



ANNUAL REPORT

F.Y.: 2020-21

RIDINGS CONSULTING ENGINEERS INDIA LIMITED

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The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Reports can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail address, in respect of electronic holdings with the Depository through their concerned Depository Participants.

26th ANNUAL GENERAL MEETING

Wednesday, 29th September, 2021

Venue: 402, Avanta Business Centre, Statesman House, Barakhambha Road, New Delhi 110001

CORPORATE INFORMATION

Name of Director	Nature of Directorship
Mr. Praveen Kumar Baveja	Whole Time Director & CEO
Ms. Bharti Sinha	Independent Director
Mr. Sumit Dhadda	Independent Director

Key Managerial Personnel

Company Secretary & Compliance Officer	Chief Financial Officer
Mr. Abhishek Bhargav	Mr. Sudhir Kumar Baveja
Statutory Auditor	Secretarial Auditor
NKSC & Co., Chartered Accountants 208, Vats Market, Pitampura, Delhi-110034 info@valuesquare.co.in	Jasleen Kaur & Associates Company Secretaries 5C/22, New Rohtak Road, Karol Bagh, New Delhi-110005
Internal Auditor	Bankers
Godani Bansal & Co., Chartered Accountants C-2, Sector-1, NOIDA 201301	State Bank of India
Depositories	Registrar and Transfer Agents
National Securities Depository Limited Central Depository Services (India) Limited	Skyline Financial Services Private Limited D-153A, 1 st Floor, Okhla Industrial Area, Phase-I, New Delhi – 110020
Stock Exchange	Investor Relations
BSE Limited	Mr. Abhishek Bhargav Email: cs@ridingsindia.com Contact : 011- 2275 5585 Address : F-24, 1 st Floor, Pankaj Grand Plaza, Mayur Vihar – I, Delhi – 110091
Corporate Office	Other Details
Suite No. 211, H-221, Infinity Business Centre, Sector 63, NOIDA - 201301	CIN: L74899DL1995PLC075005 Email: info@ridingsindia.com Website: www.ridingsindia.com Contact No.: 011- 2275 5585, 0120- 4694500

DIRECTORS' REPORT

To
The Shareholders,

Your Directors have pleasure in presenting the Annual Report of the Company on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31st March 2021.

1. Financial Performance and Highlights

Particulars	March 31, 2021	March 31, 2020
Revenue from Operations (Gross)	20,757,382	54,408,757
Other Income	21,261,260	54,743,147
Total Revenue	42,018,642	107,151,904
Profit before Depreciation, Interest and Tax Expenses	17,790,938	(122,402,696)
Less: Finance Cost	8,267,413	9,511,208
Profit/(Loss) before Depreciation and Tax Expenses	9,523,525	(131,913,903)
Less: Provision for Depreciation	4,036,150	6,636,590
Net Profit/(Loss) before Tax	5,487,375	(138,550,493)
Less: Current Tax	-	-
Less: Deferred Tax	5,292,333	(34,025,698)
Net Profit/(Loss) after Tax	195,042	(104,524,795)

2. State of Company Affairs

Your Board is optimistic about company's future business growth and hopeful of better performance with increased revenue in the coming year. There was no change in the nature of business of Company. However, there has been disruption in the normal business due to impact of COVID induced restrictions but the same is being mitigated through in house technical developments.

3. Dividend

To conserve the resources of the Company for its future growth, the Board of Directors of the Company have decided to plough back the profit into business, and as such no dividend is recommended for the Financial Year 2020-21.

4. Transfer to Reserves and Surplus

Your Directors do not propose to transfer any amount to the Reserves.

5. Share Capital

The paid up Equity share capital as at March 31st, 2021 stood at 124.40 Lakhs. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock option or sweat equity shares. As on March 31, 2021, none of the Directors of the Company held instruments convertible into equity shares of the Company.

6. Directors and Key Managerial Personnel

In accordance with the provisions of section 149, 152 & Articles of Association of the Company and other applicable provisions of the Companies Act, 2013, one third of the Board of Directors are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting. Consequently, Mr. Praveen Kumar Baveja, Director of the Company is liable to retire by rotation in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the consideration of members of the Company at the ensuing Annual General Meeting. The details of Directors being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company. Appropriate Resolution(s) seeking your approval to the reappointment of Directors are also included in the Notice.

During the year under review, there was no change in the Board of Directors and KMP of the Company:

The following are the Key Managerial Personnel of the Company for the Financial Year 2020-21:

S. No.	Name	Designation
1	Praveen Kumar Baveja	Whole Time Director & CEO
2	Sudhir Kumar Baveja	CFO
3	Abhishek Bhargav	CS

7. Number of meetings of the Board

The Board of the Company has met 5 (Five) times during the financial year 2020-21 i.e. 31.07.2020, 12.08.2020, 01.09.2020, 11.11.2020 and 15.03.2021. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Attendance of Directors during the year:

Name of Director	No. of meeting attended	No. of meeting held
Bharti Sinha	5	5
Sumit Dhadha	5	5
Praveen Kumar Baveja	5	5

8. Committees of the Board

The Board of Directors has the following committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee.

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided below:

<u>Audit Committee</u>		
Name of Director	No. of meeting attended	No. of meeting held
Bharti Sinha	4	4
Sumit Dhadha	4	4
Praveen Kumar Baveja	4	4

<u>Nomination and Remuneration Committee</u>		
Name of Director	No. of meeting attended	No. of meeting held
Bharti Sinha	2	2
Sumit Dhadha	2	2
Praveen Kumar Baveja	2	2

<u>Stakeholder's Relationship Committee</u>		
Name of Director	No. of meeting attended	No. of meeting held
Bharti Sinha	1	1
Sumit Dhadha	1	1
Praveen Kumar Baveja	1	1

9. Formal Annual Evaluation

Meeting the requirements of the statute and considering Board Performance Evaluations as an important step for a Board to transit to a higher level of performance, the Nomination and Remuneration Committee has laid down a comprehensive framework for carrying out the evaluations prescribed in the Companies Act, 2013 and the Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The framework has been developed to give all Board Members an opportunity to evaluate and discuss the Board's performance openly from multiple perspectives and enhance governance practices within the Board. The framework describes the evaluation coverage and the process thereof. (Attached as Annexure-A)

Performance Evaluation of the Board and Committees

In respect of the Financial Year ended March 31, 2021, the Board conducted its self-evaluation, that of its committees and all of its members. Some of the parameters which were taken into account while conducting Board evaluation were: Leadership initiative, Initiative in terms of new ideas and planning for the Company, Professional skills, problem solving and decision making, Compliance with policies of the Company, ethics, code of conduct, etc. Evaluation of each of the Board Committees was done on parameters such as Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues etc.

Performance Evaluation of Non-Independent Directors

The performance evaluation of the Chairperson and the Non-Independent Directors were carried

out by the Independent Directors, considering aspects such as Attendance and participation in the meetings, raising of concerns to the Board, safeguard of confidential information, rendering independent and unbiased opinion and resolution of issues at the meeting, initiative in terms of new Ideas and planning for the Company, safeguarding interest of whistle-blowers under vigil mechanism etc.

Evaluation Outcome

It was assessed that the Board as a whole together with each of its committees was working effectively in performance of its key functions-effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities, effective for identifying material risks and reporting material violation of policies and law etc.

10. Familiarization Program for Directors

The Company had organized orientation program for newly appointed Independent Directors in the Board.

11. Declaration by an Independent Director(s) and re-appointment, if any

All Independent Directors have given declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. Finance and Accounts

Your Company prepares its Financial Statements in accordance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other Accounting principles generally accepted in India. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner. The form and substance of transactions reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2021. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

13. Subsidiary Companies / Joint Venture/Associate Companies

The Company does not have any Subsidiary/Joint Venture/Associate Company as on March 31, 2021.

14. Auditor

(A) Statutory Auditor

M/s. NKSC & Co., Chartered Accountants, (FRN-020076N) were appointed by the shareholders at the 23rd Annual General Meeting to hold office until the conclusion of the 6th consecutive Annual General Meeting.

(B) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Jasleen Kaur and Associates, Company Secretaries (C.P. No. 10627) to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2021. As required under section 204(1) of the Companies Act, 2013 the secretarial audit report submitted by them in the prescribed form MR-3 is enclosed as annexure-B and forms part of the report. The report is self-explanatory and do not call for any further comments.

Cost Auditor

As per the requirements of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company hereby confirms that we do not fall under the ambit of prescribed companies required to appoint cost auditor for the financial year 2020-21. Further, pursuant to the provisions of Section 148(1) of the Companies Act, 2013, maintenance of cost record have been specified by Central Government and such amount and record, if any, have been maintained by the Company.

Internal Auditor

Pursuant to the provisions of section 138 and any other applicable provisions of the Companies Act, 2013 and the rules made there under, M/s Godani Bansal & Co. Chartered Accountants have been appointed as an Internal Auditor.

15. Vigil Mechanism/ Whistle Blower Policy

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, The Company has a vigil mechanism named Whistle Blower

Policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.ridingsindia.com.

16. Risk Management

The Company has put in place Risk Management Policy and Procedures for identification, assessment, management, monitoring and minimization of risks. It has identified potential risks under various categories like Business Dynamics, Operations, Liquidity, Market/Industry, Human Resources, Systems and Disaster Management. The Company is periodically reviewing the risks and their identification, assessment, monitoring and mitigation procedures. It does not perceive any major technological, operational, financial or environmental risks in the near future.

17. Extract of Annual Return

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return of the Company is available on the Company's website at www.ridingsindia.com.

18. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

There have been no material changes and commitments affecting the financial position of your Company between the end of the Financial Year and date of this report.

19. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future

There were/are no significant and material order passed by the regulators/court that could impact

the going concern status of the Company and its future operations.

20. Deposits

Your Company has not received any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

21. Particulars of Loans, Guarantees or Investments

Details of Loan, Guarantees and investment covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

22. Particulars of Contracts or Arrangements with Related Parties

All transactions entered with the related parties during the financial year were in the ordinary course of business and on Arm length basis and do not attract the provisions of Section 188 of Companies Act, 2013 and rules made there under. Disclosure in form AOC-2 in terms of section 134 of the Companies Act, 2013 and its rules in the Annexure- C forms part of this report.

Related party transactions have been disclosed under the Note. 36 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standards". None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis or fair value.

23. Listing with Stock Exchanges

Your Company's shares are listed on the BSE Limited – SME Platform.

24. Corporate Governance

Your Company provides utmost importance on best Governance Practices and are designed to act in the best interest of its stakeholders. Better Governance practice enables the Company to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase stakeholders understanding of the key activities and policies of the organization. Your Company has incorporated the appropriate standards for Corporate Governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, company is not filing Corporate Governance Report to stock exchange quarterly and not providing Corporate Governance Report as part of this Annual Report.

25. Environment and Safety

Your Company is driven by principles of sustainability incorporating environment, employees and society aspects in all our activities. We are focused on employee well-being, developing safe and efficient products, minimizing environmental impact of our operations and minimizing the impact of our operations on society. Your Company is conscious of the importance of environmentally clean and safe operations and ensured of all concerned, compliances, environmental regulations and preservation of natural resources. We recognize quality and productivity as a prerequisite for its operations and have implemented ISO 9001:2015. Continuous efforts to preserve the environment are pursued.

