08
TOTAL	-	8.52	18.10	-	-	26.62	-	2.76	-	-	-	2.76	23.86

- In respect of Lease Agreements pending execution {refer note no. 63 (h)}

^ Land of ₹ 1.05 crore is mortgaged/hypothecated against Borrowings (refer note no. 24).

5 INVESTMENT PROPERTY

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF INVESTMENT PROPERTY FOR THE YEAR ENDED 31.03.2021

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						AS AT 31/03/2021
	AS AT 01/04/2020	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2020	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	
LAND	-	-	0.05	-	-	0.05	-	-	-	-	-	-	0.05
RESIDENTIAL QUARTERS	-	-	0.10	-	-	0.10	-	-	0.10	-	-	0.10	-
LEASEHOLD BUILDING	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	0.15	-	-	0.15	-	-	0.10	-	-	0.10	0.05

FOLLOWING ARE THE CHANGES IN THE CARRYING VALUE OF INVESTMENT PROPERTY FOR THE YEAR ENDED 31.03.2020

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						AS AT 31/03/2020
	AS AT 01/04/2019	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	AS AT 01/04/2019	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	
LAND	-	-	-	-	-	-	-	-	-	-	-	-	-
RESIDENTIAL QUARTERS	-	-	-	-	-	-	-	-	-	-	-	-	-
LEASEHOLD BUILDING	0.89	-	(0.89)	-	-	-	0.09	0.02	(0.11)	-	-	-	-
TOTAL	0.89	-	(0.89)	-	-	-	0.09	0.02	(0.11)	-	-	-	-

6 INTANGIBLE ASSETS

(₹ in crore)

DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						NET BLOCK
	OPENING	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	OPENING	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	
COMPUTER SOFTWARES (ACQUIRED)													
AS AT 31.03.2021	10.90	1.56	-	-	1.80	10.66	6.71	1.73	-	-	1.80	6.64	4.02
AS AT 31.03.2020	6.22	4.69	-	-	0.01	10.90	5.60	1.12	-	-	0.01	6.71	4.19

7 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crore)

7. INTANGIBLE ASSETS UNDER DEVELOPMENT														(in lakhs)
DESCRIPTION	GROSS BLOCK						DEPRECIATION/AMORTISATION						NET BLOCK	
	OPENING	ADDITIONS DURING THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL	OPENING	FOR THE YEAR	ADJ DURING THE YEAR	ADJ OF EXCHANGE RATE	DELETIONS DURING THE YEAR	TOTAL		
COMPUTER SOFTWARES (ACQUIRED)														
AS AT 31.03.2021	-	-	-	-	-	-	-	-	-	-	-	-	-	
AS AT 31.03.2020	1.59	0.03	(1.62)	-	-	-	-	-	-	-	-	-	-	

8 INVESTMENT IN JOINT VENTURES APPLYING EQUITY METHOD

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
INDIAN RAILWAY STATIONS DEVELOPMENT CORPORATION LIMITED	53.05	-
SAIL-RITES BENGAL WAGON INDUSTRY PRIVATE LIMITED	30.01	28.77
BNV GUJARAT RAIL PRIVATE LIMITED	-	0.13
TOTAL	83.06	28.90

9.1 NON CURRENT INVESTMENTS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
A) INVESTMENT IN UNQUOTED EQUITY INSTRUMENTS OF (INVESTMENT CARRIED AT COST):			
COOPERATIVE SOCIETIES			
(i) Moru Mahal Co-operative Society Limited	63 (j)	-	-
5 (previous year 5) Equity Shares of face value of ₹ 50/- each, fully paid-up acquired for purchase of residential quarter.			
(ii) Amit Industrial Premises Co-operative Society Limited	63 (j)	-	-
10 (previous year 10) Equity Shares of face value of ₹ 50/- each, fully paid-up acquired for purchase of laboratory.			
(iii) Regent Chambers Premises Co-operative Society Limited	63 (j)	-	-
10 (previous year 10) Equity Shares of face value of ₹ 50/- each, fully paid-up acquired for purchase of residential quarter.			
		-	-
OTHERS			
(i) GPCL Consulting Services Limited (formerly known as Global Procurement Consultants Limited)		0.04	0.04
32,279 (previous year 32,279) equity shares of face value of ₹ 10/- each, fully paid-up (includes 2,279 equity shares of face value of ₹ 10/- each at a price of ₹ 30/- each).			
(ii) Elicius Energy Private Limited	63 (j)	-	-
1,573 (previous year Nil) equity shares of face value of ₹ 10 each, fully paid-up.			
AGGREGATE OF UNQUOTED INVESTMENTS (NON CURRENT)		0.04	0.04
B) INVESTMENT IN QUOTED TAX FREE BONDS OF (INVESTMENT CARRIED AT AMORTISED COST):			
(i) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.55% TAX FREE BONDS 08NOV.2021)			
2,500 Bonds of face value of ₹ 100,000/- each, fully paid		-	25.00
(ii) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.21% TAX FREE BONDS 26NOV.2022)			
300 Bonds of face value of ₹ 1,000,000/- each at premium of ₹100/- each, fully paid		30.00	30.00
(iii) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.22% TAX FREE BONDS 30NOV.2022)			
100 Bonds of face value of ₹ 1,000,000/- each at premium of ₹100/- each, fully paid		10.00	10.00
(iv) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.18% TAX FREE BONDS 19FEB.2023)			
100,000 Bonds of face value of ₹ 1,000/- each, fully paid		10.00	10.00
(v) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 8.35% TAX FREE BONDS 21NOV.2023)			
250 Bonds of face value of ₹ 1,000,000/- each at premium of ₹100/-each, fully paid		25.00	25.00
(vi) INDIAN RAILWAY FINANCE CORPORATION (10 YEAR SECURED REDEEMABLE 7.19% TAX FREE BONDS 31JUL.2025)			
200 Bonds of face value of ₹ 1,000,000/- each at premium of ₹100/-each, fully paid		20.00	20.00
AGGREGATE OF QUOTED INVESTMENTS (NON CURRENT)		95.00	120.00
TOTAL (NON CURRENT)		95.04	120.04

9.2 CURRENT INVESTMENTS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
A) INVESTMENT IN UNQUOTED MUTUAL FUNDS (INVESTMENT CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS):			
UTI LIQUID CASH PLAN - DIRECT GROWTH PLAN			
Nil (previous year 158279.482) units		-	51.46
SBI LIQUID FUND - DIRECT GROWTH PLAN			
Nil (previous year 193624.150) units		-	60.20
BANK OF BARODA LIQUID FUND - DIRECT GROWTH PLAN			
362004.681 (previous year Nil) units		85.77	85.77
AGGREGATE OF UNQUOTED INVESTMENT (CURRENT)		85.77	111.66
B) INVESTMENT IN QUOTED TAX FREE BONDS OF (INVESTMENT CARRIED AT AMORTISED COST):			
(i) INDIAN RAILWAY FINANCE CORPORATION			
(10 YEAR SECURED REDEEMABLE 7.55% TAX FREE BONDS 08NOV.2021)			
2,500 Bonds of face value of ₹ 100,000/- each , fully paid		25.00	-
AGGREGATE OF QUOTED INVESTMENTS (CURRENT)		25.00	-
TOTAL (CURRENT)		110.77	111.66
GRAND TOTAL		205.81	231.70
A AGGREGATE AMOUNT OF QUOTED INVESTMENTS		120.00	120.00
B MARKET VALUE OF QUOTED INVESTMENTS*		130.39	129.80
C AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS		85.81	111.70
D AGGREGATE AMOUNT OF IMPAIRMENT IN VALUE OF INVESTMENTS		-	-

*MARKET VALUE OF SOME OF THE BONDS ARE NOT AVAILABLE AS THESE BONDS ARE NOT FREQUENTLY TRADED, HENCE TAKEN AT AMORTISED COST.

10 NON CURRENT LOANS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
SECURITY DEPOSITS CONSIDERED GOOD-UNSECURED		5.07	4.65
LOANS TO EMPLOYEES CONSIDERED GOOD-SECURED		7.83	7.34
LOANS TO EMPLOYEES CONSIDERED GOOD-UNSECURED		2.03	2.63
LOANS TO EMPLOYEES WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK		-	-
LOANS TO EMPLOYEES-CREDIT IMPAIRED		-	-
LOANS TO JV (RELATED PARTY) CONSIDERED GOOD-SECURED		-	-
LOANS TO JV (RELATED PARTY) CONSIDERED GOOD-UNSECURED	49 (d) (i)	-	2.80
LOANS TO JV (RELATED PARTY) WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK		-	-
LOANS TO JV (RELATED PARTY)-CREDIT IMPAIRED		-	-
TOTAL		14.93	17.42

11 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
INTEREST ACCRUED (INCLUDING ACCRUED BUT NOT DUE) ON:			
-LOANS TO SRBWPL (RELATED PARTY)	49 (d) (i)	-	0.65
RETENTION MONEY		43.85	50.28
BANK DEPOSITS HAVING MATURITY OVER 12 MONTHS FROM REPORTING DATE:			
- OWNED FUND	16.3	-	0.63
- CLIENTS FUND	17.3	47.29	17.73
TOTAL		91.14	69.29

12 DEFERRED TAX ASSETS/ (LIABILITY) (NET)

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
DEFERRED INCOME TAX ASSETS:			
ACCRUED COMPENSATION TO EMPLOYEES		21.74	20.68
PROVISION FOR DOUBTFUL DEBTS, SECURITY DEPOSITS/ EMD, ADVANCES ETC.		33.60	32.09
MAT CREDIT ENTITLEMENT		22.96	27.57
LEASE LIABILITY FOR ROU ASSETS		1.05	-
TOTAL DEFERRED INCOME TAX ASSETS - I		79.35	80.34
DEFERRED INCOME TAX LIABILITIES:			
PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS		52.29	48.06
INTEREST ACCRUED BUT NOT RECEIVED ON INCOME TAX REFUND		-	1.72
DONATION TO PM CARES FUND		-	1.76
UNREALIZED SHORT TERM GAIN/(LOSS) ON MUTUAL FUNDS		0.05	-
TOTAL DEFERRED INCOME TAX LIABILITIES - II		52.34	51.54
DEFERRED INCOME TAX ASSETS (NET)	59	27.01	28.80

13 OTHER NON CURRENT ASSETS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
CAPITAL ADVANCE		61.37	36.22
ADVANCES OTHER THAN CAPITAL ADVANCE			
PREPAID EXPENSES		0.73	0.85
DEFERRED COST TOWARDS STAFF LOAN		1.51	2.04
ADVANCE INCOME TAX (NET OF PROVISION)	59	45.46	16.24
WORKS CONTRACT TAX RECEIVABLE		1.96	1.98
TOTAL		111.03	57.33

14 INVENTORIES

(AT THE LOWER OF COST AND NET REALISABLE VALUE)

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
(AS CERTIFIED BY MANAGEMENT)		
STOCK IN TRADE*	287.59	8.56
LESS: PROVISION FOR OBSOLETE INVENTORIES	(3.44)	-
STORES & SPARES	2.01	2.11
TOTAL	286.16	10.67

*Includes inventory lying with third parties of ₹ 214.60 crore (previous year ₹ 6.55 crore) & stock in transit ₹ 69.35 crore (previous year Nil).

Note - All inventories are expected to be utilised/sold within twelve months except certain items, which are utilised on need basis. Quantum of such items, which may be utilised beyond one year, is not determinable and is not expected to be material with reference to the total value of inventories.

15 CURRENT TRADE RECEIVABLES

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
TRADE RECEIVABLE CONSIDERED GOOD - SECURED	-	-
TRADE RECEIVABLE CONSIDERED GOOD - UNSECURED	584.37	843.74
TRADE RECEIVABLE WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK	-	-
TRADE RECEIVABLE - CREDIT IMPAIRED	110.19	104.30
	694.56	948.04
LESS: ALLOWANCE FOR EXPECTED CREDIT LOSSES	(110.19)	(104.30)
TOTAL	584.37	843.74

16 CASH AND BANK BALANCES-OWNED FUND (₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
16.1 CASH AND CASH EQUIVALENTS		
BANK BALANCES IN :		
CURRENT ACCOUNTS	36.53	39.23
DEPOSITS #	80.71	117.24
CHEQUES IN HAND	1.33	0.48
TOTAL	118.57	116.66
16.2 OTHER BANK BALANCES		
EARMARKED BALANCE WITH BANKS*	0.38	0.07
DEPOSITS ##	805.92	993.62
TOTAL @	806.30	993.69
16.3 BANK BALANCE MORE THAN 12 MONTHS MATURITY-OWNED FUND (NOTE NO. 11)		
DEPOSITS ###	-	0.63
TOTAL	-	0.63
TOTAL CASH & BANK BALANCE-OWNED FUND	924.87	1,110.98

Includes flexi deposits and deposits having maturity within 3 months from the date of acquisition.

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

Having maturity over 12 months from reporting date.

@ Includes restricted cash and bank balances of ₹ 1.23 crore (previous year ₹ 1.00 crore) on account of bank balance held as margin money deposits against guarantees issued by banks and ₹ 0.38 crore (previous year ₹ 0.07 crore) on account of unpaid dividend.

* Earmarked bank balance is for unpaid dividend.

17 CASH AND BANK BALANCES-CLIENTS FUND (₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
17.1 CASH AND CASH EQUIVALENTS		
BANK BALANCES IN :		
CURRENT ACCOUNTS	405.34	265.16
DEPOSITS #	289.61	498.92
TOTAL	694.95	764.08
17.2 OTHER BANK BALANCES		
DEPOSITS ##	1,743.40	1,738.66
TOTAL	1,743.40	1,738.66
17.3 BANK BALANCE MORE THAN 12 MONTHS MATURITY-CLIENT FUND (NOTE NO. 11)		
DEPOSITS ###	47.29	17.73
TOTAL	47.29	17.73
TOTAL CASH & BANK BALANCE-CLIENTS FUND*	2,485.64	2,520.47

Includes flexi deposits and deposits having maturity within 3 months from the date of acquisition.

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

Having maturity over 12 months from reporting date.

* Equivalent amount appears in client liabilities at Note no. 25 & Note No. 29.

18 CURRENT LOANS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
SECURITY DEPOSITS CONSIDERED GOOD-UNSECURED		14.31	10.37
SECURITY DEPOSITS CONSIDERED DOUBTFUL-UNSECURED		0.29	0.30
		14.60	10.67
LESS: ALLOWANCES FOR EXPECTED CREDIT LOSSES		(0.29)	(0.30)
LOANS TO EMPLOYEES CONSIDERED GOOD-SECURED		1.60	2.08
LOANS TO EMPLOYEES CONSIDERED GOOD-UNSECURED		2.60	2.85
LOANS TO EMPLOYEES WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK		-	-
LOANS TO EMPLOYEES -CREDIT IMPAIRED		-	-
LOANS TO JV (RELATED PARTY) CONSIDERED GOOD-SECURED		-	-
LOANS TO JV (RELATED PARTY) CONSIDERED GOOD-UNSECURED 49 (d) (i)		2.80	2.80
LOANS TO JV (RELATED PARTY) WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK		-	-
LOANS TO JV (RELATED PARTY)-CREDIT IMPAIRED		-	-
TOTAL		21.31	18.10

19 OTHER CURRENT FINANCIAL ASSETS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
AMOUNT RECOVERABLES CONSIDERED GOOD-UNSECURED		18.94	12.61
AMOUNT RECOVERABLES CONSIDERED DOUBTFUL-UNSECURED		21.20	22.20
		40.14	34.81
LESS: ALLOWANCES FOR EXPECTED CREDIT LOSSES		(21.20)	(22.20)
INTEREST ACCRUED (INCLUDING ACCRUED BUT NOT DUE) ON:			
- BANK DEPOSITS HAVING MATURITY:			
WITHIN 3 MONTHS FROM THE DATE OF ACQUISITION		0.08	0.14
OVER 3 MONTHS FROM THE DATE OF ACQUISITION AND UPTO 12 MONTHS FROM REPORTING DATE		23.60	30.75
- BONDS		5.89	5.89
- LOANS TO SRBWPL (RELATED PARTY) 49 (d) (i)		0.65	0.69
		30.22	37.47
RETENTION MONEY		44.17	51.63
UNBILLED REVENUE		86.70	114.77
TOTAL		180.03	216.48

20 CURRENT TAX ASSETS (NET OF PROVISION)

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
INCOME TAX RECEIVABLES	59	20.64	95.33
TOTAL		20.64	95.33

21 OTHER CURRENT ASSETS

(₹ in crore)

PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
PREPAID EXPENSES		5.18	5.85
ADVANCES TO SUPPLIERS		177.68	65.10
LESS: PROVISION FOR DOUBTFUL ADVANCES		(1.11)	-
OTHER ADVANCES		2.42	6.19
LESS: PROVISION FOR DOUBTFUL ADVANCES		(0.35)	(0.35)
EXPORT INCENTIVE RECEIVABLE	47	1.40	1.79
DEFERRED COST TOWARDS STAFF LOAN		0.30	0.26
UNAMORTIZED CONTRACT COST	57(n)	5.63	5.02
GOODS & SERVICE TAX INPUT RECEIVABLE		53.45	24.94
TOTAL		244.60	108.80

22 EQUITY SHARE CAPITAL

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
22.1 AUTHORISED		
300,000,000 (PREVIOUS YEAR 300,000,000) EQUITY SHARES OF ₹ 10/- EACH	300.00	300.00
22.2 ISSUED, SUBSCRIBED AND FULLY PAID-UP		
240,301,887 (PREVIOUS YEAR 250,000,000) EQUITY SHARES OF ₹ 10/- EACH	240.30	250.00
	240.30	250.00

	No. of Shares	(₹ in crore)	No. of Shares	(₹ in crore)
22.3 RECONCILIATION OF NUMBER OF EQUITY SHARES				
OPENING BALANCE	250,000,000	250.00	200,000,000	200.00
ADD : ISSUE OF BONUS SHARES	-	-	50,000,000	50.00
LESS: BUY BACK OF EQUITY SHARES	(9,698,113)	(9.70)	-	-
CLOSING BALANCE	240,301,887	240.30	250,000,000	250.00

22.4 RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO EQUITY SHARES

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held in case poll is demanded by the members in accordance with the provisions of the companies act, 2013. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

	No. of Shares	Share-holding (%)	No. of Shares	Share-holding (%)
--	---------------	-------------------	---------------	-------------------

22.5 EQUITY SHARES HELD BY EACH SHAREHOLDER MORE THAN 5% OF SHARES

PRESIDENT OF INDIA ACTING THROUGH MINISTRY OF RAILWAYS {Refer Note No. 63 (b)}	173,504,773	72.20%	180,047,174	72.02%
LIFE INSURANCE CORPORATION OF INDIA	19,584,120	8.15%	19,584,120	7.83%

22.6 FULLY PAID-UP AGGREGATE NUMBER OF EQUITY SHARES ALLOTTED BY WAY OF BONUS SHARES DURING THE YEAR OF FIVE YEARS IMMEDIATELY PRECEDING BALANCE SHEET DATE

Company issued 5 crore bonus shares of ₹ 10 each during 2019-20 amounting to ₹ 50 crore. Earlier company issued 10 crore bonus shares of ₹ 10 each during 2016-17 amounting to ₹ 100 crore.