Employees' well-being and safety is of paramount importance to us. Creating a safe and healthy work environment is the most material issue in our operations. The focus is to continuously improve our health and safety performance. Our operations are comparatively safe and does not use significant use of hazardous materials. All our employees are provided with relevant personal protective equipment according to the nature of work handled. They are imparted with relevant training on safety and handling of the equipment.

26. Corporate Social Responsibility Initiatives

As per provisions of Section 135 of the Companies Act, 2013 and rules made thereunder, the CSR is not applicable on your Company for the financial year 2020-21.

27. Director Responsibility Statement

To the best of knowledge and belief and according to the information and explanation obtained by them, your directors make the following statement in terms of section 134(3) (c):

- a) In the preparation of the annual accounts, the applicable accounting, standards had

been followed along with proper explanation relating to material departures;

- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. Transfer of Amounts to Investor Education and Protection Fund

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there was no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

29. Management Discussion & Analysis Report

The Management Discussion and Analysis Report as required under regulation 34(3) read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in the separate section forming part of this Annual Report.

30. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

As per Section 134(3) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014, the information on conservation of energy, technology absorption and foreign

exchange earnings and outgo is annexed in Annexure 'D' as an integral part of this report.

31. Business Responsibility Report

The Business Responsibility Reporting as required under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to your Company for the financial year 2020-21.

32. Internal Control Systems and their Adequacy

The Company has adequate internal control systems, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Audit committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The Audit committee gives valuable suggestions from time to time for improvement of the Company's business processes, systems and internal records. All efforts are being made to make the internal control systems more effective.

33. Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Other Employees

In adherence of Section 178(1) of the Companies Act, 2013, the Board of Directors have approved a policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the policy are- Objective, Role of Committee, Appointment and removal of Directors/KMP/Senior Management, Terms & Tenure, Evaluation, policy for remuneration to Directors/KMP/Senior Management Personnel etc.

The Company's policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure-E and forms part of this report.

34. Human Resource Management, Health and Safety

At Ridings Consulting Engineers India Limited, we consider our employees as the most valuable

resource and ensure strategic alignment of Human Resource practices to business priorities and objectives. Our constant endeavor is to invest in people and people processes to improve human capital for the organization and service delivery to our customers. Attracting, developing and retaining the right talent will continue to be a strategic imperative and the organization continues its undivided attention towards that. We would like to take this opportunity to express appreciation for the hard work and commitment of the employees of the Company and look forward to their continued co-operation.

To maintain competitive edge in this highly dynamic industry, we recognize the importance of having a workforce which is performance-driven and future capable. In keeping with this, a number of policies and initiatives have been drawn up like regular employee engagement surveys, focusing on objective performance management system with key result areas and performance indicators. These initiatives ensure a healthy balance between business needs and individual aspirations.

The Company has a policy on Prohibition, Prevention and Redressal of Sexual Harassment of women at workplace and matters connected there with or incidental thereto covering all the aspects as contained under "The Sexual Harassment of women at workplace (Prohibition, Prevention and Redressal) Act, 2013". During the year, no complaint was lodged.

35. Particulars of Employees

In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 none of the employees are drawing remuneration in excess of the limits set out in the said rules. Further, the disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed in **Annexure 'F'** as an integral part of this report.

36. Dematerialization of Shares

The Shares of the Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2021, 100% of the share capital stands dematerialized.

37. Internal Financial Control

The report on Internal Financial Control form part of Independent Audit report.

38. Code of Conduct

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in “Zero Tolerance” against bribery/ corruption and unethical dealings/behaviors of any form and the Board has laid down the directives to counter such acts. The Code has been posted on the Company’s website www.ridingsindia.com.

All the Board members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate trainings in this regard. Declaration by Chairman regarding compliance by Board members and senior management personnel with the Company’s code of conduct is given in **Annexure “G”**.

39. Prevention of Insider Trading

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window was closed. The Board is responsible for implementation of the code. All Board Directors and the designated employees have confirmed compliance with the Code.

40. Payment of Listing Fee

Your Company has paid Annual Listing fee of BSE Limited (SME Exchange) for the Financial Year 2020-21.

41. Cautionary Statement

Statements in this report, describing the Company’s objectives, expectations and/or anticipations may be forward looking within the meaning of applicable Securities Law and Other laws & regulations. Actual results may differ materially from those stated in the statement. Important factors that could influence the Company’s operations include global and domestic supply and demand conditions, Changes in government policies, regulations, tax laws, economic developments, within the country and outside and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of the forward looking statements, which may undergo changes in the future on the basis of subsequent developments, information or events.

42. Acknowledgement

The Directors of the Company acknowledge with a deep sense of gratitude for the continued support extended by investors, customers, Business Associates, bankers and Vendors. Your Directors place on record their appreciation for the significant contribution made by the employees at all levels through their hard work and dedication. The Directors also thanks the various Government and Regulatory Authorities and last but not the least the Shareholders for their patronage, support and faith in the Company. The Board looks forward to their continued support in the years to come.

By order of the Board

For Ridings Consulting Engineers India Limited

Sd/-

**Praveen Kumar Baveja
Chairman**

Place: Delhi

Dated: 31.08.2021

Board's Performance Evaluation Policy

Introduction

The Company conducts its operations under the directions of Board of Directors within the framework laid down by various statutes, more particularly by the Companies Act, 2013, the Articles of Association, SEBI (LODR) Regulations, 2015 and Code of Conduct and policies formulated by the Company for its internal execution. The Company's Board of Directors is dedicated to act in good faith; exercise their judgment on an informed basis, in the best interest of the company and its stakeholders. Accordingly, the present policy for Board's performance evaluation is being put into place in accordance with the requirements of section 178 of the Companies Act, 2013 which provides for the policy to be formulated and recommended to the Board, setting the criteria, based on which the performance of each and every director including the performance of the Board as a whole shall be assessed by the Board of Directors of the Company. Such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner.

With an aim to maintain an energized, proactive and effective Board, the Board is committed to a continuing process of recommending and laying down the criteria to evaluate the performance of the entire Board of the Company.

As one of the most important functions of the Board of Directors is to oversee the functioning of Company's top management, this Board Performance Evaluation process aims to ensure individual director ("Directors") and the Board of Directors of the Company ("Board") as a whole, work efficiently and effectively in achieving their functions. This policy aims at establishing a procedure for conducting periodical evaluation of its own performance and of its committees and individual directors. Hence, it is important that every individual Board Member effectively contributes in the Board deliberations.

Effectiveness of the Board

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained by each Director and

accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company. For this reason, based on the fore stated criteria of evaluation the remuneration of the Directors and Key Managerial Personnel shall be determined and reviewed from time to time.

Responsibility of Board/ Independent Director

It shall be the duty of the Board, who shall be supported by the Management to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the directors' and committees' effectiveness, to maximize their strength and to tackle their shortcomings.

The Board of Directors shall undertake the following activities on an annual basis:

- (i). Review the various strategies of the Company and accordingly set the performance objectives for directors, in consistency with varying nature and requirements of Company's business.
- (ii). The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

In conformity with the requirement of the Act, the performance evaluation of all the directors shall be done by the entire Board of Directors, excluding the director being evaluated.

Independent Directors are duty bound to evaluate the performance of non - independent directors and board as a whole. The independent directors of the Company shall hold at least one meeting in a year to review the performance of the non- independent directors, performance of chairperson of the Company and board as a whole, taking into account the views of executive directors and non-executive directors.

Evaluation Factors

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular director:

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, and of its committees and individual directors as, such evaluation factors may vary in accordance with their respective functions and duties.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below.

Rating Scale

Scale Performance	Rating Scale
Exceptionally good	5
Good	4
Satisfactory	3
Needs improvement	2
Unacceptable	1

The Company has chosen to adopt the following Board Performance Evaluation Process:

Independent Directors

Some of the specific issues and questions that should be considered in a performance evaluation of Independent Director, in which the concerned director being evaluated shall not be included, are set out below:

Name of Director being assessed: _____

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Attendance and participations in the Meetings		
2.	Raising of concerns to the Board		
3.	Safeguard of confidential information		
4.	Rendering independent, unbiased opinion and resolution of issues at meetings		

5.	Initiative in terms of new ideas and planning for the Company		
6.	Safeguarding interest of whistle-blowers under vigil mechanism		
7.	Timely inputs on the minutes of the meetings of the Board and Committee's, if any		

Non-Independent Directors, Executive Directors non – Independent Directors / Executive Directors

Some of the specific issues and questions that should be considered in a performance evaluation of Chairperson/Non-Independent Director / Executive Director by Independent Directors, in which the concerned director being evaluated shall not be included, are set out below:

Name of Director being assessed: _____

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Attendance and participations in the Meetings		
2.	Raising of concerns to the Board		
3.	Safeguard of confidential information		
4.	Rendering independent, unbiased opinion and resolution of issues at meetings		
5.	Initiative in terms of new ideas and planning for the Company		
6.	Safeguarding interest of whistle-blowers under vigil mechanism		
7.	Timely inputs on the minutes of the meetings of the Board and		

	Committee's, if any		
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Board of Directors

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by Independent Directors, are set out below:

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	The Board of Directors of the company is effective in decision making.		
2.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.		
3.	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.		
4.	The Board reviews the organization's performance in carrying out the stated mission on a regular basis.		
5.	The Board of Directors is effective in providing necessary advice and suggestions to the company's management.		
6.	Is the board as a whole up to date with latest developments in the regulatory environment and the market?		
7.	The information provided to directors prior to Board		

	meetings meets your expectations in terms of length and level of detail.		
8.	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.		
9.	The Board Chairperson effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.		
10.	The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.		
11.	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance.		
12.	The board considers the independent audit plan and provides recommendations.		

Committees of Board

The Board has constituted the following committees:

1. Audit Committee;
2. Nomination and Remuneration Committee; and

3. Stakeholders Relationship Committee

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects as set out in the annexure below:

(for Audit Committee members only)

S. No.	Audit Committee	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

(For Nomination and Remuneration Committee members only)

S. No.	Nomination and Remuneration Committee	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

(For Stakeholders Relationship Committee members only)

S. No.	Stakeholders Relationship Committee	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

Key Managerial Personnel and Senior Executives

For evaluating the performance of Key Managerial Personnel and other Senior Executives, the Board of Directors shall pay regards to the following aspects as set out below:

Name of person being assessed:

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Abidance and behavior in accordance with ethical standards & code of conduct of Company		
2.	Interpersonal and communication skills		
3.	Compliance with policies of the Company, ethics, code of conduct, etc.		
4.	Safeguarding interest of whistle-blowers under vigil mechanism		
5.	Team work attributes		
6.	Safeguard of confidential information		

Review & Amendment

The performance evaluation process will be reviewed annually by the "Nomination and Remuneration Committee".

Subject to the approval of Board of Directors, the Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

Disclosure

Company will disclose details of its Board Performance Evaluation processes in its Board's Report. The Board's report containing such statement shall indicate the manner in which formal evaluation has been made by the Board of its own performance and that of the committees of the Board and individual directors of the Company.

**By the Order of the Board
For Ridings Consulting Engineers India Limited**

**(Praveen Kumar Baveja)
Whole Time Director
DIN: 06778950**

ANNEXURE 'B' TO THE DIRECTORS' REPORT

MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

2015;

The Members,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RIDINGS CONSULTING ENGINEERS INDIA 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 our opinion thereon.