22.7 FULLY PAID-UP AGGREGATE NUMBER OF EQUITY SHARES BUY-BACK DURING THE YEAR

The Company has bought back 9,698,113 fully paid-up equity shares of ₹ 10 each from the shareholders on 18th November, 2020, on proportionate basis by way of tender offer at a price of ₹ 265 per equity share for an aggregate amount of ₹ 257 crore. Consequent to the said buy-back, the equity share capital of the company has been reduced by ₹ 9.70 crore and capital redemption reserve of an equivalent amount has therefore been created as per the extant provision of the companies act 2013.

23 OTHER EQUITY (REFER STATEMENT OF CHANGES IN EQUITY)

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
23.1 RESERVE & SURPLUS		
GENERAL RESERVE*	1,608.40	1,926.23
CAPITAL RESERVE**	5.22	-
CAPITAL REDEMPTION RESERVE***	9.70	-
23.2 RETAINED EARNING	527.51	456.86
23.3 OTHER COMPREHENSIVE INCOME		
FOREIGN CURRENCY TRANSLATION RESERVE	0.84	0.70
23.4 DISCONTINUED OPERATIONS****	-	(0.52)
ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY (23.1+23.2+23.3+23.4) #	2,151.67	2,383.27
23.5 NON-CONTROLLING INTERESTS ##	88.16	81.48
TOTAL	2,239.83	2,464.75

* General Reserve represents amount kept by the company out of its profit for future purposes. It is not earmarked for any specific purpose.

** Refer Note No. 63 (c)

*** Capital Redemption Reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

**** Discontinued operations pertains to RITES Infrastructure Services Limited

Includes OCI of (₹ 4.82 crore) {previous year (₹ 9.88 crore)}.

Non-Controlling interests pertains to REMC Limited

24 NON CURRENT BORROWINGS

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
SECURED TERM LOAN FROM INDIAN BANK*	24.64	32.59
TOTAL	24.64	32.59

Refer note no. 29 for current maturity of above term loan (payable within 1 year from reporting date).

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

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

*** Terms of repayment of term loan are as under:-**

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

25	OTHER NON CURRENT FINANCIAL LIABILITIES	(₹ in crore)	
PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
CLIENTS DEPOSITS	17	47.29	17.73
SECURITY DEPOSITS - CLIENTS	17	156.46	146.18
SECURITY DEPOSITS		16.81	17.05
TOTAL		220.56	180.96
26	NON CURRENT PROVISIONS	(₹ in crore)	
PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
EMPLOYEE BENEFITS	46	2.90	6.56
WARRANTIES	52 (a)	7.92	16.38
TOTAL		10.82	22.94
27	OTHER NON CURRENT LIABILITIES	(₹ in crore)	
PARTICULARS		AS AT 31.03.2021	AS AT 31.03.2020
CLIENTS ADVANCES		-	71.28
TOTAL		-	71.28
28	CURRENT BORROWINGS	(₹ in crore)	
PARTICULARS		AS AT 31.03.2021	AS AT 31.03.2020
BANK OVERDRAFT		0.07	-
TOTAL		0.07	-
29	OTHER CURRENT FINANCIAL LIABILITIES	(₹ in crore)	
PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
CURRENT MATURITY OF SECURED TERM LOAN FROM INDIAN BANK	24	7.67	7.67
CLIENTS DEPOSITS	17	2,213.99	2,295.98
SECURITY DEPOSITS - CLIENTS	17	67.90	60.58
SECURITY DEPOSITS		76.48	68.07
FOREIGN SERVICE CONTRIBUTION	46 (c)	4.93	5.80
SALARY PAYABLES		68.61	87.35
STAFF & OTHER CLAIMS		4.43	7.66
PAYABLE TO RELATED PARTIES	49 (d) (i)	-	0.18
PAYABLE FOR OTHER EXPENSES OTHER THAN MSME		62.18	54.44
PAYABLE FOR OTHER EXPENSES OF MSME	63 (g)	0.03	0.04
INTEREST ACCRUED AND DUE ON BORROWINGS		0.20	0.29
UNPAID DIVIDEND*		0.41	0.07
TOTAL		2,506.83	2,588.13
* No amount is due for payment to Investor Education & Protection Fund			
30	CURRENT PROVISIONS	(₹ in crore)	
PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
EMPLOYEE BENEFITS	46	19.34	36.68
WARRANTIES	52 (a)	17.22	41.64
COMMITMENTS	52 (a)	0.58	7.02
TOTAL		37.14	85.34

31 OTHER CURRENT LIABILITIES

(₹ in crore)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
CLIENTS ADVANCES	268.58	63.33
STATUTORY LIABILITIES	43.40	32.27
TOTAL	311.98	95.60

32 REVENUE FROM OPERATIONS

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
SALE OF SERVICES			
CONSULTANCY FEE		718.92	761.49
INSPECTION FEE		298.78	367.27
LEASE SERVICES	58 (b) (i)	108.27	120.70
		1,125.97	1,249.46
SALE OF PRODUCTS			
EXPORT SALES		93.27	540.87
SALE OF POWER GENERATION	52 (c) (iii)	16.45	11.20
OTHERS			
TURNKEY CONSTRUCTION PROJECTS		623.85	672.88
TOTAL		1,859.54	2,474.41

Note- 1 - Revenue from operation does not include GST of ₹ 266.21 crore (previous year ₹ 281.81 crore)

2- Revenue from operation include unbilled income recognized of ₹ 84.63 crore (previous year ₹ 112.47 crore)

33 OTHER INCOME

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
INTEREST EARNED ON:		
- DEPOSITS WITH BANK	72.57	97.33
- TAX FREE BONDS	9.02	9.02
- STAFF ADVANCES	1.63	1.26
- LOAN TO RELATED PARTIES	0.34	0.43
- DELAYED CONTRACT PAYMENTS	-	25.69
- OTHERS	-	10.56
	83.56	144.29
PROVISION NO LONGER REQUIRED*	32.81	1.06
REVERSAL OF IMPAIRMENT OF FINANCIAL ASSETS	1.01	62.61
LIABILITIES WRITTEN BACK	8.37	0.06
DEFERRED INCOME TOWARDS GOVT OF MOZAMBIQUE RECEIVABLES	-	0.50
DIVIDEND FROM:		
- CURRENT INVESTMENTS	-	1.61
	3.57	9.09
EXPORT INCENTIVES	4.12	0.96
REALIZED GAIN ON CURRENT INVESTMENT (MUTUAL FUNDS)	0.19	0.56
UNREALIZED GAIN ON CURRENT INVESTMENT (MUTUAL FUNDS)	0.18	0.04
RENT FROM INVESTMENT PROPERTIES	5.85	34.39
EXCHANGE VARIATION	5.82	4.93
MISCELLANEOUS INCOME	145.48	260.10
TOTAL	145.48	260.10

* Includes Reversal of Provision for Warranty (Net) of ₹ 22.19 crore (previous year Nil)

34 EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
SALARIES		363.23	370.66
FOREIGN SERVICE CONTRIBUTION	46 (c)	3.62	4.65
CONTRIBUTION TO PROVIDENT & OTHER FUNDS	46	61.14	58.51
STAFF WELFARE EXPENSES		21.08	24.07
PERFORMANCE RELATED PAYMENT		16.52	42.51
LEAVE ENCASHMENT	46	17.49	20.57
TOTAL		483.08	520.97

35 SUPPLIES & SERVICES

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
TURNKEY CONSTRUCTION PROJECTS	552.63	604.79
OTHERS	134.39	170.89
TOTAL	687.02	775.68

36 CHANGES IN INVENTORIES OF STOCK IN TRADE

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
OPENING STOCK	8.56	103.33
CLOSING STOCK	287.59	8.56
NET (INCREASE)/ DECREASE IN INVENTORIES	(279.03)	94.77

37 GENERATION EXPENSES

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
TRANSMISSION, WHEELING & SLDC CHARGES	52 (c) (iii)	5.29	5.08
OPERATION & MAINTAINANCE COST		2.91	0.01
TOTAL		8.20	5.09

38 FINANCE COSTS

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
ON TERM LOAN	64 (c)	3.10	3.79
ON BANK OVERDRAFT		0.05	0.04
UNWINDING WARRANTY	52 (a)	0.74	1.09
BG/LC CHARGES		1.34	0.81
UNWINDING LEASE LIABILITY	58 (a)	0.42	0.51
INTEREST- OTHERS*		0.36	0.68
TOTAL		6.01	6.92

*Includes Interest on Income tax of ₹ 0.02 crore (previous year ₹ 0.41 crore)

39 DEPRECIATION & AMORTISATION EXPENSES

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
PROPERTY, PLANT AND EQUIPMENT	46.44	43.37
RIGHT OF USE ASSETS	3.70	2.76
INVESTMENT PROPERTY	-	0.02
INTANGIBLE ASSETS	1.73	1.12
TOTAL	51.87	47.27

40 OTHER EXPENSES

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
PRINTING, STATIONERY AND DOCUMENTATION		2.82	4.12
ADVERTISEMENT & BUSINESS PROMOTION		5.65	6.39
AUDITORS' REMUNERATION (INCLUDING OUT OF POCKET EXPENSES)	40.1	0.35	0.36
RATES & TAXES		3.84	4.03
OFFICE RENT		5.64	5.13
POSTAGE & TELECOMMUNICATION		5.61	5.89
OFFICE MAINTENANCE		10.77	10.54
REPAIRS TO MACHINERY/EQUIPMENTS		2.58	3.81
FREIGHT & FORWARDING (OUTWARD)		2.69	3.29
POWER AND FUEL CHARGES		4.09	4.74
STORES AND SPARES CONSUMED		2.84	2.66
INTERNAL AUDIT FEE		0.14	0.14
LEGAL AND PROFESSIONAL FEE		1.87	3.12
INSURANCE CHARGES		2.86	1.35
PROPERTY, PLANT AND EQUIPMENT WRITTEN OFF		0.01	0.03
MANPOWER DEVELOPMENT		0.45	2.77
LOSS ON SALE OF PROPERTY, PLANT AND EQUIPMENT		0.01	0.01
IMPAIRMENT LOSS FOR FINANCIAL ASSETS:			
- PROVISION FOR IMPAIRMENT		5.89	11.63
- BAD DEBTS		3.23	7.57
PROVISION FOR:			
- OBSOLETE INVENTORIES		3.44	-
- DOUBTFUL ADVANCES		1.11	-
- WARRANTIES		-	20.62
DONATION		7.00	-
DIRECTORS' SITTING FEE		0.26	0.29
CORPORATE SOCIAL RESPONSIBILITY		14.34	12.01
AMORTISED DEFERRED COST TOWARDS GOVT OF MOZAMBIQUE RECEIVABLES		-	0.50
ADVANCES/RECOVERABLE WRITTEN OFF		0.08	0.02
MISCELLANEOUS EXPENSES		4.79	6.97
TOTAL		92.36	117.99

40.1 AUDITORS' REMUNERATION

(₹ in crore)

PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
(A) STATUTORY AUDITORS		
STATUTORY AUDIT FEE	0.12	0.11
TAX AUDIT FEE	0.04	0.04
LIMITED REVIEW AND CONSOLIDATION FEE	0.06	0.06
OTHER SERVICES, i.e. CERTIFICATION ETC.*	0.05	0.03
SUB TOTAL (A)	0.27	0.24
(B) BRANCH AUDITORS		
STATUTORY AUDIT FEE	0.02	0.02
TAX AUDIT FEE	0.01	0.01
LIMITED REVIEW FEE	0.03	0.03
SUB TOTAL (B)	0.06	0.06
AUDITORS' REMUNERATION (A+B)	0.33	0.30
AUDITORS' OUT OF POCKET EXPENSES	0.02	0.06

* This amount is exclusive of ₹ 0.03 crore paid to the Statutory Auditors towards certificates in connection with buy-back of shares. The same has been adjusted against general reserve, as these are transaction costs pertaining to buy-back.

41 SHARE OF PROFIT/(LOSS) OF JOINT VENTURES

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
INDIAN RAILWAY STATIONS DEVELOPMENT CORPORATION LIMITED		(0.17)	-
SAIL-RITES BENGAL WAGON INDUSTRY PRIVATE LIMITED		1.24	7.77
BNV GUJARAT RAIL PRIVATE LIMITED		-	(0.11)
TOTAL	56 (b) (ii)	1.07	7.66

42 CURRENT TAX

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
- CURRENT YEAR		(150.18)	(199.32)
- EARLIER YEAR		3.63	1.30
TOTAL	59	(146.55)	(198.02)

43 DEFERRED TAX (NET)

(₹ in crore)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
CREDIT/(CHANGE) RELATING TO TEMPORARY DIFFERENCES			
- CURRENT YEAR		(2.21)	(42.89)
- EARLIER YEAR		0.42	(0.18)
TOTAL	59	(1.79)	(43.07)

DISCLOSURES AS PER INDIAN ACCOUNTING STANDARDS (IND AS):

44. The subsidiary companies considered in the financial statements are as follows:

Name of Subsidiary Companies	Country of Incorporation	% of Shareholding as on 31.03.2021	% of Shareholding as on 31.03.2020
• RITES (Afrika) (Pty) Limited	Botswana	100%	100%
• RITES Infrastructure Services Limited*	India	-	100%
• REMC Limited	India	51%	51%

Above does not include RITES Mohawarean Arabia Company Limited, which has completed its liquidation process during the year and investment in equity made by the holding company has already been recovered.

*RITES Infrastructure Services Limited has completed its liquidation process during the year.

45. Indian Accounting Standard (Ind AS) 2, Disclosures on Inventories are as follows:

Inventories are carried at lower of cost and net realizable value. Cost of finished goods procured or purchased by the holding company comprises of costs of purchase, costs of conversion and other costs incurred in bringing the inventories to its present location and condition.

Amount of inventories consumed and recognized as expenses during the year is as under:

(₹ in crore)

Particulars	Year ended	
	31.03.2021	31.03.2020
Finished goods	53.58	343.38
Stores and spares	2.84	2.66
Total	56.42	346.04
Provision for Obsolete inventories	3.44	-

46. In case of holding company, Indian Accounting Standard (Ind AS) 19, Disclosure on Employee benefits is as follows:

a) Defined Benefit Plan

i) Gratuity (Funded) - Regular Employees

1) Changes in Present Value of the Benefit Obligation are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Present Value of obligation as at beginning of year	150.44	138.56
Interest Cost	9.99	10.39
Current Service Cost	8.37	8.56
Benefits paid	(16.55)	(14.26)
Actuarial (Gain)/Loss on obligation	(5.92)	7.19
Present Value of Obligation as at end of year	146.33	150.44

Bifurcation of Present Value Obligation at the end of year in current and non-current:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Current liability (Amount due within one year)	14.56	15.66
Non-Current liability (Amount due over one year)	131.77	134.78
Present Value of Obligation as at end of year	146.33	150.44

II) Changes in the Fair Value of Plan Assets are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Fair Value of Plan Assets at beginning of year	131.41	130.55
Actual Interest Income	9.38	8.01
Contributions	19.03	8.02
Benefits Paid	(16.55)	(15.17)
Fair value of Plan Assets at the end of year	143.27	131.41

Major categories of plan assets (as percentage of total plan assets):

Particulars	31.03.2021	31.03.2020
a) Government of India Securities	--	--
b) State Government Securities	--	--
c) High Quality Corporate Bonds	--	--
d) Equity Shares of listed Companies	--	--
e) Property	--	--
f) Funds Managed by Insurer	100 %	100 %
g) Bank Balance	--	--
Total	100 %	100 %

III) The amount recognized in the Balance Sheet is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Defined Benefit Obligation at end of year	146.33	150.44
Fair value of Plan Assets at the end of year	143.27	131.41
Funded Status - (Surplus)/ Deficit	3.06	19.03
Net (Liability)/Asset recognized in Balance Sheet	(3.06)	(19.03)

IV) Amount recognized in the Statement of Profit & Loss is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Current Service Cost	8.37	8.56
Net Interest on Net Defined Benefit Liability	1.27	0.60
Expenses recognized in Statement of Profit and Loss	9.64	9.16

Bifurcation of Actuarial Gain/Loss on Obligation

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.20)	8.24
Actuarial (Gain)/Loss on arising from Experience Adjustment	(5.72)	(1.05)

V) Amount recognized in Other Comprehensive Income is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Actuarial (Gains)/Losses on Liability	(5.92)	7.19
Actuarial (Gains)/Losses on Assets	(0.66)	1.78
Other Comprehensive (Income)/Expense	(6.58)	8.97

VI) The principal actuarial assumptions are as follows:

Particulars	31.03.2021	31.03.2020
Discounting rate (%)	6.66%	6.64%
Future salary increase (%)	8.25%	8.25%
Retirement Age (Years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

VII) The significant actuarial assumptions for the determination of the defined obligations are discount rate and expected salary increase. The sensitivity for actuarial assumptions have been computed by varying respective actuarial assumption used for valuation of the defined benefit obligation by 1%, while holding all other assumptions constant.

If the discount rate increases/decreases by 1%, the defined obligations would decrease by ₹ 9.30 crore/increase by ₹ 10.73 crore as on 31st March, 2021 and if the expected salary growth increases /decreases by 1%, the defined benefit obligations would increase by ₹ 4.59 crore / decrease by ₹ 4.93 crore as on 31st March, 2021.

However, the actual change in assumptions would not necessarily behave in isolation to each other. The defined benefit obligations would change accordingly.

The Company is expected to contribute ₹ 3.06 crore to defined benefit plan obligations towards gratuity during the year 2021-22. Remeasurement (gain)/loss of defined employee benefit plans in Other Comprehensive Income (OCI) for the year ended 31.03.2021 and 31.03.2020 are ₹ (6.58) crore and ₹ 8.97 crore respectively.

The defined benefit obligation shall mature as follows:

(₹ in crore)

Year ending March, 31	Defined benefit obligations
2022	14.56
2023	19.45
2024	13.36
2025	14.99
2026	12.92
2027	20.10
2027 onward	50.95

ii) Gratuity (Funded)-Contract Employees

I) Changes in Present Value of the Benefit Obligation are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Present Value of obligation as at beginning of year	3.45	2.60
Interest Cost	0.23	0.20
Current Service Cost	0.34	0.35
Benefit paid	(0.29)	(0.18)
Actuarial (Gain)/Loss on obligation	(0.16)	0.48
Present Value of obligation as at end of year	3.57	3.45

Bifurcation of PBO at the end of year in current and non-current

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Current liability (Amount due within one year)	0.15	0.10
Non-Current liability (Amount due over one year)	3.42	3.35
Total Present Value of Obligation as at end of year	3.57	3.45

II) Changes in the Fair Value of Plan Assets are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Fair Value of plan Assets at beginning of year	2.78	2.40
Actual Interest income	0.21	0.18
Contributions	0.67	0.20
Benefits paid	(0.29)	-
Fair value on Plan Assets at end of year	3.37	2.78

Major categories of plan assets (as percentage of total plan assets):

Particulars	31.03.2021	31.03.2020
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	100 %	100 %
Bank Balance	-	-
Total	100 %	100 %

III) The amount recognized in the Balance Sheet is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Defined Benefit Obligation at end of year	3.57	3.45
Fair value of Plan Assets at the end of year	3.37	2.78
Funded Status - (Surplus)/ Deficit	0.20	0.67
Net (Liability)/ Asset recognized in Balance Sheet	(0.20)	(0.67)

IV) Amount recognized in the Statement of Profit & Loss is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Current Service Cost	0.34	0.35
Net Interest on Net Defined Benefit Liability	0.04	0.01
Expenses recognized in the statement of Profit & Loss	0.38	0.36

Bifurcation of Actuarial Gain/Loss on Obligation:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.01)	0.37
Actuarial (Gain)/Loss on arising from Experience Adjustment	(0.15)	0.11

V) Amount recognized in Other Comprehensive Income is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Actuarial (Gains)/ Losses on Liability	(0.16)	0.48
Actuarial (Gains)/Losses on Assets	(0.02)	-
Other Comprehensive (Income)/Expense	(0.18)	0.48

VI) The principal actuarial assumptions are as follows:

Particulars	31.03.2021	31.03.2020
Discounting rate (%)	6.66%	6.64%
Future salary increase (%)	4.12%	4.12%
Retirement Age (Years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

VII) The significant actuarial assumptions for the determination of the defined obligations are discount rate and expected salary increase. The sensitivity for actuarial assumptions have been computed by varying respective actuarial assumption used for valuation of the defined benefit obligation by 1%, while holding all other assumptions constant.

If the discount rate increases /decreases by 1%, the defined obligations would decrease by ₹ 0.43 crore /increase by ₹ 0.51 crore as on 31st March, 2021 and if the expected salary growth increases /decreases by 1%, the defined benefit obligations would increase by ₹ 0.52 crore/ decrease by ₹ 0.44 crore as on 31st March, 2021.

However, the actual change in assumptions would not necessarily behave in isolation to each other. The defined benefit obligations would change accordingly.

The Company is expected to contribute ₹ 0.20 crore to defined benefit plan obligations towards gratuity during the year 2021-22. Remeasurement (gain)/loss of defined employee benefit plans in Other Comprehensive Income (OCI) for the year ended 31.03.2021 and 31.03.2020 are ₹ (0.18) crore and ₹ 0.48 crore respectively.

The defined benefit obligation shall mature as follows:

(₹ in crore)

Year ending March, 31	Defined benefit obligations
2022	0.16
2023	0.12
2024	0.06
2025	0.09
2026	0.09
2027	0.16
2027 onward	2.89

iii) Provident Fund (Funded)

All eligible employees of the company are entitled to receive benefits under the Provident Fund, a defined benefit plan, set up through a Trust named as BITES Contributory Provident Fund Trust. Both employee and employer contribute monthly at a determined rate as specified under the law to the

Trust. The obligation of the company is limited to such contribution and to make good the shortfall, if any, between the returns from the investments of the trust and the notified interest rate. Short fall, if any, is recognized as an expense during the year. As per actuarial valuation, present value of the expected future earnings on the fund is higher than the expected amount to be contributed to the individual members based on the expected guaranteed rate of interest, resulting in no liability on the company.

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 0.03 crore (previous year ₹ 0.05 crore) determined through actuarial valuation. Accordingly company has not recognized the surplus as assets as it pertains to the provident fund trust and not to the company.

The company contributed ₹ 22.84 crore and ₹ 22.27 crore to the provident fund during the year ended 31st March, 2021 and 31st March, 2020 respectively.

I) Changes in Present Value of the Benefit Obligation are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Present value of obligation as at the beginning of the period	599.74	547.78
Interest Cost	51.28	47.06
Current Service Cost	22.84	22.27
Contributions by plan participants / employees	49.56	47.46
Benefits Paid	(79.59)	(72.96)
Total Actuarial (Gain)/Loss on Obligation	0.02	2.47
Settlements/Transfer In	2.56	5.66
Present value of obligation as at the end of the period	646.41	599.74

II) Changes in the Fair Value of Plan Assets are as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Fair value of plan assets at the beginning of the Year	599.79	551.23
Adjustment as per BS	0.13	0.06
Actual return on plan assets	51.15	46.07
Employer contribution	22.84	22.27
Plan Participants / Employee Contribution	49.56	47.46
Benefits paid	(79.59)	(72.96)
Settlements / Transfer In	2.56	5.66
Fair value of plan assets at the end of the Year	646.44	599.79

III) Net defined benefit Surplus (Deficit) is as follows:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Defined Benefit Obligation at end of year	646.41	599.74
Fair value of Plan Assets at the end of year	646.44	599.79
Net defined benefit Surplus (Deficit)	0.03	0.05

iv) Other Benefits

l) Other Benefits (Funded):- Earned leave and Medical Leave- Regular Employees

A) Changes in Present Value of the Benefit Obligation are as follows:

(₹ in crore)

Particulars	Earned leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Present Value of obligation as at beginning of year	77.79	67.70	63.12	61.76
Interest Cost	5.17	5.08	4.19	4.63
Current Service Cost	7.20	6.63	4.13	3.94
Benefits paid	(15.01)	(15.51)	(2.96)	(3.08)
Actuarial (Gain)/Loss on obligation	8.59	13.89	(3.94)	(4.13)
Present Value of Obligation as at end of year	83.74	77.79	64.54	63.12

Changes in the Fair Value of Plan Assets are as follows:

(₹ in crore)

Particulars	Earned leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Fair Value of Plan Assets at beginning of year	68.52	62.96	59.02	54.23
Actual Interest Income	4.90	5.56	4.22	4.79
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Fair value of Plan Assets at the end of year	73.42	68.52	63.24	59.02

B) The amount recognized in the Balance Sheet is as follows:

(₹ in crore)

Particulars	Earned leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Defined Benefit Obligation at end of year	83.74	77.79	64.54	63.12
Fair value of Plan Assets at the end of year	73.42	68.52	63.24	59.02
Funded Status - (Surplus)/ Deficit	10.32	9.27	1.30	4.10
Net (Liability)/ Asset recognized in Balance Sheet	(10.32)	(9.27)	(1.30)	(4.10)

C) Amount recognized in the Statement of Profit & Loss is as follows:

(₹ in crore)

Particulars	Earned leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Current Service Cost	7.20	6.63	4.13	3.94
Net Interest on Net Defined Benefit Liability	0.62	0.36	0.27	0.57
Net Actuarial (gain)/loss recognized in the year	8.25	13.05	(4.24)	(4.85)
Expenses recognized in the statement of Profit & Loss	16.07	20.04	0.16	(0.34)

D) The principal actuarial assumptions are as follows:

Particulars	Earned leave (Regular Employee)		Medical Leave (Regular Employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Discounting rate (%)	6.66%	6.64%	6.66%	6.64%
Future salary increase (%)	8.25%	8.25%	8.25%	8.25%

E) Sensitivity Analysis of the defined benefit obligation:

(₹ in crore)

Particulars	Increase (Decrease) in present value of obligation as on 31.03.2021	
	Earned leave (Regular Employee)	Medical Leave (Regular Employee)
Impact due to Increase of 1 % discount rate	(7.22)	(4.35)
Impact due to Decrease of 1 % discount rate	8.56	5.04
Impact due to Increase of 1 % in Salary	8.34	4.92
Impact due to Decrease of 1 % in Salary	(7.18)	(4.32)

II) Other Benefits (unfunded):- Earned Leave (Contract employee), Leave Travel Concession and Long Service Award (Regular employee).

A) Present value of the defined benefits plan obligations:

(₹ in crore)

Particulars	Earned Leave (Contract Employee)		Leave Travel Concession* (Regular employee)		Long Service Award (Regular employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening Balance	1.27	1.24	0.01	0.02	1.43	1.31
Interest Cost	0.08	0.09	0.00	0.00	0.10	0.12
Current Service Cost	0.44	0.42	0.00	0.00	0.03	0.10
Benefit paid	(0.89)	(0.84)	(0.00)	(0.00)	(0.00)	(0.27)
Actuarial (Gain)/Loss on obligation	0.74	0.36	(0.00)	(0.01)	(0.05)	0.17
Closing Balance	1.64	1.27	0.01	0.01	1.51	1.43

B) Total expenses recognized in the Statement of Profit & Loss are as follows:

(₹ in crore)

Particulars	Earned Leave (Contract Employee)		Leave Travel Concession* (Regular employee)		Long Service Award (Regular employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Current Service Cost	0.44	0.42	0.00	0.00	0.03	0.12
Interest Cost	0.08	0.09	0.00	0.00	0.10	0.10
Actuarial (Gain)/Loss	0.74	0.36	(0.00)	(0.01)	(0.05)	0.17
Expenses recognized in the statement of Profit & Loss	1.26	0.87	(0.00)	(0.01)	0.08	0.39

*The values in Leave Travel Concession are under ₹1 lakh.

C) The principal actuarial assumptions used at the Balance Sheet date are as follows:

Particulars	Earned Leave (Contract employee)		Leave Travel Concession (Regular employee)		Long Service Award (Regular employee)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Discount rate (%)	6.66%	6.64%	6.66%	6.64%	6.66%	6.64%
Future salary increase (%)	4.12%	4.12%	8.25%	8.25%	-	-

D) Sensitivity Analysis of the defined benefit obligation:

(₹ in crore)

Particulars	Increase (Decrease) in present value of obligation as on 31.03.2021	
	Earned Leave (Contract employee)	Leave Travel Concession (Regular Employees)
Impact due to Increase of 1 % discount rate	(0.23)	0.00
Impact due to Decrease of 1 % discount rate	0.25	0.00
Impact due to Increase of 1 % in Salary	0.25	-
Impact due to Decrease of 1 % in Salary	(0.24)	-

b) Defined Contribution Plans

Post-Retirement Benefits (Pension & Medical):

All eligible employees are entitled to benefit under defined contribution plans towards pension under EPFO scheme, post retirement pension fund and medical schemes as defined contribution plans. The company has no obligations other than the contribution payable to such funds/schemes. The company recognizes such contributions as expenses when an employee renders the related service.

During the year, company contributed/ provided ₹ 19.03 crore (previous year ₹ 17.09 crore) towards post retirement pension fund, ₹ 3.69 crore (previous year ₹ 3.94 crore) towards pension under EPFO and ₹ 5.31 crore (previous year ₹ 5.22 crore) towards medical schemes.

c) Foreign Service Contribution

Foreign Service Contribution is recognized on accrual basis in the Statement of Profit and Loss Account as per the deputation terms with parent organizations in respect of officers taken on deputation from other organizations.

47. Indian Accounting Standard (Ind-AS) 20, Disclosures on Accounting for Government Grant and Disclosures on Government Assistance are as follows:

The holding company is receiving government grant in the form of export incentive on export of Rolling Stock and Spare parts. There are two types of export incentive i.e. duty drawback and Merchandise Exports from India Scheme (MEIS) Scrips. The holding company has recognized ₹ 3.57 crore (previous year ₹ 9.09 crore) as export incentive. The export incentive receivable at the end of the year is ₹ 1.40 crore (previous year ₹ 1.79 crore).