Based on our verification of the Company's books, minute Books, Papers, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **RIDINGS CONSULTING ENGINEERS INDIA LIMITED** ("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 (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
- (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018

2. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not attracted to the Company under the financial year under report.

3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

We have also examined compliances with the applicable clauses of Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible.

It was also observed that the Company has complied with the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015.

We further report that the compliances by the company of applicable financial laws, like direct and indirect tax laws have not been reviewed in this audit since the same have been subject to review by the Statutory Financial Auditors and other designated professionals.

We further report that

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

Adequate notice(s) were 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.

Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes. All the decisions of the Board were

unanimously passed and no dissenting views have been recorded in the Minutes of the Board.

As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

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.

For Jasleen Kaur & Associates.
Company Secretaries

Jasleen Kaur
Proprietor
CP No. - 10627
FCS No. - 9084
Date: 31.08.2021
Place: New Delhi

Note: This report is to be read with Annexure-I, attached herewith and forms an integral part of this report

ANNEXURE – I

1. Maintenance of Secretarial Records 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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random 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 Jasleen Kaur & Associates.
Company Secretaries

Jasleen Kaur
Proprietor
CP No. – 10627
Date: 31.08.2021
FCS No. – 9084
Place: New Delhi

ANNEXURE "C" TO THE DIRECTORS' REPORT

FORM- 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 the related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis
 - a. Name(s) of the related party and nature of Relationship: N.A.
 - b. Nature of contracts/arrangements/transactions: N.A.
 - c. Duration of the contracts/arrangements/transactions: N.A.
 - d. Salient features of the contracts or arrangements or transactions including the value, if any: N.A.
 - e. Justification for entering into such contracts or arrangements or transactions: N.A.
 - f. Date of approval by the Board: N.A.
 - g. Amount paid as advances, if any: N.A.

- h. Date on which special resolution was passed in general meeting as required under first proviso to section 188: N.A.
2. Details of material contracts or arrangements or transactions at arm's length basis:
 - a. Name(s) of the related party and nature of relationship: N.A.
 - b. Nature of contracts/arrangements/transaction: N.A.
 - c. Duration of the contracts/arrangements/transactions: N.A.
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
 - e. Date(s) of approval by the Board, if any: N.A.
 - f. Amount paid as advances, if any: N.A.

**By Order of the Board
For Ridings Consulting Engineers India Limited**

**Sd/-
Praveen Kumar Baveja
Chairman & Whole Time Director
Place: New Delhi
Date: 31.08.2021**

ANNEXURE "D" TO THE DIRECTORS' REPORT

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

The information under section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021 is given below and forms part of the Directors' Report.

A. Conservation of Energy

The operations of the Company does not involve manufacturing hence the consumption of energy is at minimal level. However, the Company takes necessary steps in order to reduce the consumption of energy as much as it can and reduce the damage to the environment.

B. Technology Absorption

Efforts in brief, made towards Technology absorption, adaptation and innovation:

The Company operates in an industry where the technology plays a major role in its output. We try to adopt the advance technology as per the need of the hour and teach the employees to implement it in the operations of the Company to increase the output and accuracy of its services.

Benefits derived as a result of the above efforts:

Improvement in overall productivity, quality of the services and reduced process scrap and cost.

In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

Not Applicable as there was no such instance.

The expenditure incurred on Research and Development

Company has not incurred any expenditure on Research and Development.

C. Foreign Exchange Earnings & Outgo

- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans. :
- b) The details of earnings in foreign currency and outgo of foreign currency are as under:

Particular		Year ended 31.03.2021	Year ended 31.03.2020
A)	Foreign currency used for:		
a)	Raw Materials	Nil	Nil
b)	Capital Goods	Nil	Nil
c)	Expenditure in foreign currency	Nil	8,358,661
B)	Earnings in foreign currency	2,442,088	24,193,374

**By order of the Board
For Ridings Consulting Engineers India Limited**

**Sd/-
Praveen Kumar Baveja
Chairman & Whole Time Director
DIN: 06778950
Place: Delhi
Date: 31.08.2021**

**ANNEXURE “E” TO THE DIRECTORS’ REPORT
NOMINATION AND REMUNERATION POLICY**

Preamble:

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 (“the Act”) read along with Rules there under and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Applicability:

This Nomination and Remuneration Policy (the “Policy”) applies to the Board of Directors (the “Board”), Key Managerial Personnel (the “KMP”) and the Senior Management Personnel of Ridings Consulting Engineers India Limited (the “Company”).

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him/her and includes perquisites as defined under the Income Tax Act, 1961;

“Key Managerial Personnel” means:

1. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole Time Director.
2. Company Secretary.
3. Chief Financial Officer.
4. Such other officer as may be prescribed.

“Senior Management Personnel” means the personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management of rank equivalent to General Manager and above, including all functional heads.

Objectives:

The objective of the policy is to ensure that:

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors for the quality required to run the company successfully;
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflection

short and long term performance objectives appropriate to the working of the Company and its goals.

Role of the Committee:

Nomination and Remuneration Committee being constituted in compliance of Section 178 of the Companies Act, 2013 (“the Act”) read along with rules thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, will be working as under:

The Role of the Committee will be the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of the director.
2. To formulate criteria for evaluation of Independent Directors, Board and its Committees.
3. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
4. To carry out evaluation of Director’s performance.
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. To devise a policy on Board diversity, composition and size.
8. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
9. To perform such other functions as may be necessary or appropriate for the performance of their duties.

Appointment and Removal of Director, Key Managerial Personnel and Senior Management:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment as per Company’s policy.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has

authority to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the position.

3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.
4. The Company shall not appoint or continue the employment of any person as whole-time director who is undercharged insolvent or has at any time been adjudged as an insolvent.

Term/Tenure

a) Managing Director / Whole Time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

Company shall have at least 50% of the total number of directors as independent directors and all independent directors shall meet the criteria as laid down in section 149(6) of the Act.

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of an ordinary resolution by the Company and disclosure of such appointment in the Board’s report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies

as an Independent Director in case such person is serving as a whole time director of a listed Company or such other number as may be prescribed under the Act.

Evaluation:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

Removal:

The Committee may recommend with reasons recorded in writing removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and policy of the Company.

Retirement:

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

Policy for Remuneration to Directors/KMP/Senior Management Personnel:

1) Remuneration to Managing Director/ Whole Time Directors:

- a. Remuneration/ Commission etc. to be paid to Managing Director/ Whole Time Directors etc. shall be governed as per provisions of the Companies Act, 2013, Schedule V of the Act and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the members of the Company.
- b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole Time Directors to attract, retain and motivate them.

- c. Company may make a balance in remuneration by fix and variable reflecting short term and long term performance and working of the Company.

2) Remuneration to Non-Executive/ Independent Directors:

- a. The Non-Executive / Independent Directors may receive sitting fee and such other remuneration as permissible under the provisions of the Companies Act, 2013 read with rules thereunder and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and members from time to time.
- b. All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d. Any remuneration paid to Non-Executive/Independent Directors for the services rendered which are professional in nature shall not be considered as part of the remuneration for the purpose of clause(b) above if the following conditions are satisfied:

- i. The services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Company, the director possesses the requisite qualification for the practice of that profession.
- 3) Remuneration to Key Managerial Personnel and Senior Management:
 - a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay reflecting their short term and long term performance and working, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's policy.
 - b. The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
 - c. The Incentive pay shall be decided on the balance between performance of the Company and performance of the key managerial personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Loan to KMP, Senior Management and other Employees of the Company: (Except Director which is governed by Section 185 of the Companies Act, 2013)

- 1) Company may consider the loan applications received from KMP, Senior Management and other employees of the Company.

- 2) The loan may be granted/ sanctioned for purchase of vehicle, medical treatment of self and family dependent or to meet other personal expenditure.
- 3) The loan may be given at a concessional rate of interest or interest free at the sole discretion of the Board/Company.
- 4) The amount of loan, repayment period and the mode of repayment, amount of installment, extension and other relevant terms & conditions may be decided by the Board/ Company as they/ it deem fit or suitable from time to time.
- 5) The Company may take suitable steps to secure the loan given by availing collateral security, deposit of title deed/papers of the vehicle/property concerned or by taking post-dated cheques or any other way.

Implementation:

- 1) The committee may recommend to the Board or Board may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- 2) The committee may delegate any of its powers to one or more of its members or directors of the Company.

The NRC may recommend changes, if any, or the Board may itself amend the policy from time to time in accordance with Act, Rules and Provisions in force.

**By order of the Board
For Ridings Consulting Engineers India Limited**

**Sd/-
Praveen Kumar Baveja
Chairman & Whole Time Director
DIN: 06778950
Place: Delhi
Date: 31.08.2021**

ANNEXURE "F" TO THE DIRECTORS' REPORT

Details under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule	Particulars	
(i)	The Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year	a) Mr. Praveen Kumar Baveja (Whole Time Director) Nil
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a) Mr. Praveen Kumar Baveja (Whole Time Director) Nil b) Mr. Sudhir Kumar Baveja (Chief Financial Officer) Nil c) Mr. Abhishek Bhargav (Company Secretary) Nil
(iii)	* The percentage increase in the median remuneration of employees in the financial year is 10%.	
(iv)	The number of permanent employees on the rolls of the Company is 60.	
(v)	The explanation on the relationship between average increase in remuneration and Company performance	The Average increase is based on the objectives of Remuneration Policy of the Company that is designed to attract, motivate and retain the employees who are the drivers of organization success and helps the Company to retain its industry competitiveness. Pay mix is designed to reflect the performance and is aligned to the long term interests of the shareholders.
(vi)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration	The average increase in the salary of the employees from the last financial year has been in same lines with the increase in the managerial remuneration. There has been no exceptional circumstance for increase in managerial remuneration. All increase in the remuneration has been as per the remuneration policy adopted by the Company.
(vii)	It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company	
Note:		
(a) The Non-Executive Directors of the Company are entitled for sitting fees and commission as per statutory provisions and within the time limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors is therefore not considered for the above purpose.		
(b) the median remuneration of employees of the company was Rs. 27,800/-		
(c) The median remuneration calculated on the basis of employee who worked for the whole financial year 2020-21.		
(d) For calculation of median remuneration of employee total remuneration paid during the year was taken of all the employee except contract labour. Employee join/left during the year were not considered for this calculation.		

By order of the Board
For Ridings Consulting Engineers India Limited

Sd/-
Praveen Kumar Baveja
Chairman & Whole Time Director
DIN: 06778950
Place: Delhi
Date: 31.08.2021

ANNEXURE “G” TO THE DIRECTORS’ REPORT

Declaration of Chairman regarding Compliance by Board Members and Senior Management Personnel with the Company’s Code of Conduct

I hereby confirm that the Company has, in respect of the Financial Year ended 31st March 2021, received a declaration of Compliance with the Code of Conduct from the Senior Management Team of the Company and the members of the Board as applicable to them.

**By the order of the Board
For Ridings Consulting Engineers India Limited**

**Sd/-
(Praveen Kumar Baveja)
Chairman and Whole Time Director
Place: Delhi
Date: 31.08.2021**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Economic Outlook

The COVID-19 pandemic continues to have significant implications on the global economy. Industry estimates suggest that the global economy contracted by more than 3% in 2020 but is expected to see a growth of more than 5% this year. Despite this, the growth projections are far short of pre-pandemic levels. However, this growth depends heavily on how rapidly countries can manage further waves of the pandemic through wide scale vaccination programs and continued adherence to COVID-19 guidelines.