48. Indian Accounting standard (Ind AS) 21, Disclosures on The Effect of Changes in Foreign Exchange rates are as follows:

The amount of exchange differences (net) credited to the statement of profit and loss account during the Financial Year is ₹ 5.85 crore (Previous Year ₹ 34.39 crore)

The movement in the Foreign Currency Translation Reserve is as follows:

(₹ in crore)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Opening Balance	0.70	0.73
Other Comprehensive income recognized during the year	0.14	(0.03)
Closing Balance	0.84	0.70

49. Indian Accounting Standard (Ind AS)-24, Disclosures on Related Party Disclosures are as follows:
a) Joint Ventures

Name of Joint Ventures	Country	Holding as on	
		31.03.2021	31.03.2020
M/s SAIL-RITES Bengal Wagon Industry Private Limited	India	50%	50%
M/s BNV Gujarat Rail Private Limited*	India	-	26%
M/s.Indian Railway Stations Development Corporation Limited	India	24%	-

* The holding company exited from BNV Gujarat Rail Private Limited (Joint Venture company) by transferring its shares to the other joint venture partner.

b) Other Related Parties

Name of Other Related Parties	Country	Nature of Relationship
RITES Contributory Provident Fund	India	Post- Employment Benefit Plan of RITES Limited
RITES Limited Superannuation Pension Trust	India	Post- Employment Benefit Plan of RITES Limited
RITES Limited Retired Employees Medical Trust	India	Post- Employment Benefit Plan of RITES Limited
RITES Employee Gratuity Fund	India	Post- Employment Benefit Plan of RITES Limited

c) Key Management Personnel
i) Holding Company
Chairman & Managing Director (Chief Executive Officer)

Mr. Rajeev Mehrotra

Whole Time Directors

Mr. Gopi Suresh Kumar Varadarajan - Director Projects

Mr. Anil Vij - Director Technical

Mr. Bibhu Prasad Nayak - Director Finance

Government Nominee Directors

Mr.Alok Kumar Tewari (Up to 31.08.2020)

Mr.Vinay Srivastava

Non-Executive (Independent) Directors

Dr. Pramod Kumar Anand (Up to 18.09.2020)

Dr. Rajendra Nath Goyal (Up to 14.03.2021)

Ms.Geethakumary (Up to 14.03.2021)

Chief Financial Officer

Mr. Parmod Kumar Narang

Company Secretary

Mr. Ashish Srivastava, Company Secretary (up to 31.03.2021)

Mr. Joshit Ranjan Sikidar, Company Secretary (w.e.f. 01.04.2021)

ii) Subsidiary Companies
I) REMC Limited
Chairman

Mr. Rajeev Mehrotra

Whole Time Directors

Mr. Gopi Suresh Kumar Varadarajan

Mr. Ajeet Kumar Srivastava

Mr. Parmod Kumar Narang

Mr. Manish Gupta (w.e.f. 07.08.2020)

Non-Executive (Independent) Directors

Mr. Pradeep Kumawat

Mrs. Sheela Kaul

Chief Executive Officer (CEO)

Mr. Alok Nath Mathur (From 21.02.2020 to 27.07.2020)

Mr. Rupesh Kumar (From 28.07.2020 to 17.09.2020)

Mr. Ajay Kumar Singhal (w.e.f. 18.09.2020)

Chief Financial Officer

Mr. Sunil Kumar Singh

Company Secretary

Mr. Ranjan Kumar Tiwary

II) RITES (Afrika) (Pty) Limited
Directors

Mr. Rajesh Kumar

Mr. Narayan Ganesh Babu

d) Transactions and Balances with Related Parties

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

i) Joint Ventures
Transactions with Joint Ventures:

(₹ in crore)

Particulars	SAIL-RITES Bengal Wagon Industry Private Limited		BNV Gujarat Rail Private Limited*		Indian Railway Stations Development Corporation Limited	
	Year ended		Year ended		Year ended	
	31.03.21	31.03.20	31.03.21	31.03.20	31.03.21	31.03.20
Investments (equity)	-	-	-	-	48.00	-
Investment written off	-	-	0.14	-	-	-
Exited from Joint venture by transferring the shares to other Joint venture partner	-	-	0.12	-	-	-
Operating Income (Consultancy Fee/ Income from Construction Turnkey Projects/Export Sales/ Leasing Service)	0.01	0.01	-	-	-	-
Interest on Loan given	0.34	0.43	-	-	-	-
Provision for diminution in value of investment	-	-	-	0.14	-	-
Foreign service Contribution / remittance received	-	-	-	-	0.03	-

Balances with Joint Ventures:

(₹ in crore)

Particulars	SAIL-RITES Bengal Wagon Industry Private Limited		BNV Gujarat Rail Private Limited*		Indian Railway Stations Development Corporation Limited	
	As on		As on		As on	
	31.03.21	31.03.20	31.03.21	31.03.20	31.03.21	31.03.20
Investments (equity)	24.00	24.00	-	0.26	48.00	-
Recoverable /(Payable)	-	(0.18)	-	-	-	-
Receivables	0.04	0.13	-	-	-	-
Loan (Working Capital)	2.80	5.60	-	-	-	-
Interest accrued on loan given	0.65	1.34	-	-	-	-

* The holding company exited from BNV Gujarat Rail Private Limited (Joint Venture company) by transferring its shares to the other joint venture partner.

ii) Transactions with other related parties (Post-Retirement Benefits Trusts/Plans):

Refer note no.46 & 49(b).

iii) Transactions with Key Managerial Personnel:

(₹ in crore)

Description	Year ended 31.03.2021	Year ended 31.03.2020
Compensation to CMD, Whole Time Directors, CFO & Company Secretary:		
• Short Term Employee Benefits	4.89	4.48
• Post-employment Benefits	0.41	0.75
• Other Long Term Benefits	0.21	0.47
Sub-Total	5.51	5.70
Sitting fee to Non-Executive (Independent Directors)	0.26	0.29
Total	5.77	5.99

e) Entities under the control of same government

Government of India (GOI) as on 31st March 2021 is holding 72.20% equity shares of the holding company, which is held by President of India through Ministry of Railways. GOI controls the holding company through Ministry of Railways.

The Group has made various transactions with the Ministry of Railways and with entities being controlled or jointly controlled or having significant influence of the Ministry of Railways. The transactions with them are as under:

Significant Transactions with Government related entities:

(₹ in crore)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Revenue	711.11	1034.78
Procurements	93.35	151.20
Fee for services & supplies obtained	15.06	25.98
Consumables	0.16	0.62
Lease rent paid	2.77	-
Training expenses	0.10	0.51
Provision for bad debts including written offs	11.63	3.20
Buyback of equity shares	173.37	-
Bonus issue of equity shares fully paid up (Holding Company)	-	43.70
Bonus issue of equity shares fully paid up (REMC Limited)	17.15	-
Dividend paid	269.33	269.48
Interest on tax free bonds	9.02	9.02
Reimbursements/Recoverables	0.21	0.35

Significant balances with Government related entities:

(₹ in crore)

Particulars	As on 31.03.2021	As on 31.03.2020
Capital Advances	-	9.20
Other Advances	174.53	55.62
Recoverable	8.81	6.85
Payables	81.45	25.23
Advance Received	4.21	3.64
Clients Funds Received	99.73	157.12
Receivables	162.19	283.75
Tax Free Bonds	120.00	120.00
Interest on Tax Free Bonds	5.89	5.89

50. Indian Accounting Standard (Ind-AS) 33, Disclosure on Earnings per Share (EPS) is as follows:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
A Net Profit available for Equity Shareholder (₹ in crore)	432.38	616.10
B Weighted average number of Equity Shares	246,439,597	250,000,000
C Earnings per Share (Basic & Diluted) (A)/(B)	₹17.54	₹24.64
D Face value per equity share	₹ 10/-	₹ 10/-

The holding company has bought back 9,698,113 fully paid-up equity shares of ₹ 10 each from the shareholders on 18th November, 2021 on proportionate basis by way of tender offer at a price of ₹ 265 per equity share for an aggregate amount of ₹ 257 crore. As per Ind As 33 due to buy back, earnings per share (basic and diluted) for the year ending 2020-21 have been computed on the basis of weighted average number of equity shares.

51. Indian Accounting Standard (Ind AS) 36, Disclosures on Impairment of Assets are as follows:

The company has carried out the assessment on impairment of assets in terms of Indian Accounting standard (Ind AS) 36, Impairment of Assets and management does not perceive any impairment in the value of the carrying amount of assets.

52. Indian Accounting Standard (Ind AS) 37, Disclosures on Provisions, Contingent Liabilities and Contingent Assets are as follows:

- a) In case of Holding Company, provision includes mainly towards warranty which has been made for fulfillment of warranty obligation after export sale of rolling stocks/ locomotives & spares. Estimation of such provision is based on past experience, nature of rolling stock exported to various clients and period specified in the agreements with them. Actual expenditure may vary during the warranty period as per the requirements.

(₹ in crore)

Items	Carrying amount 01.04.2020	Additional Provision made during the year	Provisions used during the year	Unused amount reversed during the year	Unwinding Cost	Carrying amount as on 31.03.2021
Warranties	58.02	3.47	11.43	25.66	0.74	25.14
Commitments	7.02	-	-	6.44	-	0.58

(₹ in crore)

Items	Carrying amount 01.04.2019	Additional Provision made during the year	Provisions used during the year	Unused amount reversed during the year	Unwinding Cost	Carrying amount as on 31.03.2020
Warranties	39.94	20.62	3.63	-	1.09	58.02
Commitments	7.07	-	-	0.05	-	7.02

As per the agreements with the customers, warranty years are varying from two to five years, i.e. extending beyond one year, require discounting to work out net present value of such provisions made towards warranty.

Effect of change in the discount rate:

Discount rate is based on the average of interest rates in Fixed Deposits with banks during the reporting period. Average interest rate for the year 2020-21 is of 5.68% vice 6.47% for the year 2019-20. The effect of interest rate change on the above provisions is ₹ 0.11 crore.

Commitments pertain to estimated expenditure to be incurred for removing the defects in connection with construction/PMC projects and estimated period for utilization of provision for commitments is less than one year.

b) Contingent liabilities and commitments to the extent not provided for include:
i) Contingent Liabilities (As certified by the Management)

- Claims (excluding interest) against the Holding Company not acknowledged as debts are ₹ 27.15 crore (previous year ₹ 27.63 crore).
- The holding company is subject to legal/arbitration proceeding and claims, which have arisen in the ordinary course of business. Management does not reasonably expect that when these cases ultimately conclude and determined, will have any material and adverse effect on the holding company's results of operations or financial conditions.

III) Disputed taxes and duty of the holding company:

- A) Demand on account of income tax includes of ₹ 5.77 crore (excluding interest) (previous year ₹ 8.33 crore) which are being contested by the Holding Company. This excludes ₹ 3.52 crore (previous year ₹ 12.28 crore) relating to cases where the holding company has already won the same at different appellate authorities during earlier years, against which income tax department has gone for appeal at higher appellate authorities. In similar cases of past years, the appeal of the income tax department has also been dismissed.
- B) Demand on account of service tax, VAT etc. amounting to ₹ 2.45 crore (previous year ₹ 2.45 crore) which are being contested by the Holding Company at different forums.
- C) Stamp duty of ₹ 1.17 Crore (Previous year Nil) against alternative land at Gomati Nagar Extension, Lucknow allotted by Lucknow Development Authority (Refer note 63(i)).
- IV) The holding company has issued indemnity bond to the official Liquidator of RITES Infrastructure Services Limited for indemnifying the claimants in future against all lawful claims and liabilities arise or observed even after the dissolution of RITES Infrastructure Services Limited and losses that may arise pursuant to dissolution of RITES Infrastructure Services Limited. However, the holding company does not foresee any liability on this account as on 31.03.2021.
- V) In case of REMC Limited, on account of wheeling & transmission charges for 26 MW wind mill plant of company at Jaisalmer, an amount of ₹ 1.62 crore (previous year ₹ 1.62 crore) for which company may be contingently liable to Rajasthan State utilities.
- VI) In case of RITES (Afrika) (Pty) Limited, contingent liability of ₹ 0.31 crore (previous year Nil) for interest on non payment of statutory taxes of ₹ 0.41 crore (previous year Nil) to BURS on account of VAT, PAYE and OWHT.
- VII) A number of cases are lying for adjudication at various forum or under arbitration, which the holding Company is contesting on behalf of Clients. The holding Company is not subject to any liability that may result pursuant to adjudication / arbitral award.
- VIII) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where amount cannot be quantified.

ii) Commitments

Estimated amount of contracts of holding company remaining to be executed on capital account and not provided for (net of advances) amounting to ₹ 191.25 crore (previous year ₹ 150.24 crore).

Estimated amount of contracts of REMC Limited remaining to be executed on capital account and not provided for (net of advances) amounting to ₹ 2.06 crore (previous year Nil).

c) Contingent Assets

- i) In a pre-closed contract in the year 2005-06, the holding company invoke arbitration for a claims of ₹ 233.93 crore (previous year ₹ 233.93 crore) against a client. Client also submit counter claims of ₹ 469.10 crore (previous year ₹ 469.10 crore) before arbitrator. The sole arbitrator awarded ₹ 88.31 crore in favour of the holding company against the claim of Rs.233.93 Crore, while rejecting the counter claims of the client. Since the awarded amount is less than the claimed amount, the holding company appealed against the aforesaid award. Appellate authority awarded ₹ 231.68 crore with applicable interest in favour of the holding company. Client filed a petition in the Civil Court for setting aside the aforesaid award, which was dismissed by the court on 22.11.2017 and preliminary objections of the holding company are allowed. Thereafter the holding company filed writ petition before Hon'ble Jharkhand High court on 05.07.2018 to issue the direction to client to pay the awarded amount. Hearing in the matter is yet to be scheduled.
- ii) In the above contract, executing agency also raised claims (excluding interest) of ₹ 184.41 crore (previous year ₹ 184.41 crore) against the holding company before the arbitration tribunal. The holding company also submitted a counter claims of ₹ 644.53 crore (previous year ₹ 644.53 crore) against the executing agency. Both the parties had concluded their arguments before the Tribunal and award was published on 18th October, 2016 in favour of the holding company. As per the award, the holding company was to get ₹ 63 crore from executing agency effective from the date of publication of award i.e. 18th October, 2016. The executing agency had filed two petitions i.e. arbitration appeal before hon'ble Jharkhand high court on 25.05.2017 and commercial revocation to set aside the award before the commercial court, Ranchi on 06.01.2018. The arbitration appeal has already been dismissed by hon'ble Jharkhand high court on 11.03.2019. The commercial revocation has also been dismissed on 29.06.2019. Now RITES limited filed the commercial execution case no. 03 of 2020 on 16.01.2020 before commercial court Ranchi to execute the award amount. Same is pending and next date of hearing is fixed on 19.06.2021. In view of above, the holding company has not recognized the award amount in the books of account.

- iii) In case of REMC Limited, subsidiary company has installed 26 MW Wind Mill plant at Jaisalmer, Rajasthan for utilization of energy generated from Wind Mill Plant by WCR for a period of 25 years in accordance with Power Purchase Agreement (PPA) signed between West Central Railways (WCR) and Company. The Wind Mill Plant was commissioned on 16.10.2015 and since then energy generated from Wind Mill Plant was being continuously utilized by Indian Railways through WCR up to 09.01.2017 at three Traction Sub Stations (TSS) in Rajasthan State connected as consumer of Rajasthan DISCOM i.e. Jaipur Vidyut Vitran Nigam limited (JVNL).

With effect from 10.01.2017, open access status was permitted to Indian Railways as deemed distribution licensee in the state of Rajasthan. Accordingly, Railways started taking power at Six TSSs in Rajasthan as a deemed distribution licensee through open access route and accordingly accountal/ methodology for utilization of energy generated by Wind Mill Plant had to be changed from consumer mode to Deemed Distribution licensee mode. Utilisation of wind energy by WCR under deemed Distribution mode had been started with effect from 27.04.2017 and during transition period i.e. from 10.01.2017 to 26.04.2017 energy generated by Windmill Plant was fed into Rajasthan State Grid and for this period accountal for Wind energy had not been considered by JVNL. Accordingly, the TSSs initially taking power from 26 MW Wind Power Plant were disconnected as a customer of JVNL and connected with RRVNL as licensee and WCR is contesting that payment to REMC Limited from January'17 to April'17 was withheld as wind energy for the above period has not been set off from the conventional energy drawn from other generating company.

In this regard, a petition was filed in Rajasthan Electricity Regulatory Commission (RERC) for realization of the wind energy charges during this period (i.e., 10.01.2017 to 26.04.2017) as this power was fed into the Rajasthan State Grid. As per RERC order dt. 05.11.2018, "The commission is of the considered view that the petitioner (REMC Limited) is not entitled for Adjustment of energy wheeled from its CPP after termination of WBA". Accordingly, petition was disposed off. Aggrieved by the above RERC order dt. 05.11.2018, the subsidiary company filed an appeal before APTEL on 20.12.2018.

In present circumstances, there is uncertainty regarding realization of revenue. Therefore, revenue amounting to ₹ 6.81 crore for the period 10.01.2017 to 26.04.2017 has been postponed and not recognized.

53. Indian Accounting Standard (Ind AS) 40, Disclosures on Investment Property are as follows:

In case of Holding Company:

a) Amounts recognized in the Statement of Profit and Loss are as follows:

(₹ in crore)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Rental income	0.18	-
Direct proportionate operating expenses relating to rental income (including repair & maintenance)	0.00	-
Profit before depreciation	0.18	-
Depreciation for the period	0.00	-
Profit from investment property	0.18	-

The holding company has leased out one flat at Asian Games Village Complex, New Delhi to Land Port Authority of India (super area of 177.37 sq.m.).

b) Fair Value

Market value of investment property as on 31.03.2021 is ₹ 3.53 crore based on valuations performed by an external independent valuer and management considered no significant change in the value.

Methods & assumptions for valuation:

The valuation is carried out by an Independent agency on the basis of present construction/replacement cost of similar structures/constituents without considering the value of furniture, fixture & fitting, office equipments etc

There is no capital commitment in respect of investment property.

54. Indian Accounting Standard (Ind AS) 107, Disclosures on Financial Instruments are as follows:

a) Financial Instruments by category

The carrying value and fair value of financial instruments category-wise as on 31st March, 2021 are as under:

(₹ in crore)

Particulars	Total carrying value	Amortised Cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
Financial Assets:						
Cash and Bank Balance - Owned Fund	924.87	924.87	-	-	-	-
Cash and Bank Balance- Client Fund	2485.64	2485.64	-	-	-	-
Investments:						
Equity	0.04	-	-	0.04	-	-
Tax Free Bonds	120.00	120.00	-	-	-	-
Liquid Plan of Mutual Funds	85.77	-	-	85.77	-	-
Trade Receivables	584.37	584.37	-	-	-	-
Loans	36.24	36.24	-	-	-	-
Other Financial Assets	223.88	223.88	-	-	-	-
Total	4460.81	4375.00	-	85.81	-	-
Financial Liabilities:						
Borrowing	32.38	32.38	-	-	-	-
Trade Payables	236.95	236.95	-	-	-	-
Lease Liability	4.17	4.17	-	-	-	-
Other Financial Liabilities	2719.72	2719.72	-	-	-	-
Total	2993.22	2993.22	-	-	-	-

The carrying value and fair value of financial instruments category-wise as on 31st March, 2020 are as under:

(₹ in crore)

Particulars	Total carrying value	Amortised Cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory
Financial Assets:						
Cash and Bank Balance - Owned Fund	1110.98	1110.98	-	-	-	-
Cash and Bank Balance- Client Fund	2520.47	2520.47	-	-	-	-
Investments:						
Equity	0.04	-	-	0.04	-	-
Tax Free Bonds	120.00	120.00	-	-	-	-
Liquid Plan of Mutual Funds	111.66	-	-	111.66	-	-
Trade Receivables	843.74	843.74	-	-	-	-
Loans	35.52	35.52	-	-	-	-
Other Financial Assets	267.41	267.41	-	-	-	-
Total	5009.82	4898.12	-	111.70	-	-
Financial Liabilities:						
Borrowing	40.26	40.26	-	-	-	-
Trade Payables	135.78	135.78	-	-	-	-
Lease Liability	7.21	7.21	-	-	-	-
Other Financial Liabilities	2761.42	2761.42	-	-	-	-
Total	2944.67	2944.67	-	-	-	-

b) Fair value hierarchy & valuation technique

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

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Fair value of financial instruments that are not traded in an active markets is determined using valuation techniques and observable inputs for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (observable inputs).

Fair value hierarchies of assets and liabilities as on 31st March, 2021 are as follows:

(₹ in crore)

Particulars	Carrying Value As on 31.03.2021	Fair Value As on 31.03.2021	Level
Financial Assets:			
Investments:			
Equity*	0.04	0.04	III
Tax Free Bonds	120.00	130.39	II
Liquid Plan of Mutual Fund	85.77	85.77	I
Trade Receivables**	584.37	584.37	III
Loans**	36.24	36.24	III
Other Financial Assets**	223.88	223.88	III
Financial Liabilities:			
Borrowings**	32.38	32.38	III
Trade Payables**	236.95	236.95	III
Lease Liability**	4.17	4.17	III
Other Financial Liabilities**	2719.72	2719.72	III

Fair value hierarchies of assets and liabilities as on 31st March, 2020 are as follows:

(₹ in crore)

Particulars	Carrying Value As on 31.03.2020	Fair Value As on 31.03.2020	Level
Financial Assets:			
Investments:			
Equity*	0.04	0.04	III
Tax Free Bonds	120.00	129.80	II
Liquid Plan of Mutual Fund	111.66	111.66	I
Trade Receivables**	843.74	843.74	III
Loans**	35.52	35.52	III
Other Financial Assets**	267.41	267.41	III
Financial Liabilities:			
Borrowings**	40.26	40.26	III
Trade Payables**	135.78	135.78	III
Lease Liability**	7.21	7.21	III
Other Financial Liabilities**	2761.42	2761.42	III

* Equity shares of ₹ 0.04 crore of GPCL Consulting Services Limited and ₹ 0.0016 crore of Elicius Energy Private Limited which are not tradable and amount of investment in the entity is immaterial, hence investment is recognized at cost and same is considered as its fair value.

** The carrying amounts of trade receivables, trade payables, short term loans, other current financial assets and liabilities are considered to be same as their fair value due to their short-term nature.

c) Financial Risk Management

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

i) Market Risk of Holding company

The holding company operates internationally and a major portion of the business is transacted in several currencies and consequently the holding company is exposed to foreign exchange risk for its sales and services in the Middle East and South Asian countries. The exchange rates between the rupee and foreign currencies have changed substantially in recent years which may also fluctuate substantially in the future. However, holding company has currency risk management policy and exchange fluctuations are regularly monitored by the risk management committee to mitigate this risk. Policy covers various aspects of currency risk management, benchmarking, hedging and risk appetite, permissible instruments, hedging policy, structure of the risk management committee and treasury group, reporting procedures etc.

Analysis of foreign currency risk from financial instruments is as follows:

Particulars	Currency	As on 31.03.2021	As on 31.03.2020	As on 31.03.2021	As on 31.03.2020
		(Figure in Millions)		(₹ in crore)	
Cash & Cash equivalents	US Dollar	2.23	3.27	16.10	24.22
	MUR	1.92	1.13	0.34	0.21
Loans	US Dollar	0.01	0.01	0.04	0.05
	MUR	0.65	0.62	0.12	0.12
Trade Receivables	US Dollar	9.86	30.73	71.21	227.80
	MUR	-	-	-	-
Other financial assets	US Dollar	7.36	9.65	53.17	71.54
	MUR	-	-	-	-
Trade Payable	US Dollar	(1.82)	(3.06)	(13.11)	(22.68)
	MUR	-	-	-	-
Other financial liabilities	US Dollar	(0.23)	(0.39)	(1.69)	(2.86)
	MUR	(0.16)	(0.66)	(0.03)	(0.12)
Net assets/(liabilities)	US Dollar	17.41	40.21	125.72	298.07
	MUR	2.41	1.09	0.43	0.21

For the year ended 31st March, 2021 and year ended 31st March, 2020, every percentage increase/decrease in the exchange rate between the INR & US Dollar has affected the Company's incremental margins by approximately 0.21% (previous year 0.34%) each. For the year ended 31st March, 2021 and 31st March, 2020, every percentage increase/decrease in the exchange rate between the INR & MUR has an insignificant affect on the Company's incremental margins.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting year and the current reporting year.

The above foreign currency exposure is unhedged as these are covered through foreign currency risk management policy.

ii) Credit Risk of Group

Credit Risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Primarily exposure to the credit risk is from trade receivables amounting to ₹ 694.56 crore (previous year ₹ 948.04 crore) and unbilled revenue amounting to ₹ 86.70 crore (previous year ₹ 114.77 crore) which are typically unsecured. Credit risk is being managed by continuously monitoring the outstanding dues from the customers. Trade Receivables towards export sales are generally managed by establishing Letter of Credit with the customer. Further most of the clients of the Group are Government or Government Undertakings; hence credit risk is bare minimum and Group also does not foresee any impact on credit risk of the Group due to outbreak of COVID-19. Group has impaired, as a prudent measure, the trade receivables towards expected credit loss as per Group's accounting policy to the extent of ₹ 110.19 crore (previous year ₹ 104.30 crore). Keeping in view the nature of business expected credit loss is provided for on case to case basis as per the policy on impairment of financial assets.

Movement of Impairment of Financial Assets

(₹ in crore)

Sl. No.	Description	Balance at the beginning of the year	Provision during the year	Reversal during the year	Balance at the end of the year
1	Trade & Other Receivable	126.80	39.34	34.46	131.68

No significant credit risk on cash and bank balances including clients' funds amounting to ₹ 3410.51 crore (previous year ₹ 3631.45 crore) is expected as holding company and its Indian Subsidiaries parks surplus funds with Schedule Banks having good credit adequacy ratio and least NPA as determined by RBI and guidelines of the respective companies. Holding Company and its Indian Subsidiaries has parked its owned funds in fixed deposits of ₹ 886.63 crore (previous year ₹ 1071.20 crore) with Schedule banks with negligible credit risks.

Non-Strategic Investments primarily include investments in liquid mutual fund units of ₹ 85.77 crore (previous year ₹ 111.66 crore) and tax free bonds of ₹ 120 crore (previous year ₹ 120 crore) issued by Public Sector Undertaking where risk is minimal.

The holding company has given loans to employees and one of its joint ventures. House building, Multi-purpose loans etc. to the employee are secured by way of insurance and mortgage of the house properties in line with the policies of the holding company. The loan provided to the joint venture is long term. The risk of default in respect of these loans is considered negligible.

iii) Liquidity Risk of Group

Group's principal sources of liquidity are "cash and cash equivalents" and the cash flow that is generated from operations. Group has outstanding bank borrowings of ₹ 32.38 crore (previous year ₹ 40.26 crore). Group has a working capital of ₹ 1716.13 crore (previous year ₹ 2110.19 crore) including cash and bank balance (owned funds) of ₹ 924.87 crore (previous year ₹ 1110.35 crore) and current investment ₹ 110.77 crore (previous year ₹ 111.66 crore). Group believes that the working capital is sufficient to meet its requirements, accordingly no liquidity risk is perceived by the Group.

Maturities of financial liabilities

The tables below analyze the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in crore)

Contractual maturities of financial Liabilities	Within a year	Between 1-5 Years	Beyond 5 Years	Total
31st March, 2021				
Trade Payables	236.95	-	-	236.95
Lease Liabilities	2.25	2.29	-	4.54
Other Financial Liabilities	2499.16	220.56	-	2719.72
Borrowings	7.74	24.64	-	32.38
Total	2746.10	247.49	-	2993.59
31st March, 2020				
Trade Payables	135.78	-	-	135.78
Lease Liabilities	3.37	4.71	-	8.08
Other Financial Liabilities	2580.46	180.96	-	2761.42
Borrowings	7.67	30.66	1.93	40.26
Total	2727.28	216.33	1.93	2945.54

55. Indian Accounting Standard (Ind-AS) 108, Disclosures on Operating Segments are as follows:

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

- i) The group has identified five operational reportable segments based on operations being carried out which are as under:-
 - Consultancy Services

- Leasing of railway rolling stock & equipments
- Export of rolling stock, equipments and spares
- Turnkey Construction Projects
- Power Generation

ii) Geographical wise revenue segment is disclosed as under:

- (a) Revenue within India from consultancy includes quality assurance & project management services, turnkey construction projects, power generation and domestic lease rental services to clients located inside India.
- (b) Revenue from outside India includes services rendered and export sales of rolling stock & spare parts to the clients located outside India.

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

iv) Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of attributed direct cost. All other expenses which are not attributable or allocable to the segments have been disclosed as un-allocable expenses.

v) Assets and liabilities used in the Group's business are not identified to any of the reportable segments as these are used interchangeably between segments. Depreciation, amortisation & impairment on Property, Plant & Equipment and Intangible Assets cannot be allocated to a specific segment. The Group believes that it is currently not practicable to provide segmental disclosure relating to total assets, total liabilities and depreciation, amortisation & impairment since a meaningful segregation of the available data could be onerous.

vi) Operational Segments:

Year ended 31.03.2021

(₹ in crore)

Description	Consultancy Services		Leasing		Export Sale	Turnkey Construction Projects-Domestic	Power Generation	Total
	Domestic	Abroad	Domestic	Abroad				
Revenue	934.06	83.64	108.27	-	93.27	623.85	16.45	1859.54
Identifiable operating expenses	506.61	39.37	69.68	-	75.52	600.38	14.69	1306.25
Segmental profit/(loss) from operations	427.45	44.27	38.59	-	17.75	23.47	1.76	553.29
Add: Interest Income*								83.56
Add: Other Income**								61.92
Less: Finance Cost								6.01
Less: Un-allocable Expenses								101.28
Share of Profit/(Loss) of Joint Ventures								1.07
Net Profit Before Tax								592.55
Less: Income Tax (including Deferred Tax)								148.34
Net Profit After Tax								444.21
Additional Information:								
Depreciation and amortization								51.87
Non-cash expenses/ (Income) other than depreciation and amortization								5.39
Reversal of provisions								33.82
Loss on sale of PPE								0.01

Year ended 31.03.2020

(₹ in crore)

Description	Consultancy Services		Leasing		Export Sale	Turnkey Construction Projects-Domestic	Power Generation	Total
	Domestic	Abroad	Domestic	Abroad				
Revenue	1056.36	72.40	120.70	-	540.87	672.88	11.20	2474.41
Identifiable operating expenses	552.21	40.94	74.16	-	418.18	649.91	11.51	1746.91
Segmental profit/(loss) from operations	504.15	31.46	46.54	-	122.69	22.97	(0.31)	727.50
Add: Interest Income*								144.29
Add: Other Income **								115.81
Less: Finance Cost								6.92
Less: Un-allocable Expenses								113.99
Share of Profit/(Loss) of Joint Ventures								7.66
Net Profit Before Tax								874.35
Less: Income Tax (including Deferred Tax)								241.09
Net Profit After Tax								633.26
Additional Information:								
Depreciation and amortization								47.27
Non-cash expenses/(Income) other than depreciation and amortization								19.19
Reversal of provisions								63.67
Loss on sale of PPE								0.01

vii) Geographical Segment

(₹ in crore)

Description	Year ended 31.03.2021					Year ended 31.03.2020				
	India	Abroad			Total	India	Abroad			Total
		Asia	Africa	America			Asia	Africa	America	
Revenue	1682.63	51.00	125.91	-	1859.54	1861.14	552.10	56.98	4.19	2474.41
Identifiable operating expenses	1191.36	41.91	72.98	-	1306.25	1287.79	422.30	33.56	3.26	1746.91
Segmental profit from operations	491.27	9.09	52.93	-	553.29	573.35	129.80	23.42	0.93	727.50
Add: Interest Income*					83.56					144.29
Add: Other Income **					61.92					115.81
Less: Finance Cost					6.01					6.92
Less: Un-allocable Expenses					101.28					113.99
Share of Profit/(Loss) of Joint Ventures					1.07					7.66
Net Profit Before Tax					592.55					874.35
Less: Income Tax (including Deferred Tax)					148.34					241.09
Net Profit After Tax					444.21					633.26
Additional Information:										
Depreciation and amortization					51.87					47.27
Non-cash expenses/(Income) other than depreciation and amortization					5.39					19.19
Reversal of provisions					33.82					63.67
Loss on sale of PPE					0.01					0.01

* Interest income includes interest on bank deposits, bonds, staff advances, loans, income tax refunds etc.

** Other income includes provision/liability no longer required, profit on sale of assets, export incentives, rental income from investment properties, dividend on current & non-current investments, exchange gain, etc.

Note: No impairment and its reversal have been recognized in Other Comprehensive Income (OCI) during the year ended 31.03.2021 and previous year ended 31.03.2020.

viii) Revenue of ₹ 650.36 crore (previous year ₹ 1237.90 crore) from major customers is given below:

(₹ in crore)

Description	Year ended 31.03.2021						Year ended 31.03.2020					
	Consul-tancy	Lease Ser-vices	Export Sales	Turnkey Construction Projects-Domestic	Power Generation	Total	Consul-tancy	Lease Ser-vices	Export Sales	Turnkey Construction Projects-Domestic	Power Generation	Total
Customer 1	244.67	1.49	-	97.67	16.45	360.28	324.57	-	-	404.65	11.20	740.42
Customer 2	4.15	-	-	285.93	-	290.08	-	-	497.48	-	-	497.48
Total	248.82	1.49	-	383.60	16.45	650.36	324.57	-	497.48	404.65	11.20	1237.90

Note: PSUs under the same Ministry have not been considered as one customer.