Nations worldwide were forced to inject significant stimulus packages, including favorable fiscal policies, to keep their economies afloat. If nations fall short on the promise to curb the pandemic by vaccinating large portions of their population or contain waves and slow down COVID-19 transmission, the impact on the economy could be severe with increased financial stress and much slower growth.

The Geospatial industry is expected to have minimal impact in the medium term due to shutdowns, lower demand and delayed investments. The Covid-19 pandemic has increased the need for GIS enabled decision making to map changing supply chain structures and understand the spread. However, the long term outlook continues to remain strong as growing use of GIS solutions in the transportation sector and smart cities investments are likely to boost in the near future. Along with this, geospatial analytics and earth observation are expected to hold a larger market share in the future.

While the industry continues to struggle through the Covid-19 pandemic, we expect to witness a short term decline in revenues across the industries. We will focus on

streamlining our operations that are impacted by the lockdown and continue to focus on meeting our clients changing needs in the short term. From a long term perspective, our focus will be on strengthening our digital capabilities across the industries and strengthening our business model to serve our clients better.

Opportunities and threats

The recent shift of paradigm towards development of smart cities throughout the developing countries across the world has sprung open a wide array of opportunities for the GIS industry. The opportunities have multiplied a lot and the Company is looking forward to cater to as many opportunities within its ambit to grow itself and in turn provide value to its stakeholders. With the opening of new opportunities in the industry like the smart cities and AMRUT cities projects, the crown jewel of Prime Minister Mr. Narendra Modi development plan for India, the competition has also grown. The COVID impact has made organization conserve cash which has reduced the number of opportunities and has led to reduction of funds towards the projects allocation, which may hamper the flow of new projects in the near future. The impact of the pandemic on the international projects will be measureable once the travel resumes.

Product wise performance

The services offered by companies are diverse however together they form a complete solution towards creation of a smart network. The Company provides a variety of services/surveys like Topographical survey, Base map creation, Consumer Indexing, Property survey, Underground utility survey, Point of Interest (POI) collection,

ABD (As-Built drawing), Building Footprint Digitization. The performance of each product during a financial year depends on the stage of project the Company is entering or executing irrespective of the ongoing projects the management and its core team works towards acquiring as much projects as they can.

Outlook

There is a lot of potential for growth in the turnover of the Company because of the rising demand of the services provided by the Company and the demand will be increasing many folds in the coming time. The government has shifted its focus to vocal for local which has opened different avenues for the Company to bag orders which were earlier not accessible. The private sector along with the government sector has started floating tenders for the indigenous companies which the company is hopeful to bag given its credentials.

Risks and concern

In today's dynamic business environment 'Risk Management' is an essential function to have sustainable and effective business model in place in India. Risk Management encompasses practices related to identification, analysis, evaluation, mitigation and monitoring of the strategic, external and operational controls risks to achieving our key business objectives. Risk management seeks to minimize the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long term competitive advantage.

Global Recession due to COVID 19 pandemic: The novel coronavirus disease (COVID-19) pandemic and ensuing lockdowns in several parts of the world have led to a recession unmatched in eight decades. Combined with structural bottlenecks, this will amplify the long-term damage of deep recession associated with the pandemic. This would severely impact the demand side of the equilibrium and affect supply chains across the country and world. Our Company may be affected to that extent by the global recession.

The management of the Company is cautious about the proper risk management across the Company. The focus of risk management is to access risks, monitor, evaluate and deploy mitigation measures to manage these risks within our risk appetite.

Also to add that the revenues from our existing business lines are all dependent on the sustainability of Geospatial industry, we believe that macro-economic factors including

the growth of the Indian economy, interest rates, as well as the political and economic environment, have a significant direct impact on our business, results of operations and financial position.

Internal control systems and their adequacy

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Audit committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The Audit Committee gives valuable suggestions from time to time for improvement of the Company's business processes, systems and internal controls. All efforts are being made to make the internal control systems more effective.

Discussion on financial performance with respect to operational performance

The Company has tried to perform and fulfill the requirements of all the work orders despite COVID induced restrictions. Our Company has made 1.95 lacs of Profit in the financial year 2020-21 which reflects positive effects of changes and shows efforts of management in the growth of the Company.

Key Ratios:

Debt Equity Ratio	: 0.870
Debt Service Coverage Ratio	: 0.160
Interest Service Coverage Ratio	: 2.150

Material development in Human Resources / Industrial Relations front, including number of people employed

Human capital has always been the most important and valuable asset to the Company. Our Company continued its activities during the year in a cordial atmosphere with utmost co-operation amongst employees and the management. The management is committed to promote safety, occupational health and proper environment in designing, planning, training and completion of all tasks. Trainings are imparted to workmen in various new techniques and systems.

By order of the Board For Ridings Consulting Engineers India Limited

**Sd/-
Praveen Kumar Baveja
Whole Time Director
DIN: 06778950
Place: Delhi
Date: 31.08.2021**

AUDITORS' CERTIFICATE

To
The Members
Ridings Consulting Engineers India Limited

1. We have examined the compliance of conditions of Corporate Governance by Ridings Consulting Engineers India Limited for the year ended on 31st March, 2021 as stipulated in SEBI (LODR) Regulation, 2015.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination 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 the opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate

Governance as stipulated in the above mentioned SEBI (LODR) regulation, 2015.

4. We state that no investor grievance, if any, is pending for a period exceeding one month against the company as per the records maintained by the shareholders / Investors grievance committee.

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

For Jasleen Kaur and Associates
(Company Secretaries)
(Jasleen Kaur)

Proprietor
M. No.: F9084
CP: 10627
Place: Delhi
Date: 31.08.2021

CEO'S/CFO'S CERTIFICATION

We, Praveen Kumar Baveja, Chief Executive Officer and Sudhir Kumar Baveja, Chief Financial Officer of Ridings Consulting Engineers India Limited, to the best of our knowledge and belief, certify that:

- a) We have reviewed Financial Statements and the cash flow statement for the year ended March 31, 2021 and to the best of our knowledge and belief:
 - i) 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 year which are fraudulent, illegal or violates the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have to be taken to rectify these deficiencies.

d) We have indicated to the auditors and the audit committee:

- i) Significant changes in internal control, if any, over financial reporting, during the year.
- ii) significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and
- iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

This certificate has been issued in compliance with the provisions of SEBI (LODR) Regulation, 2015.

By the order of the Board
For Ridings Consulting Engineers India Limited

Sd/-
Praveen Kumar Baveja
Chief Executive Officer

Sd/-
Sudhir Kumar Baveja
Chief Financial Officer

Place: Delhi
Date: 31.08.2021

To the Members of Ridings Consulting Engineers India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Ridings Consulting Engineers India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with 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 financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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.

1. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances

in view of Accounting Standard- 9- "Revenue Recognition"

Audit Procedures

- We have compared the company's policy for accounting sales with the significant accounting policies mentioned in the Notes to the Accounts.
- We have ensured that an appropriate, consistent revenue recognition policy is applied at the year end and ensured that the policy adopted is in line with generally accepted accounting principles. We have considered the accounting for long term contracts spread over the year end.
- We have checked entries in the sales daybook with copies of invoices and credit notes and ensured separate classification of amounts for different class of services given with by the company.
- We have also ensured that where a sale includes a deferred element a portion of revenue is deferred where appropriate.
- We have determined whether there are any bill and hold sales at year end and also applied revenue recognition criteria to these sales.
- We have checked last 10 invoices/ credit notes of the current audit period and first 10 invoices/ credit notes of the next financial year to ensure cut-off procedures related to revenue recognition.
- We have vouched sample of sales invoices to supporting documentation.
- We have checked the invoices raised by the company to ensure the same is in line with the terms of sales order and company's sales policy.
- We have checked if the sales invoices are serially numbered, with particular attention to invoices cancelled during the audit period.
- We have scrutinised sales journal on overall basis & discuss any discrepancies/queries with client.
- We have also ensured disclosure as per Schedule III of the Act.

2. Recoverability of Trade Receivables

As at March 31, 2021 trade receivables amounting Rs. 100,216,353 are outstanding for long period. Refer note 16 to the financial statements.

Audit Procedures

- Obtained the schedule of trade receivables giving the age wise analysis of trade receivables and sought reasons for old outstanding receivables to ensure recoverability of the same.
- Verified balances at the end of the year for subsequent realization.
- We have reviewed policy of the Company for provision for doubtful debts/ bad debts and ensured that the same is being followed consistently.
- We have sent the balance confirmation to various customers on sample basis and performed alternative audit procedures where no confirmations were received.

- We have checked the amounts due from foreign parties converted into Indian Rupees at the year-end exchange rates to ensure compliance to the provisions AS-11 and verified the calculation and accounting effects for the same.
 - We have ensured disclosure as per Schedule III of the Act.
3. Accuracy, Completeness and Existence of Cost of Services

Audit Procedures

- Reviewed policy of the Company for incurring the project related expenses and the matrix for level of approvals for expenses made by the client.
- We have obtained the list of expenses related to cost of services and ensured that the same are correctly classified as cost of services.
- We have vouched samples of costs of service as recognised in audit period.
- We have reviewed the purchase orders/ agreements with various vendors to understand the terms & conditions.
- We have checked accounting entry agrees to supplier invoice and receipts documentation.
- We have ensured the expense represents a genuine business cost.
- We have checked foreign exchange translation, treatment of indirect taxes if any and cost classification on supplier invoice to recognition in expense general ledger.
- We have ensured disclosure as per Schedule III of the Act.

Emphasis of Matter

We draw attention to the following matters in the notes to the financial statements:

We draw attention to Note 38 to the accompanying Financial Statements, which explains the management's evaluation of the financial impact on the Company due to lockdown and other restrictions imposed on account of COVID-19 pandemic situation. The assessment of the impact in the subsequent period is highly subjective and is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and

fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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 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.

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 section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors 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 the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **NKSC & Co.**
Chartered Accountants
ICAI Firm Registration No.020076N

Priyank Goyal
Partner
Membership No.: 521986
UDIN: 21521986AAAAAP7056
Place: New Delhi
Date: June 25, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Ridings Consulting Engineers India Limited on the financial statements for the year ended March 31, 2021]

- (i)
- (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, fixed assets have not been physically verified by the management. However, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There is no immoveable property held in the name of the Company.
- (ii) The Company does not hold any inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii) (b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) According to the information and explanation given to us, there are no loans, investments, guarantees and securities. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii)
- (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, and any other material statutory dues applicable to it.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues with respect to service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has defaulted in repayment of loans or borrowings to financial institutions and banks. The details of which is as follows:-

Particulars	Amount of default (In Rs.)	Period of Default
Tata Capital Finance Services Limited	80,100	28-301 days

Deutsche Bank Limited II	845,118	360-513 days
HDFC Bank Limited	1,473,693	27-393 days
Capital First Limited	431,754	291-483 days
Capital First Limited II	1,206,790	29-395 days
Kanika Investment Limited	244,290	547 days
Religare Finvest Limited	15,19,215	120-456 days
Intec Capital Limited	172,118	83-102 days

There are no dues to government and debenture holders.