56. Indian Accounting Standard (Ind AS) 112- Disclosures of Interest in Other Entities are as follows:

a) Subsidiaries:

i) The subsidiary companies considered in the financial statements are as follows:

Name of Subsidiary Companies	Country of Incorporation	Functional Currency	% of Shareholding as on 31.03.2021	% of Shareholding as on 31.03.2020	Principal Activities
• RITES (Afrika) (Pty) Limited	Botswana	Pula	100%	100%	Consultancy
• REMC Limited	India	INR	51%	51%	Generation and procurement of power

ii) Disclosure in respect of subsidiary that has non-controlling interests:

- Dividend to non-controlling interest by subsidiary company amounting to ₹ 5.15 crore.
- Summarised Financial information of the subsidiary that has non-controlling interests are as under:

(₹ in crore)

Description of Subsidiary that has non-controlling interest	REMC Limited	
	31.03.2021	31.03.2020
Non Current Assets	176.64	181.97
Current Assets	58.84	42.13
Current Liabilities	18.39	16.99
Non Current Liabilities	37.18	40.83
Capital	105.00	70.00
Other Equity	74.91	96.28
Total Revenue	68.74	80.96
Expenditure including Tax	44.60	45.95
Profit / (Loss) After Tax	24.14	35.01
Proportion of ownership interest held by non-controlling interest	49%	49%
Profit/(loss) allocated to non-controlling interest	11.83	17.16
Accumulated non-controlling interest of the subsidiary at the end of the reporting period	53.86	47.18
Additional information:		
Cash and Cash Equivalents*	18.33	2.12
Current financial liabilities (excluding trade and other payables and provisions)	11.64	12.25
Non- Current financial liabilities (excluding trade and other payables and provisions)	24.64	32.59
Depreciation and Amortisation	7.06	6.34
Interest Income	0.85	1.61
Interest Expense	3.11	3.84
Income tax expenses or (income)	10.31	14.73

*Cash and cash equivalents Balances include Fund on behalf of client.

b) Joint Arrangements:
i) The Holding company has following Joint Arrangements:

Name of Joint Arrangements	Nature of Interest/Relationship with Joint Arrangements	Principal Place of Business of Joint Arrangements	Proportionate ownership interest or participating share
Joint ventures			
SAIL-RITES Bengal Wagon Industry Private Limited	RITES has formed a Joint Venture with SAIL for manufacturing Wagons at SGW, Kulti, West Bengal.	India	50.00%
Indian Railway Stations Development Corporation Limited	RITES has formed a Joint Venture with Rail Development Authority & IRCON to develop or develop the existing or new railway stations.	India	24.00%
Joint operations			
Geoconsult - RITES	RITES has formed a Joint venture with M/s Geoconsult-ZT-Gmbh (Austria) for detailed design consultancy and construction supervision of about 11 kms long railway tunnel in J&K State. Both the venturers contributed in the seed money as agreed for operational and execution purposes.	India	13.00%
Geoconsult - RITES, NRT-1	RITES has formed a Joint venture with M/s Geoconsult-ZT-Gmbh (Austria) for detailed design consultancy and construction supervision of Tunnel No.1 (3.1 km long) on Udampur - Katra Section for the USBRL project in the state of J&K.	India	16.00%
Geoconsult ZT GmbH - RITES	RITES has formed a Joint venture with M/s Geoconsult ZT GmbH (Austria) for detailed design and construction supervision of Tunnel No.10 (Approx. Length 3.3 km) in connection with Jiribam-Tupul new railway line project in the state of Manipur.	India	39.40%
Geoconsult-RITES (JV)	RITES has formed a Joint venture with M/s Geoconsult India Private Limited for instrumentation, monitoring and design of remedial works as per requirement for vulnerable locations for two monsoon seasons in Lumding-Silchar BG Rail Line.	India	35.01%
Geoconsult-RITES (JV)	RITES has formed a Joint venture with M/s Geoconsult India Private Limited for preparation of detailed project report and providing pre-construction activities for constructions of highway tunnel across Shinkun La pass, Tanalang La pass, Lachalung La pass including approaches on NH-03 in Himachal Pradesh and Ladakh.	India	49.00%
RICON	RITES has formed a Joint Venture with M/s IRCON International Limited to secure and execute contracts to be awarded by M/s Companhia Dos Caminhos de Ferro Da Beira, SA, Mozambique to RICON for rendering Management Support Services, Consultancy Works, Project Management, Construction Supervision, Supply of Materials, Rolling Stock and equipment, Works Contracts, Leasing of Equipments / Rolling Stocks etc.	India	51.00%
Modern Engineers Planners & Consultants Limited	RITES has formed a joint Venture with Modern Engineers Planners & Consultants Limited for project management consultancy for improvement of Ashuganj river port-Sarail-Dharkhar-Akhaura Land Port Road as 4-lane National Highway project in Bangladesh.	Bangladesh	77.65%

ii) Disclosure in respect of Joint Ventures:

I) Investment is measured at cost.

Summarised financial information of the Joint Ventures are as under:

(₹ in crore)

Description / JVs	SAIL-RITES Bengal Wagon Industry Private Limited		BNV Gujarat Rail Private Limited		Indian Railway Stations Development Corporation Limited*	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Non Current Assets	85.72	94.59	-	-	183.67	-
Current Assets	43.19	82.41	-	0.48	174.52	-
Current Liabilities	39.36	85.58	-	-	41.93	-
Non Current Liabilities	29.53	33.88	-	-	13.59	-
Capital	48.00	48.00	-	1.00	200.00	-
Other Equity	12.02	9.54	-	(0.52)	99.90	-
Non-Controlling Interest	-	-	-	-	2.77	-
Total Revenue	160.79	265.45	-	-	39.34	-
Expenditure including Tax	158.31	249.92	-	0.44	34.73	-
Profit / (Loss) After Tax	2.48	15.53	-	(0.44)	4.61	-
Additional information:						
Cash and Cash Equivalents	-	0.03	-	0.48	14.97	-
Current financial liabilities (excluding trade and other payables and provisions)	21.34	52.23	-	-	2.72	-
Non- Current financial liabilities (excluding trade and other payables and provisions)	21.21	32.70	-	-	5.95	-
Depreciation and Amortisation	5.99	6.88	-	-	1.89	-
Interest Income	-	-	-	-	7.96	-
Interest Expense	4.69	8.45	-	-	-	-
Income tax expenses or (income)	11.54	0.03	-	-	1.77	-

*Financial figures are based on management accounts duly signed by MD/CEO & CFO and initialed by statutory auditors of joint venture.

II) Reconciliation of Holding company's interest in Joint Ventures:

(₹ in crore)

Description / JVs	SAIL-RITES Bengal Wagon Industry Private Limited		BNV Gujarat Rail Private Limited		Indian Railway Stations Development Corporation Limited	
	As on 31.03.2021	As on 31.03.2020	As on 31.03.2021	As on 31.03.2020	As on 31.03.2021	As on 31.03.2020
Net Assets						
Net Assets of Joint Venture	60.02	57.54	-	0.48	221.06*	-
Proportionate share in Joint Venture (%)	50%	50%	-	26%	24%	-
Share of interest in net assets of Joint Venture	30.01	28.77	-	0.12	53.05	-
Carrying amount of interest in Joint Venture	30.01	28.77	-	0.12	53.05	-
	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020
Net Profit						
Net Profit / (Loss) After Tax of Joint Venture	2.48	15.53	-	(0.44)	(0.70)#	-
Proportionate share in Joint Venture (%)	50%	50%	-	26%	24%	-
Share of interest in net profit after tax of Joint Venture	1.24	7.77	-	(0.11)	(0.17)	-
Amount of interest in net profit after tax of Joint Venture	1.24	7.77	-	(0.11)	(0.17)	-

*Quasi equity (Perpetual loan) of ₹78.84 crore is not considered in Net Assets.

#Only Post Acquisition profit/(loss) is considered in the Reconciliation above.

There is no restriction on the ability of Joint Ventures to transfer funds to the holding company in the form of cash dividends or to repay loans and advances made by the holding company.

III) All the investments in Joint Ventures are non-tradable in market.

iii) Joint Operations:

Summarised financial information of the Joint Operations are as under:

Description / JOs	RICON		Geoconsult-RITES		Geoconsult - RITES, NRT-1		Geoconsult ZT GmbH-RITES		Geoconsult-RITES (JV)		Geoconsult-RITES (JV)		Modern Engineers Planners & Consultants Limited	
	Year ended 31.03.21	Year ended 31.03.20	Year ended 31.03.21	Year ended 31.03.20	Year ended 31.03.21	Year ended 31.03.20	Year ended 31.03.21	Year ended 31.03.20	Year ended 31.03.21	Year ended 31.03.20	Year ended 31.03.21	Year ended 31.03.20	Year ended 31.03.21	Year ended 31.03.20
Non Current Assets	3.20	3.24	-	-	-	-	-	-	-	-	0.01	-	0.19	-
Current Assets	0.05	-	5.41	6.02	3.77	5.05	2.17	2.43	0.36	0.39	3.74	-	15.67	-
Current Liabilities	-	-	3.57	4.20	2.85	4.16	2.27	2.44	0.01	0.01	3.62	-	10.92	-
Non Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	4.72	-
Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings / (losses)	3.25	3.24	1.84	1.82	0.92	0.89	(0.10)	(0.01)	0.34	0.38	0.13	-	0.22	-
Total Revenue	-	0.58	0.11	0.12	0.17	1.49	0.47	1.55	-	0.10	6.71	-	9.24	-
Expenditure including Tax	-	1.13	0.09	0.16	0.13	0.82	0.56	0.98	0.04	0.21	6.58	-	9.02	-
Profit/ (Loss) After Tax	-	(0.55)	0.02	(0.04)	0.04	0.67	(0.09)	0.57	(0.04)	(0.11)	0.13	-	0.22	-
Additional information:														
Cash and Cash Equivalents	0.05	-	0.09	0.10	0.16	1.57	0.25	-	0.02	0.05	0.91	-	-	-
Current financial liabilities (excluding trade and other payables and provisions)	-	-	-	-	-	-	0.24	0.13	-	-	0.06	-	-	-
Non- Current financial liabilities (excluding trade and other payables and provisions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortisation	-	-	-	-	-	-	-	-	-	-	-	-	0.01	-
Interest Income	-	0.58	0.11	0.12	0.17	1.49	0.01	0.02	-	-	-	-	-	-
Finance cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax expenses or (income)	-	0.02	0.02	0.01	0.03	0.52	0.02	-	-	-	0.09	-	1.85	-

(₹ in crore)

iv) Holding company jointly participated in the following projects with other entities:

Project Name	Name of entities
General Consultancy to Delhi Metro Rail Corporation Limited for Delhi Mass Rapid Transit System Project-Phase-III.	M/s Oriental Consultants Co. Limited M/s Parsons Brickerhoff International INC. M/s Tonichi Engineering Consultants INC.
General Consultancy to Bangalore Metro Rail Corporation Limited for Bangalore Metro.	M/s Oriental Consultants Co. Limited M/s Parsons Brickerhoff International INC. M/s Systra SA
General Consultancy to Metro Link Express for Gandhinagar & Ahmedabad (MEGA) Company Limited for Mass Rapid Transit System project at Ahmedabad.	M/s Systra SA France (Lead). M/s Oriental Consultants Global Co. Limited, Japan. M/s AECOM Asia Company Limited, HongKong.
General consultancy to Nagpur Metro Rail Corporation Limited for Nagpur Metro.	M/s Systra, France M/s AECOM Asia Co. Limited M/s EGIS Rail S.A.
General consultancy to Pune Metro Rail Corporation Limited for Pune Metro.	M/s Systra, France M/s AECOM Asia Co. Limited M/s EGIS Rail S.A.
Detailed design consultancy services for power supply & distribution system, 750VDC, 3rd rail traction electrification & SCADA system of Metro Link Express for Gandhinagar & Ahmedabad (MEGA) Company Limited for mass Rapid Transit System Project at Ahmedabad.	M/s TUV SUD South Asia Pvt. Limited (TUV)
Feasibility report /DPR for development and operation of airport at Singrauli, M.P.	M/s KPMG
TEFR Study for Development of Integrated Multimodal Logistics Hub (IMLH) at Nangal Chaudhary in Haryana.	M/s KPMG M/s LnT IEL
DPR for MRTS in Vijayawada	M/s Systra SA, France M/s Gopa Omfra GmbH
Multi Modal Integration Planning for Surat Metro rail Project Phase-I	M/s RINA Consulting S.P.A, Italy- through Mumbai Branch
DPR for development of Self-Sustainable Bus Port at Chandigarh & Thiruvanthapuram.	M/s UMTC, New Delhi
Design of the Intermodal transit hubs in Bangalore Package-I	M/s UMTC, New Delhi
Final Alignment Design Including Aerial LiDAR Survey and Other Related Works for Delhi - Ahmedabad High Speed Rail Corridor (about 886 kms Long).	M/s GEOKNO India Private Limited.
Feasibility and DPR for MRTS in Coimbatore	M/s Systra SA, France
PMC Services from concept to completion for construction/ modification & extension of existing passenger terminal building at Srinagar Airport.	M/s Behal Joshi & associates
Preparation of DPR for Development of Greenfield Airport at Dagadarthi (District Nellore), Andhra Pradesh for Commercial operations of passengers and cargo aircraft.	M/s Prime Horti Agro Projects Limited
Detailed design consultancy services for power supply receiving and distribution system, 750 V DC third rail traction electrification and SCADA systems each of Bhopal and Indore metro rail projects, Package BI-01-05	M/s Ardanuy Ingenieria S.A (Consortium Partner)
Detailed Design Consultancy Services for two rolling stock depots, one in Bhopal and one in Indore. BI-01/04	M/s Ardanuy Ingenieria S.A (Consortium Partner)

Project Name	Name of entities
Detailed Design Consultancy services for power supply and distribution system, 750 V DC third rail traction electrification and SCADA system of Ahmedabad metro rail project Phase-2 for Gujarat Metro Rail Corporation (GMRC) Limited	M/s Ardanuy Ingenieria S.A (Consortium Partner)
Detailed Design Consultancy services for Power supply and distribution system, 750 V DC third rail traction electrification and SCADA system of Surat Metro Rail project Phase-1 for Gujarat Metro Rail Corporation (GMRC) Limited	M/s Ardanuy Ingenieria S.A (Consortium Partner)

57. Indian Accounting Standard (Ind AS) 115, Disclosures on Revenue from Contracts with customers are as follows:

a) Significant management judgments on Revenue Recognition:

Recognized amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion which is determined based on physical progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considered appropriate. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation and uncertainty.

b) Group has contracts with customers for different services which are given below:-

- Consultancy Services
- Export of rolling stock, equipments and spares
- Turnkey Construction Projects
- Power Generation

Beside above, the holding company has contracts with customers for wet leasing which are covered under Indian Accounting standard (Ind AS) 116, Leases

c) Company has recognized revenue either on the basis of over time or point in time depending upon satisfaction of performance obligation on transferring control of goods or services to customers. Revenue has been recognized by the company over time basis if any one of the following condition is met:

- Customer simultaneously receives and consumes the benefits
- Company's performance creates or enhances an assets that the customer controls as the assets is created or enhanced
- Company's performance does not create with alternative use and company has enforceable right to payment for performance completed to date.

In case, none of the above conditions is met, revenue recognized by the company on the basis of point in time.

d) Disaggregation Revenue information:

The below presents Disaggregated Revenues from contract with customer for the year ended 31st March, 2021 from various streams of revenue. The company believe that this Disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factor.

(₹ in crore)

Particulars	Consultancy Services		Inspection Fee		Export Sale	Turnkey Construction Projects-Domestic	Power generation	Total
	Domestic	Abroad	Domestic	Abroad				
2020-21	640.76	78.16	293.30	5.48	93.27	623.85	16.45	1751.27
2019-20	693.02	68.47	363.34	3.93	540.87	672.88	11.20	2353.71

e) Company is rendering many project management consultancy services for and on behalf of clients where fee is due to company for professional services.

- f) In most of the cases, payments from customers are linked with performance obligations. Wherever on the reporting date work has been performed and payment is not due as per the contract, in such cases contract assets have been created. However, where payment has been received including advance but performance has not been completed, in such cases contract liabilities have been created. Advances received by the company for execution of work are in the nature of security i.e. a source of protection and are not for financing the project.
- g) Company provides warranty in the nature of assurance for which provisions are made as per the Indian Accounting standard (Ind AS) 37, Provisions, Contingent Liabilities and Contingent Assets.
- h) During the year provision for impairment of amount receivable from client for services rendered/goods supplied amounting to ₹ 9.12 crore (previous year ₹ 13.68 crore) which includes provisions for lease services amounting to ₹ 0.22 crore (previous year ₹ 0.18 crore).
- i) Balances of Receivables/Contract assets/Contract liabilities are as under:

(₹ in crore)

Particulars	As on 31.03.2021	As on 31.03.2020
Receivables includes lease receivables of ₹ 36.32 crore (Previous year ₹ 44.40 crore)	694.56	948.05
Contract assets	174.72	216.68
Contract liabilities includes lease liabilities of ₹ 0.27 crore (Previous year ₹ 0.27 crore)	268.58	134.61

- j) During the year ended March 31, 2021, ₹ 112.70 crore and March 31, 2020, ₹ 44.11 crore of unbilled revenue as of April 1st, 2020 and April 1st 2019 respectively has been reclassified to Trade receivables upon billing to customers on completion of milestones.
- k) During the year ended March 31, 2021 ₹ 14.65 crore and March 31, 2020 ₹ 158.53 crore of contract liabilities as of April 1st, 2020 and April 1st, 2019 has been recognized as revenue after completion of milestones.
- l) The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2021 is ₹ 6,074 crore which pertains to various segment of the Holding Company. Holding Company likely to recognize this revenue over a period ranging from one year to three years. The aggregate value of performance obligations that was completely or partially unsatisfied as at March 31, 2020 was ₹ 5,325 crore which pertains to various segment of the company.
- m) Group has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to statement of Profit and Loss.
- n) The holding company has recognized unamortized contract assets of ₹ 5.63 crore (previous year ₹ 5.02 crore) on account of costs incurred in fulfilling the contract. The unamortized contract cost will be charged to statement of Profit and Loss on completion of performance obligations.
- o) The company's project management consultancy and turnkey business got impacted due to travel restrictions, non-availability of labor, delay in procurement of raw material, delay in acquisition of land etc. Quality assurance work got impacted due to travel restrictions and less procurement by Railways. Export's deliveries of locomotives got delayed due to supply chain disruptions across globe leading to delay in imports of certain sub-assemblies, therefore affecting the timelines set for shipment of locomotives and coaches. Leasing business got impacted due to stalled works at certain project sites, ports etc. during lockdown but with rising in demand, this business has quickly recovered. Power procurement business got impacted due to less traction power requirement by the Indian Railways. Pandemic disrupted the business flow, but company has tried to negate the Covid impact through remote working.

58. Indian Accounting Standard (Ind AS) 116, Disclosures on Leases are as follows:

a) Group as Lessee:-

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the term of useful life of right-of-use asset.

The holding company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The holding company has no borrowing, as such 3 year SBI MCLR rate 8.05% and 8.75% has been considered as weighted average incremental borrowing rate for calculation of

present value of lease liability for the FY- 2020-21 and 2019-20 respectively.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

- i) The following is the summary of practical expedients applied:
- I) The Group has used a single discount rate to a portfolio of leases with similar characteristics.
 - II) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
 - III) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- ii) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

(₹ in crore)

Particulars	Category of ROU Assets			
	Land	Building	Residential Quarters	Total
Balance as at April 1, 2020	2.49	17.29	4.08	23.86
Additions	0.69	2.03	-	2.72
Adjustment	(0.01)	(0.33)	-	(0.34)
Deletion	-	-	-	-
Depreciation	0.46	2.99	0.25	3.69
Balance as at March 31, 2021	2.71	16.00	3.83	22.54

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020

(₹ in crore)

Particulars	Category of ROU Assets			
	Land	Building	Residential Quarters	Total
Balance as at April 1, 2019	-	-	-	-
Reclassified on account of adoption of Ind AS 116	0.91	12.08	4.33	17.32
Reclassification of investment property	-	0.78	-	0.78
Additions	1.94	6.58	-	8.52
Deletion	-	-	-	-
Depreciation	0.36	2.15	0.25	2.76
Balance as at March 31, 2020	2.49	17.29	4.08	23.86

Depreciation on right-of-use assets is as follows:

(₹ in crore)

Description	Year Ended 31.03.2021	Year Ended 31.03.2020
Land	0.46	0.36
Building	2.99	2.15
Residential quarters	0.25	0.25
Total	3.70	2.76

iii) The following is the break-up of current and non-current lease liabilities :

(₹ in crore)

Particulars	As on 31.03.2021	As on 31.03.2020
Current lease liabilities	2.00	2.83
Non-current lease liabilities	2.17	4.38
Total	4.17	7.21

iv) The following is the movement in lease liabilities:

(₹ in crore)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Opening Balance	7.21	-
Additions	2.72	8.52
Finance cost accrued during the period	0.42	0.51
Payment of lease liabilities	5.81	1.82
Adjustment	(0.37)	-
Closing Balance	4.17	7.21

v) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in crore)

Particulars	As on 31.03.2021	As on 31.03.2020
Less than one year	2.25	3.37
One to five years	2.29	4.71
More than five years	-	-
Total	4.54	8.08

The holding company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

vi) During the year ended 31 March 2021, the Group incurred expenses amounting to ₹ 12.04 crore (Previous Year ₹ 8.79 crore) on accounts of short-term leases and leases of low-value assets. For the year ended 31 March 2021 the total cash outflows for leases, including short-term leases and low-value asset amounted to ₹ 17.86 crore (Previous Year ₹ 10.61 crore)

vii) The Group does not have any lease restrictions and commitment towards variable lease rent as per the contract.

viii) The Group has no commitments towards Leases yet to be commenced as on 31.03.2021.

ix) The Group has not sub-leased any of the assets taken on lease.

b) Group as a lessor:

i) Operating Lease: As Lessor

l) The holding company has leasing arrangement of locomotives in domestic market mainly on cancelable basis which includes providing services of its experts for maintenance of these locomotives for which lease rent is received from the clients as per terms of the contracts.

New & In-Service Locomotives (refer note no.2)

(₹ in crore)

Description	Year ended 31.03.2021	Year ended 31.03.2020
Gross carrying amount	377.24	365.79
Accumulated depreciation	147.80	117.35
Net carrying amount	229.44	248.44
Depreciation provided for the year	30.85	29.60

- II) The holding company has leased out one flat at Asian Games Village Complex, New Delhi to Land Port Authority of India (super area of 177.37 sq.m.).

(₹ in crore)

Description	Year ended 31.03.2021	Year ended 31.03.2020
Gross carrying amount	0.15	-
Accumulated depreciation	0.10	-
Net carrying amount	0.05	-
Depreciation provided for the year	0.00	-

- c) The holding company does not envisage any contraction in demand which could result in significant down-sizing of its business operations. Due to COVID-19 there is no change in terms of leases which holding company has entered as lessee as well as lessor.

59. Indian Accounting Standard (Ind-AS) 12, Disclosures on Income Taxes are as follows:

The holding company opted to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as promulgated by the GOI vide the Taxation Laws (Amendment) Ordinance, 2019 and has taken 25.168% (Income tax 22%+Surcharge 10%+Higher Education cess 4%) rate of Corporate tax in its accounts. However one of the subsidiary companies (REMC Limited) did not opt the same due to available balances of unutilized MAT Credit and losses due to unabsorbed depreciation. Accordingly, the holding company has recognized provision for income tax for the year. The holding company has recognized provision for income tax and measured its deferred tax assets/liabilities during the year.

a) Income tax expense in the consolidated statement of profit and loss comprises:

(₹ in crore)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Income Tax Expenses:		
- Current Taxes	150.18	199.32
- Earlier Years (Net)	(3.63)	(1.30)
Total - A	146.55	198.02
Tax on Other Comprehensive Income (OCI) - B	1.70	(2.38)
Tax on Buy Back Expenses - C	(0.33)	-
Sub Total - D= (A+B+C)	147.92	195.64
Deferred Tax (Net) - Prior Periods	(0.42)	0.18
Deferred Tax (Net) - Current Years	2.21	42.89
Sub Total - E	1.79	43.07
Total - F=D+E	149.71	238.71

Entire deferred income tax for the year ended 31st March, 2021 and previous year ended on 31st March, 2020 relates to origination and reversal of temporary differences.

b) Reconciliation of the Income Tax Expenses for the year to amount computed as expected tax expense by applying statutory income tax rates is as follows:

(₹ in crore)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit before Tax	592.55	874.35
Inter Corporate Dividend	-	-
Profit before Tax	592.55	874.35
Enacted Tax Rates in India on Normal Income	25.17%	25.17%

(₹ in crore)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Enacted Tax Rates in India on LTCG	23.30%	23.30%
Computed Expected Tax Expense	149.14	220.06
Tax effect due to accounting for JVs/Subsidiaries	1.08	(0.37)
Tax effect of income exempted from non operating income	(3.62)	(4.27)
Tax Effect Due to c/f of Business Loss	-	-
Tax effect due to deductible temporary differences	1.17	1.10
Tax Effect due to Earlier Period Taxes	(4.05)	(1.12)
Additional Tax Effect due to Income from House Property and other sources	(0.01)	(0.14)
Tax Effect due to claim of Expenditure not charged to Profit and Loss A/c	(2.12)	-
Tax Effect of Non-Deductible Expenditures for determining taxable Profit	3.75	3.30
Tax effect due to income from Joint Operations	1.31	(0.13)
Tax Effect Due to Change in Corporate Tax Rates on Deferred Tax Expenses	-	20.71
Effect of Different Tax Rate under various jurisdiction	1.36	1.95
Tax effect due to OCI	1.70	(2.38)
Current Tax Expense for the year	149.71	238.71
*Computed expected tax expense for the respective years including tax expense calculated on income of RITES at the rates mentioned herein and tax expense calculated on income of subsidiaries and joint ventures at the different from rates mentioned herein.		

- c) Based upon the Expert Opinion and judicial pronouncements, the holding company has considered cumulative tax relief of ₹ 5.18 crore while estimating current income tax liability for the financial year 2020-21.
- d) REMC Limited used to be taxed under section - 115JB (MAT) of the income tax act till 31st March, 2020 and has been taxed at applicable normal rates for the year ended 31st March, 2021. The enacted tax rates on normal income is 29.12% and 17.47% for the year ended 31st March, 2021 and previous year ended 31st March, 2020 respectively.
- The enacted tax rate of RITES (Afrika) (Pty) Limited is 22% both for the year ended 31st March, 2021 and previous year ended on 31st March, 2020 respectively.
- e) The following table provides the details of income tax assets and liabilities as of March 31, 2021 and March 31, 2020

(₹ in crore)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Income Tax Assets	217.65	308.50
Less: Current income tax liabilities	151.55	196.93
Net Current Income Tax Assets/(Liability) at the year end	66.10	111.57

- f) The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2021 and March 31, 2020 is as follows:

(₹ in crore)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Net current income tax asset/(liability) at the beginning of the year	111.57	97.36
Current Income Tax on OCI	(1.70)	2.38
Current Income Tax on Buy Back	0.33	-
Income Tax paid	102.45	209.85
Current income tax expense	(146.55)	(198.02)
Net Current Income Tax Asset/(Liability) at the end of the year	66.10	111.57

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

(₹ in crore)

Particulars	As on	
	31.03.2021	31.03.2020
Deferred Income Tax Assets:		
Accrued Compensation to Employees	21.74	20.68
Provisions for Doubtful Debts, Security Deposits/EMD, Advances Etc.	33.60	32.09
Lease Liability ROU Assets	1.05	-
MAT credit available	22.96	27.57
Total Deferred Income Tax Assets - I	79.35	80.34
Deferred Income Tax Liabilities:		
Depreciation on Property Plant & Equipment and Intangible Assets	52.29	48.06
Interest Accrued on income tax Refund	-	1.72
Donation to PM care Fund	-	1.76
Unrealised Short-term Gain (Loss) on Mutual Funds	0.05	-
Total Deferred Income Tax Liabilities - II	52.34	51.54
Deferred Income Tax Assets after set off	27.01	28.80
Deferred Income Tax Liabilities after set off	-	-

- i) Deferred tax assets and liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.
- ii) The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the period in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making the assessment.

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

- h) The gross movement in the deferred income tax account for the year ended March 31, 2021 and previous year ended on March 31, 2020 are as follows:

(₹ in crore)

Movement during the year ended 31.03.2021	As on 31.03.2020	Recognized in Profit & Loss	Recognized in OCI	As on 31.03.2021
Tax Effect of items constituting deferred Tax Liabilities				
(i) Property, Plant & Equipments	48.06	4.23	-	52.29
(ii) Interest accrued on income tax refund	1.72	(1.72)	-	-
(iii) Donation to PM care fund	1.76	(1.76)	-	-
(iv) Unrealised Short term Gain (Loss) on Mutual Funds	-	0.05	-	0.05
Total-A	51.54	0.80	-	52.34

(₹ in crore)

Movement during the year ended 31.03.2021	As on 31.03.2020	Recognized in Profit & Loss	Recognized in OCI	As on 31.03.2021
Tax Effects of Items Constituting deferred Tax Assets				
(i) Provisions for Leave Encashment of Employees	19.76	1.49	-	21.25
(ii) Provision for superannuation Medical	0.73	(0.41)	-	0.32
(iii) Other Employee Benefits	0.19	(0.02)	-	0.17
(iv) Prov. For Doubtful Debts & Advances	32.09	1.51	-	33.60
(v) Lease Liability for ROU Assets	-	1.05	-	1.05
(vi) MAT credit available	27.57	(4.61)	-	22.96
(vii) Business Loss	-	-	-	-
Total-B	80.34	(0.99)	-	79.35
Deferred Tax (Assets)/Liabilities (A-B)	(28.80)	1.79	-	(27.01)

The gross movement in the deferred income tax account for the year ended March 31, 2020 and previous year ended on March 31, 2019 are as follows:

(₹ in crore)

Movement during the year ended 31.03.2020	As on 31.03.2019	Recognized in Profit & Loss	Recognized in OCI	As on 31.03.2020
Tax Effect of items constituting deferred Tax Liabilities				
(i) Property, Plant & Equipments	48.27	(0.21)	-	48.06
(ii) Interest accrued on income tax refund	-	1.72	-	1.72
(iii) Donation to PM care fund	-	1.76	-	1.76
(v) Unrealised Short term Gain (Loss) on Mutual Funds	-	-	-	-
Total-A	48.27	3.27	-	51.54
Tax Effects of Items Constituting deferred Tax Assets				
(i) Provisions for Leave Encashment of Employees	23.94	(4.18)	-	19.76
(ii) Provision for superannuation Medical	0.35	0.38	-	0.73
(iii) Other Employee Benefits	-	0.19	-	0.19
(iv) Prov. For Doubtful Debts & Advances	62.08	(29.99)	-	32.09
(v) Lease liability for ROU assets	-	-	-	-
(vi) MAT credit available	26.75	0.82	-	27.57
(vii) Business Loss	7.02	(7.02)	-	-
Total-B	120.14	(39.80)	-	80.34
Deferred Tax (Assets)/Liabilities (A-B)	(71.87)	43.07	-	(28.80)

The composition of deferred assets relating to temporary differences during the year ended 31st March, 2021 is primarily on account of Property Plant and Equipment, Trade Receivable, Compensation to Employees, MAT credit Entitlement etc.

60. Indian Accounting Standard (Ind-AS) 1 : Disclosures on Presentation of Financial Statements are as follows:

a) Reclassifications and comparative figures

Certain reclassifications have been made to the comparative period's financial statements to enhance the comparability with the current year's financial statements.

As a result, certain items have been reclassified in the balance sheet, the details of which are as under:

i) Items of balance sheet before and after reclassification for the year ended 31st March, 2020.

(₹ in crore)

Particulars	Before Re-classification	Re-classification	After Re-classification
NON CURRENT ASSETS			
Other Financial Assets	51.56	17.73	69.29
Other Non Current Assets	55.35	1.98	57.33
CURRENT ASSETS			
Other Bank Balances-Clients Fund	1756.39	(17.73)	1738.66
Other Current Assets	78.84	29.96	108.80
NON CURRENT LIABILITIES			
Other Financial Liabilities	163.23	17.73	180.96
CURRENT LIABILITIES			
Other Financial Liabilities	2600.84	(12.71)	2588.13
Other Current Liabilities	68.68	26.92	95.60

ii) Items of statement of Cash flows before and after reclassification for the year ended 31st March, 2020

(₹ in crore)

Particulars	Before Re-classification	Re-classification	After Re-classification
Net Cash flow from Operating activities	319.08	(2.08)	317.00
Net Cash flow from Investing activities	36.97	1.40	38.37
Net Cash flow from Financing activities	(419.71)	0.68	(419.03)

b) Subsequent Event -Dividend in case of Holding and its Indian subsidiary

The Board of Directors of holding Company has proposed a sum of ₹ 96.12 crore (₹4 per share to 24.03 crore equity shares) as final dividend for FY 2020-21 subject to approval of shareholders in Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹ 96.12 crore.

The Board of Directors of the subsidiary Company (REMC Limited) proposed a final dividend of ₹ 9.00 crore (₹ 0.857 per share to 10.50 crore equity shares) in respect of the financial year 2020-21 subject to approval of shareholders in Annual General meeting. If approved, the dividend would result into cash outflow of ₹ 9.00 crore.

61. Disclosure as per regulation 34(3) of listing agreements with the stock exchange

(₹ in crore)

Description	Financial Year	Outstanding balance	Maximum amount due during the year
Investment in Subsidiaries			
(i) REMC Limited	31.03.2021	35.70	35.70
	31.03.2020	35.70	35.70
(ii) RITES (Afrika) (Pty) Limited., Botswana	31.03.2021	0.01	0.01
	31.03.2020	0.01	0.01

(₹ in crore)

Description	Financial Year	Outstanding balance	Maximum amount due during the year
Investment in Joint Ventures			
(i) SAIL-RITES Bengal Wagon Industry Private Limited	31.03.2021	24.00	24.00
	31.03.2020	24.00	24.00
(ii) BNV Gujarat Rail Private Limited	31.03.2021	-	0.26
	31.03.2020	0.26	0.26
(iii) Indian Railway Stations Development Corporation Limited	31.03.2021	48.00	48.00
	31.03.2020	-	-
Loans & advances to Subsidiaries			
(i) REMC Limited	31.03.2021	-	-
	31.03.2020	-	-
(ii) RITES (Afrika) (Pty) Limited., Botswana	31.03.2021	-	-
	31.03.2020	-	-
Loans & advances to Joint Ventures			
(i) SAIL-RITES Bengal Wagon Industry Private Limited	31.03.2021	3.45	6.94
	31.03.2020	6.94	8.44
(ii) BNV Gujarat Rail Private Limited	31.03.2021	-	-
	31.03.2020	-	-
(iii) Indian Railway Stations Development Corporation Limited	31.03.2021	-	-
	31.03.2020	-	-

62. Capital Management

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

63. Other Disclosures

a) Impact of COVID-19:

The Group has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, loans and advances, property plant and equipment, intangibles etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group has used internal and external information. Having reviewed the underlying data and based on current estimates, the Group does not expect any material impact on the carrying amount of these assets and liabilities. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

b) The holding company has bought back 9,698,113 fully paid-up equity shares of ₹ 10 each from the shareholders on 18th November, 2020 on proportionate basis by way of tender offer at a price of ₹ 265 per equity share for an aggregate amount of ₹ 257 crore. At present, holding by the public and Government of India is 27.80% and 72.20% respectively.

c) The holding Company has invested ₹ 48 crore (4.80 crore equity share of ₹ 10/- each) for 24% equity stake in Indian Railway Stations Development Corporation Limited. The other joint venture partners are Rail Land Development Authority and IRCON International Limited having equity stake of 50% and 26% respectively. The holding Company has accounted investment in Joint Venture as per equity method in consolidated financial statements, accordingly other equity & investment of group company has increased by ₹ 5.22 crore.

d) Assets and liabilities are classified between current and non-current considering 12 months period as operating cycle.

e) Information on Corporate Social Responsibility expenditure

i) In case of holding company:

l) Gross amount required to be spent including advances given during the year 2020-21 ₹ 13.40 crore (previous year 2019-20 ₹ 11.20 crore).