- (ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For NKSC & Co.
Chartered Accountants
ICAI Firm Registration No. 020076N

Priyank Goyal
Partner
Membership No. 521986
Place: Delhi
Date: June 25, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Ridings Consulting Engineers India Limited on the financial statements for the year ended March 31, 2021]

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

We have audited the internal financial controls over financial reporting of Ridings Consulting Engineers India Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **NKSC & Co.**

Chartered Accountants

ICAI Firm Registration No.020076N

Priyank Goyal

Partner

Membership No. 521986

Place: New Delhi

Date: June 25, 2021

Balance Sheet

Ridings Consulting Engineers India Limited			
Balance Sheet as at March 31, 2021			
<i>(Amounts are in Rupees unless otherwise stated)</i>			
Particulars	Note	As at March 31, 2021	As at March 31, 2020
Equity and Liabilities			
Shareholder's funds			
Share capital	3	124,400,000	124,400,000
Reserves and surplus	4	(107,327,097)	(107,522,139)
		17,072,903	16,877,861
Non-current liabilities			
Long-term borrowings	5	-	1,536,306
Long-term provisions	6	1,808,877	1,193,654
		1,808,877	2,729,960
Current liabilities			
Short-term borrowings	7	96,529,194	87,032,233
Trade payables	8		
Outstanding dues of micro enterprises and small enterprises		281,031	-
Outstanding dues of creditors other than micro enterprises and small enterprises		17,810,045	33,601,429
Other current liabilities	9	40,333,826	63,337,669
Short-term provisions	10	146,974	128,167
		155,101,070	184,099,498
Total Equity and Liabilities		173,982,850	203,707,319
Assets			
Non-current assets			
Property, plant and equipment	11	10,758,780	14,763,596
Intangible assets	12	128,486	150,982
Deferred tax assets (net)	13	46,350,807	51,643,139
Long-term loans and advances	14	6,819,271	10,644,261
Other non-current assets	15	2,384,585	3,037,490
		66,441,929	80,239,468
Current Assets			
Trade receivables	16	100,216,353	116,478,602
Cash and cash equivalents	17	170,893	681,676
Short-term loans and advances	18	6,558,344	5,772,261
Other current assets	19	595,331	535,312
		107,540,921	123,467,851
Total Assets		173,982,850	203,707,319
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements.			
As per our report of even date			
For NKSC & Co.		For and on behalf of the Board of Directors of	
Chartered Accountants		Ridings Consulting Engineers India Limited	
ICAI Firm Registration No.: 020076N			
Priyank Goyal		Praveen Kumar Baveja	
Partner		Chairman	
ICAI Membership No.: 521986		DIN: 06778950	
Place: New Delhi		Place: NOIDA	
Date : June 25, 2021		Date : June 25, 2021	

Ridings Consulting Engineers India Limited			
Statement of Profit and Loss for the year ended March 31, 2021			
<i>(Amounts are in Rupees unless otherwise stated)</i>			
Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	20	20,757,382	52,408,757
Other income	21	21,261,260	54,743,147
Total revenue		42,018,642	107,151,904
Expenses			
Cost of services	22	3,632,592	48,637,329
Employee benefit expenses	23	9,029,777	21,519,254
Finance costs	24	8,267,413	9,511,208
Depreciation and amortisation expense	25	4,036,150	6,636,590
Other expenses	26	11,565,335	159,398,016
Total expenses		36,531,267	245,702,397
Profit/(Loss) before tax		5,487,375	(138,550,493)
Tax expense			
Current tax		-	-
Deferred tax		5,292,333	(34,025,698)
		5,292,333	(34,025,698)
Profit/(Loss) after tax		195,042	(104,524,795)
Profit/(Loss) per equity share:	27		
Nominal value of ₹ 10 each (Previous year ₹ 10 each)			
Basic and diluted Profit/loss per share		0.02	(8.40)
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements.			
As per our report of even date.			
For NKSC & Co.		For and on behalf of the Board of Directors of	
Chartered Accountants		Ridings Consulting Engineers India Limited	
ICAI Firm Registration No.: 020076N			
Priyank Goyal		Praveen Kumar Baveja	
Partner		Chairman	
ICAI Membership No.: 521986		DIN: 06778950	
		Sudhir Kumar Baveja	Abhishek Bhargava
		Chief Finance Officer	Company Secretary
		PAN: AAHPB5240J	ICSI M. No.: 47428
Place: New Delhi		Place: NOIDA	
Date : June 25, 2021		Date : June 25, 2021	

Ridings Consulting Engineer India Limited		
Cash Flow Statement for the year ended March 31, 2021		
<i>(Amounts are in Rupees unless otherwise stated)</i>		
	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from operating activities		
Net profit/(loss) before tax	5,487,375	(138,550,493)
Adjustments for:		
Depreciation and amortisation	4,036,150	6,636,590
Finance costs	8,267,413	9,511,208
Interest income	(215,879)	(227,915)
Bad debts written off	24,686	74,492,492
Provision for doubtful debts	4,941,479	76,947,871
Liability no longer required written back	(5,274,421)	(34,360,514)
Notice period recovery	(5,421,891)	(2,208,946)
Profit on sale of assets	(93,243)	(26,168)
Unrealised foreign exchange gain or loss	2,779,864	(7,563,659)
Operating profit/(loss) before working capital changes	14,531,533	(15,349,534)
Adjustments for (increase)/decrease in operating assets		
Trade receivables	8,515,454	6,737,054
Non-current assets	652,905	(318,033)
Long term loans and advances	(1,107,869)	414,295
Short term loans and advances	(786,083)	2,551,688
Adjustments for increase/(decrease) in operating liabilities		
Other current liabilities	(18,904,442)	13,177,102
Long term provisions	615,223	(387,380)
Short term provisions	18,807	(67,873)
Trade payables	(10,235,932)	3,469,495
Net Cash (used in)/generated from operating activities	(6,700,404)	10,226,814
Taxes paid	4,932,860	(4,060,981)
Net Cash (used in)/generated from operating activities	(1,767,544)	6,165,833
B. Cash flow from investing activities:		
Purchase of fixed assets	(59,184)	(228,586)
Disposal of fixed assets	143,590	570,000
Interest income received	155,860	1,020,661
Net cash generated from investing activities	240,266	1,362,075
C. Cash flow from financing activities:		
(Repayment) of long term borrowings (net)	(1,769,591)	(6,438,110)
Proceeds of short term borrowings (net)	9,496,961	7,000,837
Interest paid	(6,711,640)	(8,121,839)
Net cash generated from/(used in) financing activities	1,015,730	(7,559,112)
Net (decrease) in cash and cash equivalent (A+B+C)	(511,548)	(31,203)
Unrealised foreign exchange gain on cash and cash equivalents	765	4,152
Cash and cash equivalents at the beginning of the year (D)	681,676	708,727
Cash and cash equivalents at end of the year	170,893	681,676
Cash and cash equivalents comprise		
Fixed deposits shown under cash and cash equivalent:		
– on current accounts	27,468	512,797
- Cash on hand	143,425	168,879
Total cash and bank balances at end of the year	170,893	681,676
Summary of significant accounting policies (Refer note 2)		

i. The accompanying notes form an integral part of the financial statements.		
ii. The above cash flow statement has been prepared under the indirect method set out in AS-3 as specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014		
As per our report of even date		
For NKSC & Co.		For and on behalf of the Board of Directors of
Chartered Accountants		Ridings Consulting Engineers India Limited
ICAI Firm Registration No.: 020076N		
Priyank Goyal		Praveen Kumar Baveja
Partner		Chairman
ICAI Membership No.: 521986		DIN: 06778950
		Sudhir Kumar Baveja
		Abhishek Bhargava
		Chief Finance Officer
		Company Secretary
		PAN: AAHPB5240J
		ICSI M. No.: 47428
Place: New Delhi		Place: NOIDA
Date : June 25, 2021		Date : June 25, 2021

1. Background

Ridings Consulting Engineers India Limited ('the Company') was incorporated in India on December 28, 1995 to serve the growing needs for high-quality geospatial data generation & GIS solutions for the various Industries. It is a company at the leading edge of technology providing an entire range of services in the field of Underground Survey by Ground Penetrating Radar (GPR), Geospatial data creation using Remote Sensing & Satellite image and Topographical Surveying, Nationally & Internationally.

The Company's shares have been listed with SME platform of Bombay Stock Exchange Limited (BSE) consequent to a public offer of shares by the Company.

2. Summary of significant accounting policies

(i) Basis for preparation of Financial Statements:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

(ii) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the reported date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision in accounting estimate is recognised prospectively in current and future periods.

(iii) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured.

Revenue from services

Revenue in respect of services is recognised after rendering of services. Revenue is recorded at invoice value, net of discounts and taxes, if any.

Other Income

Interest

Revenue from interest on time deposits is recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates.

(v) Property, Plant & Equipment

Items of property, plant & equipment are stated at cost of acquisition net of recoverable taxes (wherever applicable), less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Subsequent expenditure related to an item of property, plant & equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant & equipment, including day to day repair and maintenance and cost of replacing parts are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Property, plant & equipment retired from active use and held for disposal are stated at lower of book value and net realisable value as estimated by the Company and are shown separately in the financial statements under other current assets. Loss determined, if any, is recognised immediately in the Statement of Profit and Loss, whereas profit and sale of such assets is recognised only upon completion of sale thereof.

(vi) Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the Statement of Profit and Loss.

(vii) Depreciation and amortisation

Depreciation has been calculated on Straight Line Method at the useful lives, which are equal to useful lives specified as per schedule II to the Act. Amortisation has been calculated on straight line method at the useful lives, based on management estimates and in accordance with Accounting Standard-26 "Intangible Asset".

Depreciation and amortisation on addition to property, plant & equipment and intangible assets respectively is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation and amortisation on sale/discard from property, plant & equipment and intangible assets respectively is provided for up to the date of sale, deduction or discard of the assets as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year end, and changes, if any, are accounted for prospectively.

The useful lives of the assets are as under:

Particulars	Useful life (years)
Property, plant & equipment:	
Furniture and fixtures	8-10
Plant & Machinery	15
Office equipment	5
Vehicle	8-10
Computer equipment	3
Intangible assets:	
Software	5

(viii) Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(ix) Leases:

Where the Company is lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset as determined by the management or the useful life envisaged in Schedule II to the Act, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term and the useful life envisaged in Schedule II to the Act.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

(x) Employee Benefits

Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus etc. are recognised in the Statement of Profit and Loss in the year in which the employee renders the related service.

Long term employee benefits:

i. Defined contribution plan: Provident fund

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions.

ii. Defined Benefit Plan: Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the Statement of Profit and Loss. The expected return on plan assets is based on the assumed rate of return of such assets.

iii. Other long-term benefits: Leave encashment

Benefits under the Company's leave encashment scheme constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss.

(xi) Foreign exchange transactions

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognized in the Statement of Profit and Loss. Non- monetary assets and liabilities are recorded at the rates prevailing on the date of the transaction.

Translation of integral and non-integral foreign operations

The Company classifies its foreign operations as either "integral foreign operations" or "non-integral foreign operations".

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operations have been those of the Company itself. The assets and liabilities (except share capital which is taken at historical cost) both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate. Income and expense items of the non-integral foreign operation are translated at average rates at the date of transaction. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment, at which time the accumulated amount is recognized as income or as expense.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classifications are applied from the date of the change in the classification.

(xii) Taxation

Tax expense for the year comprising current tax, deferred tax charge or benefit and MAT credit entitlement is included in determining the net profit for the year.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty backed by convincing evidence of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the entity has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum alternate tax

Minimum alternate tax (MAT) under the Income Tax Act, 1961, payable for the year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the period in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the "Income-tax Act, 1961", the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

- (xiii) Provisions, contingent liabilities and contingent assets

Provision

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

- (xiv) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

- (xv) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

- (xvi) Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities"

- (xvii) Share issue expenses

Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Act, to the extent balance is available for utilization in the securities premium account. The balance of share issue expenses in excess of securities premium account, if any, are charged to Statement of Profit and Loss.

- (xviii) Material Events

Material events occurring after the balance sheet date are taken into cognizance.

3 Share capital

a) The Company has one class of shares i.e. Equity Shares, having a par value of ₹ 10 per share.

Share Capital Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of ₹ 10 each (previous year ₹ 10)	15,000,000	150,000,000	15,000,000	150,000,000
	15,000,000	150,000,000	15,000,000	150,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each (previous year ₹ 10)	12,440,000	124,400,000	12,440,000	124,400,000
	12,440,000	124,400,000	12,440,000	124,400,000

b) Reconciliation of shares outstanding as at the beginning and at the end of the reporting year

Particulars	Number	Amount	Number	Amount
Opening balance	12,440,000	124,400,000	12,440,000	124,400,000
Outstanding at the end of the year	12,440,000	124,400,000	12,440,000	124,400,000

c) Terms/rights attached to equity shares

Voting

Each holder of equity shares is entitled to one vote per share held.

Dividends

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed. The Company has not distributed any dividend in the current year and previous year.

Liquidation

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

d) The Company does not have any holding Company.

e) Shares held by the shareholders holding more than 5% shares in the Company

Name of share holders	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Percentage of share holding	Number of shares	Percentage of share holding
Mr. Sain Dtiita Baveja (refer note 39)	7,937,600	63.81%	7,937,600	63.81%
Beeline Broking Limited	952,000	7.65%	944,000	7.59%
	8,889,600	71.46%	8,881,600	71.40%

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

f) No class of shares have been issued as bonus shares and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date except for one class of share for which aggregate value has been mentioned below:

Particulars	As at March 31, 2021	As at March 31, 2020
	Numbers In aggregate	Numbers In aggregate
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	6,800,000	6,800,000
	6,800,000	6,800,000

g) No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

4 Reserves and surplus

4.1	Securities premium reserve	As at March 31, 2021	As at March 31, 2020
	Opening balance	29,120,000	29,120,000
	Closing balance	29,120,000	29,120,000
4.2	(Deficit) in the Statement of profit and loss		
	Opening balance	(136,642,139)	(32,117,344)
	Add: Profit/(Loss) for the year	195,042	(104,524,795)
	Closing balance	(136,447,097)	(136,642,139)
	Total Reserves and surplus	(107,327,097)	(107,522,139)

5 Long-term borrowings

		As at March 31, 2021	As at March 31, 2020
	Term loans		
	From NBFC		
	-Secured (refer footnote i)	115,192	782,894
	From banks		
	-Unsecured (refer footnote ii)	2,909,560	2,999,701
	From others (refer footnote iii)		
	-Unsecured	3,633,718	4,645,466
	Less: Current maturities (refer note 9)		
	- Loan from NBFC	(115,192)	(736,932)
	- Loan from Banks	(2,909,560)	(2,130,243)
	- Loan from Others	(3,633,718)	(4,024,580)
		-	1,536,306

Footnotes:

i) Secured term loans- NBFC

The Company has taken term loans from various banks. Details of the loans are as follows:

Name of NBFC	Loan taken	Rate of Interest	Tenure	EMI	First EMI date	Balance outstanding as at March 31, 2021	Balance outstanding as at March 31, 2020
Intec Capital Limited	3,178,350	13.50%	48 Months	86,059	5-Jun-16	-	654,884

Security: The loan from Intec capital was secured against hypothecation of machinery.

Vehicle loan

Tata Capital Financial Services Ltd	333,000	16.38%	60 Months	8,010	3-Oct-16	115,192	128,010
						115,192	782,894

Vehicle Loan:

Security: Vehicle loan taken from Tata Capital Financial Services Limited is secured against hypothecation of vehicles.

ii) Unsecured- Bank

The Company has taken term loans from various banks. Details of the loans are as follows:

Name of Bank	Loan Taken	Rate of interest	Tenure	EMI	First EMI date	Balance outstanding as at March 31, 2021	Balance outstanding as at March 31, 2020
Deutsche Bank II	3,300,000	19.00%	36 Months	120,184	5-Jun-16	845,118	684,470
HDFC Bank Limited	4,000,000	16.00%	48 Months	113,361	4-Dec-17	2,064,442	2,315,231
						2,909,560	2,999,701

iii) The Company has taken loans from various financial institutions. Details of the loans are as follows:

Name of financial institution	Loan Taken	Rate of interest	Tenure	EMI	First EMI date	Balance outstanding as at March 31, 2021	Balance outstanding as at March 31, 2020
Aditya Birla Finance Limited	2,500,000	18.50%	24 Months	125,416	5-Dec-17	-	326,234
Capital First Limited	3,420,000	8.75%	36 Months	71,959	5-Jun-17	407,619	471,715
Capital First Limited-II	2,550,000	18.50%	36 Months	92,830	2-Nov-18	1,587,219	1,786,136
Infoline Finance Limited	2,500,000	20.00%	24 Months	127,240	3-Oct-17	-	248,243
Kanika Investment Limited	2,000,000	19.50%	24 Months	101,304	2-Jan-18	244,290	294,290
Religare Finvest Limited	3,521,000	18.51%	36 Months	128,195	1-Jan-18	1,394,590	1,518,848
						3,633,718	4,645,466

Period and amount of continuing default as on balance sheet date in respect of loan including Interest is as follows:

Particulars	Principal	Interest	Total	Period
Term Loans	5,146,206	654,754	5,800,960	27-513 days

6 Long-term provisions

	As at March 31, 2021	As at March 31, 2020
Provision for retirement benefits (refer note 29)		
Provision for gratuity	1,192,672	795,413
Provision for leave encashment	616,205	398,241
	1,808,877	1,193,654

7 Short-term borrowings

	As at March 31, 2021	As at March 31, 2020
Loans repayable on demand (refer footnote i)		
From Bank		
-Bank overdraft (refer footnote a)	53,202,421	59,999,991
Loans repayable on demand		
-From Directors (refer footnote ii and note 39)	43,326,773	27,032,242
	96,529,194	87,032,233

a. At the year end, the Company has received cheques from trade receivables amounting Rs. 7,623,558. The same has been shown as netted off with overdraft balances as at March 31, 2021.

i. Overdraft from State Bank of India

Cash credit represents overdrafts from State Bank of India (limit Rs. 6 Crores) which is repayable on demand.

Rate of interest

It carries interest rate of bank's base rate plus 1.25% ranging i.e. 9.00% calculated on monthly basis on the actual amount utilised.

Primary Security:

Hypothecation of entire present and future current assets of the Company and hypothecation of receivables.

Collateral

Residential flat no. C-603, Kartik Kunj, Plot no. D-13, Sector-44, Noida, measuring 153.34 sq meter owned by Mr. Sain Ditta Baveja
House no. 1211-P, Sector 37B, Chandigarh, measuring 216.89 sq meter owned by Mr. Sain Ditta Baveja

ii. Loan from Directors

Unsecured loans from directors represent interest free loans taken from Directors which are repayable on demand.

8 Trade payables		As at March 31, 2021	As at March 31, 2020
Trade payables			
- to micro enterprises and small enterprises (refer note 35)		281,031	-
- to others		17,810,045	33,601,429
		18,091,076	33,601,429

9 Other current liabilities		As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings (refer note 5)		6,658,470	6,891,755
Interest accrued and due on borrowings			
-From related parties (refer note 36 & 39)		970,097	970,097
-From others		3,765,306	2,209,531
Interest accrued but not due on borrowings		19,288	51,909
Employee related payables (refer note 37 & 39)		13,430,845	19,094,427
Security deposits payable		100,205	544,205
Expenses payable (refer note 37)		13,903,971	24,018,872
Statutory dues payable		1,485,644	9,319,936
Advances from customer		-	236,937
		40,333,826	63,337,669

10 Short-term provisions		As at March 31, 2021	As at March 31, 2020
Provision for retirement benefits (refer note 29)			
Provision for gratuity		36,342	22,942
Provision for leave encashment		110,632	105,225
		146,974	128,167

13 Deferred tax assets (net)
In accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' the decrease in net "Deferred Tax Asset" of Rs. 5,292,333 for the current year has been recognised as charge in the Statement of Profit and Loss. The tax effect of significant timing differences as at March 31, 2021 that reverse in one or more subsequent years gave rise to the following net Deferred Tax Asset as at March 31, 2021.

	As at March 31, 2021	Charge/ (benefit)	As at March 31, 2020
Deferred tax assets			
Employee benefits	492,249	(159,573)	332,676
On account of depreciation	2,593,782	(8,864)	2,584,918
Provision for doubtful debts	23,710,713	1,113,132	24,823,845
Carried forward losses	19,554,063	4,347,637	23,901,700
Total deferred tax assets	46,350,807	5,292,333	51,643,139
Deferred tax liability	-	-	-
Deferred tax assets (net)	46,350,807	5,292,333	51,643,139

The management is of the view that the current losses are of temporary nature due to one-time impact of bad debts in current year. The management believes on the basis of current order book and agreements/ MOUs that the Company will be profitable in next 1-2 years and will be able to fully recover unabsorbed depreciation and losses within the timeframe allowed under Income Tax Act, 1961.

14 Long-term loans and advances

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good, unless otherwise stated		
Security deposits	2,103,479	1,402,644
Earnest money deposits	706,881	299,847
MAT credit entitlement	2,165,982	2,165,982
Advance income tax [net of provisions for tax Rs. 5,925,176 (previous year Rs. 5,925,176)]	1,842,929	6,775,789
	6,819,271	10,644,261

15 Other non-current assets

	As at March 31, 2021	As at March 31, 2020
Fixed deposits (refer note 17)	2,384,585	3,037,490
Total	2,384,585	3,037,490

Details of fixed deposits

Non-current deposits include:

- Deposits of Rs. 23,84,585 (Previous year Rs. 23,17,880) for issue of guarantees in favor of Valley Development Authority,

16 Trade receivables (refer note i)

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good (refer note 37)		
-Outstanding for a period exceeding six months from the date they are due for payment	93,174,237	88,155,479
-Others	7,042,116	28,323,123
Unsecured, considered doubtful	94,209,764	98,632,564
Less: Provision for doubtful debts	(94,209,764)	(98,632,564)
	100,216,353	116,478,602

Note: The Company has assessed recoverability of outstanding trade receivables amounting Rs. 100,216,353. Based on such assessment, the management is of the view that most of these balances are good except as shown doubtful in the financial results. Further, in the opinion of the management, it has made necessary provisions/took write off, wherever required and net balances are fully recoverable.

i. Trade receivables have been as primary security against the loans taken by the Company from State Bank of India. Refer footnote i of note 7.