II) Expenditure incurred including advance on CSR during the year on:

(₹ in crore)

Particulars		Amount Paid		Yet to be Paid		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
(i)	Construction/acquisition of any asset	-	-	-	-	-	-
(ii)	On purposes other than (i) above*	13.41	11.18	-	0.03	13.41	11.21
	Total	13.41	11.18	-	0.03	13.41	11.21

*Includes following expenditure on account of admin overhead and capacity builds:

(a) Salary Expenses ₹ 0.65 crore (previous year ₹ 0.51 crore)

(b) Other Expense ₹ 0.02 crore (previous year ₹ 0.05 crore)

ii) In case of subsidiary company (REMC Limited):

I) Gross amount required to be spent during the year 2020-21 is ₹ 0.93 crore (previous year 2019-20 ₹ 0.79 crore).

II) Expenditure incurred including advances on CSR during the year on:

(₹ in crore)

Particulars		Amount Paid		Yet to be Paid		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
(a)	Construction/acquisition of any asset	-	-	-	-	-	-
(b)	On purposes other than (i) above*	0.93	0.60	-	0.20**	0.93	0.80
	Total	0.93	0.60	-	0.20**	0.93	0.80

*Includes following expenditure on account of admin overhead and capacity builds:

(a) Salary Expenses ₹ 0.04 crore (previous year ₹ 0.04 crore)

(b) Other Expense ₹ Nil crore (previous year ₹ 0.00 crore)

** Due to COVID-19 pandemic, out of ₹0.20 crore unpaid amount of FY 2019-20, ₹0.05 crore still unpaid.

f) Salary expenses and Travel expenses included in expenditure on Capital work in progress/Property, Plant & Equipment and expenditure incurred during warranty period are as follows:

(₹ in crore)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Salary Expenses	5.71	1.92
Travel Expenses	0.14	0.26

g) In case of Group details of dues to micro, small and medium enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006* are given on the basis of information available with the management.

(₹ in crore)

Sl. No.	Particulars	As on 31.03.2021	As on 31.03.2020
A	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period		
	- Principal amount due to micro and small enterprises	8.88	8.69
	- Interest due on above	-	-

(₹ in crore)

Sl. No.	Particulars	As on 31.03.2021	As on 31.03.2020
B	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 amounts of the payment made to the supplier beyond the appointed day during each accounting period.	-	-
C	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under The Micro, Small and Medium Enterprises Development Act, 2006.	0.07	-
D	The amount of interest due and remaining unpaid at the end of each accounting period.	-	-
E	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of The Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*The Holding Company identify supplier registered under The Micro, Small and Medium Enterprises Development Act, 2006, by obtaining confirmations from all suppliers at time issue of tender. Information has been collated only to the extent of information received.

- h)** In case of Holding company, Lease deeds are pending for execution in respect of the office building at Central Metro Railway Building, 56, C.R Avenue, Kolkata of ₹ 1.32 crore, the physical testing laboratory at 52 A&B, C.R Avenue, Kolkata of ₹ 0.46 crore, office building at DLF Cyber city, Bhubaneswar of ₹ 5.43 crore, plot in Wazirpur northern railway colony Delhi of ₹ 2.61 crore.
- i)** In case of Holding company, land for office building at Gomati Nagar Extension, Lucknow allotted by Lucknow Development Authority (LDA) having a total cost of ₹ 4.22 crore is yet to be registered in the name of the holding company due to dispute of stamp duty. However, physical possession of the land has been with the holding company w.e.f. 27th June 2019. An amount of ₹ 1.17 crore on account of disputed stamp duty is included in contingent liability (Refer note no.52(b)(i)(III)(C).)
- j)** The financial statements are presented in ₹ crore. Those items which are required to be disclosed but can't be presented in the financial statement due to rounding off to the nearest ₹ crore are given as follows:-

Balance sheet items of holding company

(FIGURES IN ₹)

Description	Note No.	As on 31.03.2021	As on 31.03.2020
Non-current investment	9		
(i) Moru Mahal Co-operative Society Limited		250.00	250.00
(ii) Amit Industrial Premises Co-operative Society Limited		500.00	500.00
(iii) Regent Chambers Premises Co-operative Society Limited		500.00	500.00
(iv) Elicius Energy Private Limited		15730.00	-

- k)** i) Balances shown under trade receivable, advances and trade payables are subject to confirmation / reconciliation/ adjustment, if any. The Group has been sending letters for confirmation to parties. However, the Group does not expect any material dispute w.r.t. the recoverability/payment of the same.
- ii) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.
- l)** In case of Holding Company, information as regard to loans, investments made as required under section 186(4) of the Companies Act, 2013 have been given vide note no. 9,10,11,18 &19.

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

n) Recent Accounting Pronouncements:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

64. Other disclosure of Group

- a) **In case of SAIL-RITES Bengal Wagon Industry Private Limited, Company has following borrowing facilities:-**

i) Term Loan:-

(₹ in crore)

Bank name	Sanction Amount	Outstanding as on 31.03.2021	Current portion	Non-Current portion	Repayment Term
SBI	72.00	26.60	9.60	17.00	Repayable in 30 quarterly installments of ₹ 2.40 crore each with total period of 10 years after moratorium period of 3.5 years. Repayment of term loan has started from 01.04.2016, as per the modification in terms sanction. Interest is payable at Base Rate of Bank i.e. 8.60% at the time of sanction.

This is secured

- by way of first charge on Hypothecation of goods, book debts and other moveable assets of the Company and
- by way of first charge on Building of the Company situated at Kulti, Burdwan, West Bengal.

ii) Other Borrowings:

(₹ in crore)

Particulars	31.03.2021	31.03.2020
Cash credit from SBI	8.51	36.57
Cash credit from HDFC Bank	-	0.10
Unsecured Loan from RITES Limited*	2.80	5.60
Unsecured Loan from SAIL	2.80	5.60
Total	14.11	47.87

- b) In case of SAIL-RITES Bengal Wagon Industry Private Limited, sales revenue for rehabilitation of BOXNR wagons have been accounted for based on the Basic Price (including CRRM) specified in the order by the Eastern Railway. The CRRM generated in the process of rehabilitation of wagons is booked under current assets at the time of raising of bills at value specified in the work order.
- c) In case of REMC Limited, company has borrowed term loan of ₹ 120.59 crore from Indian Bank for setting up 26 MW Wind Mill plants at Jaisalmer, Rajasthan. The entire amount of loan was borrowed during the financial year 2015-16. During the current year company has incurred interest cost of ₹ 3.10 crore (previous year ₹ 3.79 crore).
- d) Assets & Liabilities have been translated at closing exchange rate and profit & loss items have been translated at average exchange rate of RITES (Afrika) (Pty) Limited (Subsidiary Company) .

INR

Currency	31.03.2021		31.03.2020	
	Closing rate	Average rate	Closing rate	Average rate
1 Pula (Botswana)	6.516604	6.409906	6.190931	6.423805

(Source Oanda.com)

65. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Revised Schedule-III of the Companies Act, 2013:

Information for the year ended 31.03.2021

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amt (₹ in crore)	As % of consolidated net assets	Amt (₹ in crore)	As % of consolidated net assets	Amt (₹ in crore)	As % of consolidated net assets	Amt (₹ in crore)
Holding Company								
RITES Limited	97.07	2321.93	98.14	424.35	97.31	5.06	98.13	429.41
Subsidiaries								
Indian								
REMC Limited	7.52	179.91	5.58	24.13	-	-	5.51	24.13
Foreign								
RITES (Afrika) (Pty) Limited	0.12	2.91	0.01	0.02	-	-	0.00	0.02
Minority Interests in all subsidiaries	(3.69)	(88.16)	(2.74)	(11.83)	-	-	(2.70)	(11.83)
Joint ventures (investment as per equity method)								
Indian								
SAIL-RITES Bengal Wagon Industry Private Limited	1.26	30.01	0.29	1.24	-	-	0.28	1.24
BNV Gujarat Rail Private Limited	-	-	-	-	-	-	-	-
Indian Railways Stations Development Corporation Limited	2.22	53.05	(0.04)	(0.17)	-	-	(0.04)	(0.17)
Adjustment for consolidation	(4.50)	(107.68)	(1.24)	(5.36)	2.69	0.14	(1.19)	(5.22)
TOTAL	100.00	2391.97	100.00	432.38	100.00	5.20	100.00	437.58

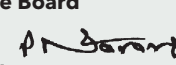
Information for the year ended 31.03.2020

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated net assets	Amount (₹ in crore)
Holding Company								
ITES Limited	97.85	2576.62	96.80	596.39	99.58	(7.07)	96.77	589.32
Subsidiaries								
Indian								
REMC Limited	6.31	166.28	5.69	35.02	-	-	5.75	35.02
Foreign								
ITES (Afrika) (Pty) Limited	0.10	2.74	0.07	0.41	-	-	0.07	0.41
Minority Interests in all subsidiaries	(3.09)	(81.48)	(2.79)	(17.16)	-	-	(2.82)	(17.16)
Joint ventures (investment as per equity method)								
Indian								
SAIL-ITES Bengal Wagon Industry Private Limited	1.09	28.77	1.26	7.77	-	-	1.28	7.77
BNV Gujarat Rail Private Limited	0.01	0.13	(0.02)	(0.11)	-	-	(0.02)	(0.11)
Indian Railways Stations Development Corporation Limited	-	-	-	-	-	-	-	-
Adjustment for consolidation	(2.27)	(59.79)	(1.01)	(6.22)	0.42	(0.03)	(1.03)	(6.25)
TOTAL	100.00	2633.27	100.00	616.10	100.00	(7.10)	100.00	609.00


Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143

For and on behalf of the Board

Bibhu Prasad Nayak
 Director Finance
 DIN:08197975


Parmod Kumar Narang
 Chief Financial Officer
 M.No.:FCA 086360


Joshit Ranjan Sikidar
 Company Secretary
 M.No. : ACS 32442

As per our report of even date
For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N

Place : Gurugram
Dated : 16th June, 2021


(ANSHUMAN MALLICK)
 Partner, Membership No. 547705

COMMENTS BY CAG

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RITES LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of consolidated financial statements of RITES Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 16 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of RITES Limited for the year ended 31 March 2021 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Railway Energy Management Company Limited but did not conduct supplementary audit of the financial statements of Subsidiaries and Jointly Controlled Entities (as per Annexure) for the year ended on that date. **Further, section 139 (5) and 143 (6)(a) of the Act are not applicable to RITES (Afrika) (Pty) Limited, Botswana being private entities incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India



(K. S. Ramuwalia)

Principal Director of Audit
Railway Commercial, New Delhi

Place: New Delhi
Dated: 29th July, 2021

ANNEXURE

List of subsidiaries, Associate company and Joint Ventures of RITES Limited, New Delhi for which supplementary audit was not conducted under section 143 (6)(a) read with section 129(4) of the Companies Act, 2013 for the year 2020-21.

Joint Ventures

1. BNV Gujarat Rail Pvt. Ltd.
2. SAIL-RITES Bengal Wagon Industry Private Limited
3. Indian Railway Stations Development Corporation Limited

Sr. Audit Officer (Co-ordination)
Railway Commercial

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT
OF SUBSIDIARIES/JOINT VENTURES FOR THE YEAR ENDED 31ST MARCH, 2021**

(Statement pursuant to first proviso to sub-section 3 of section 129 of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014)

PART "A" : SUBSIDIARIES

1	Sl. No.	1		2	
2	Name of the subsidiary	BITES (Afrika) (Pty) Limited		REMC Limited **	
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Botswana Pula (BWP)*		INR	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
		(₹ in crore)		(₹ in crore)	
4	Share Capital	0.01	0.01	105.00	70.00
5	Reserves & Surplus	2.90	2.74	74.91	96.28
6	Total Assets	7.94	4.24	235.48	224.11
7	Total Liabilities	5.03	1.49	55.57	57.83
8	Investments	-	-	-	-
9	Operating Turnover	5.98	7.88	67.87	78.56
10	Profit before taxation	0.06	0.55	34.44	49.74
11	Provision for taxation	0.04	0.14	10.31	14.72
12	Profit after taxation	0.02	0.41	24.13	35.02
13	Proposed Dividend	-	-	9.00	10.50
14	% of shareholding	100%		51%	

* As on 31.03.2021: 1BWP= ₹ 6.516604; Average Rate 1BWP= ₹ 6.409906, As on 31.03.2020: 1BWP= ₹ 6.190931; Average Rate 1BWP= ₹ 6.423805

** REMC Limited figures are inclusive of non-controlling interest.

Note: Liquidation process of BITES Mohawarean Arabia Company Limited (RMAC) in Saudi Arabia & BITES Infrastructure Services Limited (RISL) in India have been completed during the financial year, hence its financial statements are not considered for consolidation.

PART "B" : JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Ventures

1	Sl. No.	1		2		3	
2	Name of Joint Ventures	SAIL-RITES Bengal Wagon Industry Private Limited		Indian Railway Stations Development Corporation Limited*		BNV Gujarat Rail Pvt. Limited **	
3	Balance Sheet Date	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
4	Shares of Joint Ventures held by the company on the year end:						
4(i)	No.	24,000,000	24,000,000	48,000,000	-	-	260,000
4(ii)	Amount of investment in Joint Venture (₹ in crore)	24.00	24.00	48.00	-	-	0.26
4 (iii)	Extent of Holding/Profit Sharing %	50%	50%	24%	-	-	26%
5	Description of how there is significant influence	There is significant influence due to percentage (%) of share capital/profit sharing and joint control.					
6	Reason why the joint venture is not consolidated	Not Applicable					
7	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in crore)	30.01	28.77	53.05	-	-	0.13
8	Profit/Loss for the year						
8 (i)	Considered in Consolidation (₹ in crore)	1.24	7.77	(0.17)	-	-	(0.11)
8 (ii)	Not Considered in Consolidation	-	-	-	-	-	-

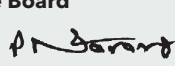
* Company has acquired 24% stake in Indian Railway Stations Development Corporation (IRSDC) on dt 29.09.2020.

**Company exited from BNV Gujarat Rail Private Limited (Joint Venture Company) by transferring its shares to the other joint venture partner.


Rajeev Mehrotra
 Chairman & Managing Director
 and Chief Executive Officer
 DIN: 01583143

For and on behalf of the Board

Bibhu Prasad Nayak
 Director Finance
 DIN:08197975


Parmod Kumar Narang
 Chief Financial Officer
 M.No.:FCA 086360


Joshit Ranjan Sikidar
 Company Secretary
 M.No. : ACS 32442

For J C BHALLA & COMPANY, Chartered Accountants
 Firm Registration No. 001111N

 Place : Gurugram
 Dated : 16th June, 2021


(ANSHUMAN MALLICK)
 Partner, Membership No. 547705

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RITES' WORLDWIDE EXPERIENCE



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Australia	Gabon	Namibia	Syria
Austria	Ghana	Nepal	Tanzania
Bangladesh	Guinea	Netherlands	Thailand
Benin	Guyana	Nigeria	Togo
Bhutan	Indonesia	Peru	Tunisia
Botswana	Iran	Philippines	Turkmenistan
Brazil	Iraq	Poland	UAE
Brunei	Italy	Republic of Congo	Uganda
Burkina Faso	Jamaica	Romania	UK
Cambodia	Japan	Russia	Ukraine
Cameron	Jordan	Rwanda	USA
Canada	Kenya	Saudi Arabia	Uzbekistan
Chile	Laos	Senegal	Vanuatu
China	Libya	Seychelles	Vietnam
Colombia	Malawi	Singapore	Yemen
Cuba	Malaysia	South Korea	Zambia
Czech	Mali	South Africa	Zimbabwe
Djibouti	Mauritius	Spain	



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RITES Ltd.

(A Govt. of India Enterprise)