17 Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
Balance with banks		
- On current accounts	27,468	512,797
Cash on hand	143,425	168,879
	170,892	681,676
Other bank balances		
Fixed deposits	2,384,585	3,037,490
Less: Non-Current bank balance shown under 'other non-current assets (refer note 15)	(2,384,585)	(3,037,490)
	170,893	681,676

18 Short-term loans and advances

	As at March 31, 2021	As at March 31, 2020
Advance to others	6,135,503	5,272,101
Advance to employees	39,482	199,897
Prepaid expenses	24,433	11,057
Prepaid Insurance	64,217	-
TDS receivable from NBFC	294,709	289,206
	6,558,344	5,772,261

19 Other current assets

	As at March 31, 2021	As at March 31, 2020
Interest accrued on fixed deposits	595,331	535,312
	595,331	535,312

11 Property, plant and equipment

Current year

Particulars	Gross block			Accumulated depreciation					Net block	
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Depreciated on for the year	Disposals	Adjustments	As at March 31, 2021	As at March 31, 2021
Plant & Machinery	51,564,123	-	86,710	51,477,413	37,320,415	3,819,060	85,160	-	41,054,315	10,423,098
Furniture and fixtures	943,333	-	241,069	702,264	710,226	37,809	226,166	-	521,869	180,395
Office Equipment	227,431	-	-	227,431	204,146	7,956	-	-	212,102	15,328
Computers	4,777,514	-	2,254,891	2,522,624	4,616,393	60,594	2,220,997	59,185	2,396,805	125,819
Vehicles	559,983	-	-	559,983	457,608	88,235	-	-	545,843	14,140
Total	58,072,384	-	2,582,670	55,489,714	43,308,788	4,013,654	2,532,323	59,185	44,730,933	10,758,780

Previous year

Particulars	Gross block			Accumulated depreciation					Net block	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	Depreciated on for the year	Disposals	Adjustments	As at March 31, 2020	As at March 31, 2020
Plant & Machinery	53,640,343	-	2,076,220	51,564,123	33,115,064	5,782,310	1,576,959	-	37,320,415	14,243,708
Furniture and fixtures	932,933	10,400	-	943,333	653,702	56,524	-	-	710,226	233,107
Office Equipment	227,431	-	-	227,431	192,795	11,351	-	-	204,146	23,284
Computers	4,559,328	218,186	-	4,777,514	4,151,264	465,129	-	-	4,616,393	161,121
Vehicles	2,178,155	-	1,618,172	559,983	1,732,474	298,735	1,573,601	-	457,608	102,375
Total	61,538,190	228,586	3,694,392	58,072,384	39,845,299	6,614,049	3,150,560	-	43,308,788	14,763,596

Note:

Company had given Machines in the form of security (Hypothecation of asset) to acquire term loan from Intec capital. (refer note 5 (i))

12 Intangible assets

Current year

Particulars	Gross block			Accumulated amortisation				Net block	
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Amortisation for the year	Disposals	As at March 31, 2021	As at March 31, 2021
Software	5,376,921	-	-	5,376,921	5,225,939	22,496	-	5,248,435	128,486
Total	5,376,921	-	-	5,376,921	5,225,939	22,496	-	5,248,435	128,486

Previous year

Particulars	Gross block			Accumulated amortisation				Net block	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	Amortisation for the year	Disposals	As at March 31, 2020	As at March 31, 2020
Software	5,376,921	-	-	5,376,921	5,203,398	22,541	-	5,225,939	150,982
Total	5,376,921	-	-	5,376,921	5,203,398	22,541	-	5,225,939	150,982

Note: There are no internally generated intangible asset during the year.

20	Revenue from operations		
		Year ended March 31, 2021	Year ended March 31, 2020
	Sale of services		
	-Income from services	18,315,295	28,215,383
	-Income from services - export	2,442,088	24,193,374
		20,757,383	52,408,757
21	Other income		
		Year ended March 31, 2021	Year ended March 31, 2020
	Interest income	215,879	227,915
	Liabilities written back	5,274,421	34,360,514
	Notice salary recovered	5,421,891	2,208,946
	Interest on income tax refund	258,701	-
	Foreign exchange fluctuations	-	7,563,659
	Bad debts recovered	9,364,279	10,136,502
	Profit on sale of property, plant and equipment	93,243	26,168
	Project penalty	544,636	146,601
	Deduction for late submission of bills	23,819	72,842
	Miscellaneous income	64,391	-
		21,261,260	54,743,147
22	Cost of services		
		Year ended March 31, 2021	Year ended March 31, 2020
	Project expenses	3,632,592	48,637,329
		3,632,592	48,637,329
23	Employee benefit expenses		
		Year ended March 31, 2021	Year ended March 31, 2020
	Salary, wages, bonus and other benefits	7,428,556	18,998,898
	Contribution to provident and other funds (refer note 29)	409,923	1,287,803
	Gratuity expense (refer note 29)	698,013	427,506
	Leave encashment expense (refer note 29)	466,887	617,398
	Staff welfare expenses	26,398	187,649
		9,029,777	21,519,254
24	Finance costs		
		Year ended March 31, 2021	Year ended March 31, 2020
	Interest expense		
	-On bank overdraft	6,105,149	5,597,350
	-On term loans	666,548	1,561,882
	-For delay in payment of statutory dues	1,373,654	2,351,976
	Other borrowing costs	122,062	-
		8,267,413	9,511,208
25	Depreciation and amortisation expense		
		Year ended March 31, 2021	Year ended March 31, 2020
	Depreciation on property, plant and equipment (refer note 11)	4,013,654	6,614,049
	Amortisation of intangible assets (refer note 12)	22,496	22,541
		4,036,150	6,636,590

26 **Other expenses**

	Year ended March 31, 2021	Year ended March 31, 2020
Rent (refer note 31)	955,139	2,279,600
Legal & professional expenses (refer footnote i)	803,711	970,343
Business promotion expenses	25,940	56,504
Consumable store	-	16,251
Travelling and conveyance	253,106	602,854
Electricity and water	248,683	678,023
Insurance expenses	48,200	170,330
Membership and subscriptions	10,150	15,400
Bank charges	331,033	99,830
Office expenses	94,069	231,023
Printing and stationery	74,506	196,595
Repairs and maintenance	16,010	77,211
Provision for doubtful debts	4,941,479	76,947,871
Balances written off	24,686	74,492,492
Foreign exchange fluctuation loss	2,779,864	-
Rates and taxes	118,296	2,025,849
Communication expenses	190,803	356,141
Miscellaneous expenses	649,660	181,700
	11,565,335	159,398,016

Footnote:

Payment to auditors (excluding GST)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Statutory audit	260,000	220,000
Other matters	90,000	80,000
	350,000	300,000

27 **Basic and diluted earnings per equity share**

The calculation of earnings per share (EPS) has been made in accordance with Accounting Standard (AS) - 20. A statement on calculation of basic and diluted EPS is as under.

	Reference	Units	As at March 31, 2021	As at March 31, 2020
Profit/(Loss) after tax	A	Rs.	195,042	(104,524,795)
Weighted average numbers of equity shares	B	Numbers	12,440,000	12,440,000
Basic and diluted loss per share	A/B	Rs.	0.02	(8.40)

Note: The Company does not have any outstanding dilutive potential equity shares. Hence, basic and diluted earnings per share of the Company are same.

28 There are no contingent liability and commitments as at March 31, 2021 and March 31, 2020.

29 **Employee benefits obligations**

The Company has in accordance with the Accounting Standard-15 'Employee Benefits' calculated various benefits provided to employees as under:

A. Defined contribution plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employers contribution to provident fund (Refer note 23)	355,511	1,555,443
	355,511	1,555,443

B. Defined benefit plans and other long term employee benefits:

The present value obligation in respect of gratuity and earned leave is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarised positions of various defined benefits are as under:

B.1 Gratuity

Actuarial assumptions

Particulars	Gratuity (Unfunded)	
	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	7.06%	6.75%
Expected rate of increase in compensation levels	10.00%	5.00%
Expected rate of return on plan assets	N.A.	N.A.
Expected average remaining working lives of employees (years)	28.47	29.57
Retirement age (years)	58	58
Mortality table	IALM (2012-14)	IALM (2012-14)
Ages	Withdrawal Rate (%)	
Up to 30 Years	5	
From 31 to 44 years	5	
Above 44 years	5	

Note:

- a) The discount rate has been assumed at 7.06% (previous year 6.75%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- b) The Company's gratuity liability is entirely unfunded.

Present value of obligation

Particulars	Gratuity (Unfunded)	
	As at March 31, 2021	As at March 31, 2020
Present value of obligation at the beginning of the year	818,355	1,331,600
Current service cost	255,138	456,445
Interest cost	63,076	115,538
Benefit paid	(287,354)	(940,751)
Actuarial loss/(gain) on obligation	379,799	(144,477)
Present value of obligation at the end of the year	1,229,014	818,355

Expenses recognised in the Statement of profit and loss for the year

Particulars	Gratuity (Unfunded)	
	As at March 31, 2021	As at March 31, 2020
Current service cost	255,138	456,445
Interest cost	63,076	115,538
Net actuarial (gain)loss to be recognized	379,799	(144,477)
Expense recognised in Statement of Profit and Loss	698,013	427,506

Reconciliation of present value of defined benefit obligation

Particulars	Gratuity (Unfunded)	
	As at March 31, 2021	As at March 31, 2020
Present value of obligation as at the end of the year (A)	1,229,014	818,355
Amount classified as:		
Short-term provisions	36,342	22,942
Long-term provisions	1,192,672	795,413

History of PBO, Surplus/Deficit & Experience Gains / Losses

(a) Gratuity (Unfunded)

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
DBO		818,355	1,331,600
Deficit	1,229,014	(818,355)	(1,331,600)
	(1,229,014)		
Loss due to change in assumptions		87,437	21,676
Experience (gain) on DBO	481,101	(231,914)	(78,693)
	(101,302)		
Total actuarial loss/(gain) on DBO	379,799	(144,477)	(57,017)

Particulars	As at March 31, 2018	As at March 31, 2017
PBO	1,221,613	1,003,238
Deficit	1,221,613	1,003,238
(Gain)/loss due to change in assumptions	(57,323)	22,508
Experience loss/(gain) on DBO	78,511	(427,634)
Total actuarial loss/(gain) on DBO	21,188	(405,126)

(c) Employer's best estimate for contribution during next 12 months

Particulars	Amount in Rs.
Employees gratuity fund	492,291

B.2 Leave Encashment

Actuarial assumptions

Particulars	Earned leave (unfunded) As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	7.06%	6.75%
Expected rate of increase in compensation levels	10.00%	5.00%
Expected rate of return on plan assets	N.A.	N.A.
Expected average remaining working lives of employees (years)	28.47	29.57
Retirement age (years)	58	58
Mortality table	IALM (2012-14)	IALM (2012-14)
Ages	Withdrawal Rate (%)	
Up to 30 Years	5	
From 31 to 44 years	5	
Above 44 years	5	

Present value of obligation

Particulars	Earned Leave (unfunded) As at March 31, 2021	As at March 31, 2020
Present value of obligation at the beginning of the year	503,466	455,275
Current service cost	43,497	38,424
Interest cost	31,901	33,600
Benefit paid	(243,516)	(569,207)
Actuarial (loss) on obligation	391,489	545,374
Present value of obligation at the end of the year	726,837	503,466

Expenses recognised in the Statement of profit and loss for the year

Particulars	Earned Leave (unfunded)
-------------	-------------------------

	As at March 31, 2021	As at March 31, 2020
Current service cost	43,497	38,424
Interest cost	31,901	33,600
Net actuarial loss to be recognized	391,489	545,374
Expense recognised in Statement of Profit and Loss	466,887	617,398

Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	Earned Leave (unfunded)	
	As at March 31, 2021	As at March 31, 2020
Present value of obligation as at the end of the year (A)	726,837	503,466
Amount classified as:		
Short-term provisions	110,632	105,225
Long-term provisions	616,205	398,241

**History of PBO, Surplus / Deficit & Experience Gains / Losses
(b) Earned Leave (unfunded)**

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	DBO	726,837	503,466
Deficit	726,837	503,466	-
Loss due to change in assumptions	277,799	29,803	-
Experience loss on DBO	113,690	515,571	-
Total actuarial loss on DBO	391,489	545,374	-

Particulars	As at March 31, 2018	As at March 31, 2017
	DBO	-
Fair value of plan assets	-	-
Deficit	-	-
Loss due to change in assumptions	-	-
Experience loss on DBO	-	-
Total actuarial loss on DBO	-	-

Employer's best estimate for contribution during next 12 months

Particulars	Amount in Rs.
Earned leave	-

30 Segment reporting

Primary segment

Based on the dominant source and nature of risks and returns, organization structure and internal financial reporting system, the Company has identified geographical segment on the basis of location of customers as its primary segments. Financial information about the primary segments is given below:

For the year ended March 31, 2021

Particulars	India	Abroad	Total
Revenue			
External revenue	18,315,295	2,442,087	20,757,382
Total revenue	18,315,295	2,442,087	20,757,382
Results			
Segment results	(171,786)	(7,334,686)	(7,506,472)
Unallocated expenses			
Operating loss			(7,506,472)
Finance costs			(8,267,413)
Other income including finance income			21,261,260
Profit before tax			5,487,375
Income taxes			5,292,333
Net profit after tax			195,042

As at March 31, 2021

Segment assets	48,167,993	79,464,050	127,632,043
Unallocable assets			46,350,807
Total assets			173,982,850
Segment liabilities	41,959,347	11,762,936	53,722,282
Unallocable liabilities			103,187,664
Total liabilities			156,909,947

Other information

Capital expenditure-allocable	-	-	-
Capital expenditure-unallocable	-	-	-
Depreciation and amortisation- allocable	2,560,619	1,475,531	4,036,150
Depreciation and amortisation-unallocable	-	-	-
Other significant non-cash expenses (net)-allocable	-	-	-
Other significant non-cash expenses (net)-unallocable	5,292,333	-	5,292,333

Secondary segment

Since the Company deals in single product/service, there are no separate reportable business segments and accordingly disclosures related to secondary segments are not provided.

For the year ended March 31, 2020

Particulars	India	Abroad	Total
Revenue			
External revenue	28,215,383	24,193,374	52,408,757
Total revenue	28,215,383	24,193,374	52,408,757
Results			
Segment results	(132,855,674)	(50,926,758)	(183,782,432)
Unallocated expenses			-
Operating loss			(183,782,432)
Finance costs			(9,511,208)
Other income including finance income			54,743,147
Loss before tax			(138,550,492)
Income taxes			(34,025,698)
Net loss after tax			(104,524,794)

As at March 31, 2020

Segment assets	106,382,897	45,681,282	152,064,179
Unallocable assets			51,643,140
Total assets			203,707,319
Segment liabilities	75,783,665	15,585,496	91,369,161
Unallocable liabilities			95,460,294
Total liabilities			186,829,455

Other information

Capital expenditure-allocable	228,586	-	228,586
Capital expenditure-unallocable	-	-	-
Depreciation and amortisation- allocable	5,086,137	1,550,453	6,636,590
Depreciation and amortisation-unallocable	-	-	-
Other significant non-cash expenses (net)-allocable	(34,025,698)	-	(34,025,698)
Other significant non-cash expenses (net)-unallocable	-	-	-

Secondary segment

Since the Company deals in single service, there are no separate reportable business segments and accordingly disclosures related to secondary segments are not provided.

31 Leases

As lessee

The Company has taken office premises under operating lease. All lease agreements entered by the company are cancellable and do not have any undue restrictive or onerous clauses. The lease rental expense recognized in the Statement of Profit and Loss for the period in respect of such leases is Rs. 955,139 (Previous year Rs. 2,279,600)

32 Expenditure in foreign currency

	As at March 31, 2021	As at March 31, 2020
Project expenses	579,900	4,021,407
Bank charges	-	4,624
Consultancy charges	-	245,971
Salary and wages	-	7,890
Others	9,196,874	4,078,771
	9,776,774	8,358,661

33 Earnings in foreign currency

	As at March 31, 2021	As at March 31, 2020
Revenue from operations	2,442,088	24,193,374
	2,442,088	24,193,374

34 Un-hedged foreign currency exposure

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise as follows:

Receivables in foreign currency

Particulars	As at March 31, 2021 Amount in Rs.	As at March 31, 2020 Amount in Rs.	As at March 31, 2021 Amount in Original Currency	As at March 31, 2020 Amount in Original Currency
- Trade receivables	122,821,960	123,750,816	628,414	671,646
- Trade payable	192,060	6,205,162	987	33,678
- Short term loans and advances	-	427,926	-	2,323
- Employee payable	7,108,291	16,249,903	36,530	88,195
- Cash and bank balances	143,197	98,824	736	536
-Provision for expenses payable	4,462,583	4,596,972	22,933	22,933

*Abbreviations: BHD: Bahraini Dinar

35 Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006):

	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in		
- Trade payables		
- Principal amount due to micro and small enterprises	281,031	601,527
- Interest due on above	-	-
	281,031	601,527
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 under section 23 of the MSMED Act 2006.	-	-

36 Related party disclosure

The disclosure as required by the Accounting Standard -18 (Related Party Disclosure) are given below:

(A) List of related parties with whom transactions have taken place:

Nature of relationship	Name of related party
Enterprises in which key management personnel and their relatives are able to exercise significant influence	LBS Telecom Services Private Limited Gift A Life Agricare Private Limited Baveja Gupta & Co. Ridings Consulting Services Co, W.L.L
Key management personnel	Praveen Kumar Baveja - Chief Executive Officer Sudhir Kumar Baveja- Chief Financial Officer Sain Ditta Baveja- Promoter (upto 2nd February, 2019)
Relatives of key management personnel	Anil Kumar Baveja

(B) Details of related party transactions are as below:

Particulars	As at March 31, 2021	As at March 31, 2020
1. Professional services		
LBS Telecom Services Private Limited	-	1,000,000
Ridings Consulting Services Co. W.L.L	-	22,288,000
	-	23,288,000
2. Other Income		
Project Penalty		
Mr. PK Baveja	27,365	-
Liabilities written back		
Baveja Gupta & Co.	759,135	-
	786,500	-
3. Other expenses		
Office expenses		
Gift A Life Agricare Private Limited	21,168	12,390
4. Loans taken from KMPs & their relatives		
Mr. PK Baveja	6,663,899	2,248,000
Mr. Sudhir Baveja	7,200,899	5,151,855
Mr. Anil Baveja	6,663,898	-

	20,528,696	7,399,855
5. Reimbursement of expenses to Directors		
Mr. PK Baveja	631,629	580,274
Mr. Sudhir Baveja	128,380	695,063
	760,009	1,275,337
6. Payment received from related parties		
LBS Telecom Services Private Limited	262,507	-
Ridings Consulting Services Co. W.L.L	2,089,150	-
	2,351,657	-
7. Payment made to related parties		
Gift A Life Agricare Private Limited	21,168	-
	21,168	-
8. Repayment of loans to KMPs & their relatives		
Particulars	As at	As at
	March 31, 2021	March 31, 2020
Mr. PK Baveja	1,459,655	330,500
Mr. Sudhir Baveja	1,764,855	2,391,760
Mr. Anil Baveja	1,009,655	-
	4,234,165	2,722,260
9. Payment for remuneration & reimbursement/imprest to related parties		
Mr. PK Baveja	1,769,129	-
Mr. Sudhir Baveja	1,008,830	-
	2,777,959	-
(C) Balance outstanding with or from related parties as at:		
1. Short-term borrowings		
Mr. S. D. Baveja	11,044,100	11,044,100
Mr. PK Baveja	16,041,744	10,837,500
Mr. Sudhir Baveja	10,586,686	5,150,642
Mr. Anil Baveja	5,654,243	-
	43,326,773	27,032,242
2. Other current liabilities		
a. Payable for expenses		
Baveja Gupta & Co.	-	759,675
Gift A Life Agricare Private Limited	8,260	8,260
	8,260	767,935
b. Interest accrued and due		
Mr. PK Baveja	80,640	80,640
Mr. S. D. Baveja	889,457	889,457
	970,097	970,097
c. Employee related payables		
Mr. S. D. Baveja	773,893	773,893
Mr. PK Baveja	471,389	1,636,254
Mr. Sudhir Baveja	61,504	966,194
	1,306,785	3,376,341
3. Trade receivables		
LBS Telecom Services Private Limited	-	282,507
Ridings Consulting Services Co. W.L.L	21,460,726	24,231,925
	21,460,726	24,514,432

37 During the financial year 2020-21, the Company has received two demand notices from Employee Provident Fund Office for accumulated demand of Rs. 52,303,198 for the period relating to 04/2008 to 08/2016 as Provident Fund and Allied dues under section 7A of the Employee Provident Fund Act, 1952. However, the Company has preferred an appeal against the said demand in the Central Government Industrial Tribunal. The Company is confident about favorable outcome of its appeal and accordingly, neither it has provided any amount nor disclosed contingent liability in the financial statements.

38 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial results including the recoverability of carrying amounts of assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial results, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results

may differ from that estimated as at the date of approval of these financial results.

The Company has drawn projected cash flow for the next one year, based on certain assumptions and has concluded that the Company will have sufficient liquidity to continue its operations.

In assessing the recoverability of its current assets including trade receivables, loan and advances, the Company has considered internal and external information up to the date of approval of these financial statements, has performed sensitivity analysis on the assumptions based on current indicators of the future economic conditions and considered the same in preparing these financial results. The Company is confident of recovering the carrying amount of these assets.

However, the impact of the pandemic may be different from that estimated as at the date of approval of these financial statements and the management will continue to closely monitor any material changes to future economic conditions.

- 39 Mr. SD Baveja, erstwhile Managing Director of the Company, died intestate on 2 February 2019 and accordingly all assets and share capital held by him in the Company will be distributed equally among his legal heirs. Due to certain reasons such assets and equity shares could not be transferred/mutated to his legal heirs. Hence, such assets and equity shares are still appearing in his name.
- 40 These financial statements were approved for issue by the Board of Directors on June 25, 2021.
- 41 The Company has reclassified/regrouped previous year figures where necessary to conform to the current year's classification.

As per our report of even date.

For **NKSC & Co.**
Chartered Accountants
ICAI Firm Registration No.: 020076N

Priyank Goyal
Partner
Membership No.:521986

Place: New Delhi
Date : June 25, 2021

For and on behalf of Board of Directors of
Ridings Consulting Engineers India Limited

Praveen Kumar Baveja
Chairman
DIN: 06778950

Sudhir Kumar Baveja
Chief Finance Officer
PAN: AAHPB5240J

Abhishek Bhargava
Company Secretary
ICSI M. No.: 47428

Place: NOIDA
Date : June 25, 2021

If Undelivered, Please return to:
Ridings Consulting Engineers India Limited
F-24, 1st Floor, Pankaj Grand Plaza,
Mayur Vihar-I, New Delhi – 110091