

C&S Electric Limited

Audited Financial Statements for the financial year ended
30th September, 2022

CIN: U31909DL1971PLC005672

Registered Office: Unit No.'s: 210, 211 & 212, Second Floor, 'Salcon Aurum' Building, Plot No.
4, Jasola District Centre, New Delhi- 110025

Telephone: +91 11 69225600

Particulars	Note	As at September 30, 2022	As at September 30, 2021
I. ASSETS			
1 Non - current assets			
(a) Property, plant and equipment	2a	1,479.60	1,481.02
(b) Right-of-use assets	2b	246.42	254.93
(c) Capital work-in-progress	3	16.29	33.77
(d) Other intangible assets	4	74.90	13.42
(e) Intangible assets under development	5	7.30	12.42
(f) Financial assets			
(i) Trade receivables	6 (a)	107.56	0.33
(ii) Other financial assets	7 (a)	50.96	40.38
(g) Deferred tax assets (net)	9	295.51	270.48
(h) Income tax assets (net)	10	81.32	70.21
(i) Other non current assets	8 (a)	68.84	69.54
		2,428.70	2,246.50
2 Current assets			
(a) Inventories	11	2,339.69	1,986.48
(b) Financial assets			
(i) Investments	12	-	33.89
(ii) Trade receivables	6 (b)	2,186.89	2,426.63
(iii) Cash and cash equivalents	13 (a)	211.32	508.86
(iv) Bank balances other than (iii) above	13 (b)	0.53	129.89
(v) Loans	14	1.18	1.95
(vi) Other financial assets	7 (b)	83.21	107.72
(c) Other current assets	8 (b)	269.29	315.97
		5,092.11	5,511.39
		7,520.81	7,757.89
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	442.68	442.68
(b) Other equity		3,926.90	3,779.79
		4,369.58	4,222.47
2 Liabilities			
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	-	-
(ii) Lease liabilities	17 (a)	160.21	175.21
(iii) Other financial liabilities	18 (a)	43.87	41.70
(b) Long term provisions	19 (a)	244.11	221.85
		448.19	438.76
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	16.01
(ii) Lease liabilities	17 (b)	58.34	45.99
(iii) Trade payables	22		
(A) total outstanding dues of micro enterprises and small enterprises and		292.23	235.95
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		1,256.24	1,782.98
(iv) Other financial liabilities	18 (b)	282.38	261.92
(b) Other current liabilities	20	397.03	480.73
(c) Short term provisions	19 (b)	416.82	235.79
(d) Current tax liabilities (net)	23	-	37.29
		2,703.04	3,096.66
		3,151.23	3,535.42
		7,520.81	7,757.89
Total assets		7,520.81	7,757.89
Total equity and liabilities		7,520.81	7,757.89

Significant accounting policies

1

The accompanying notes from 1 to 53 form an integral part of the financial statements.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration No.: 101248W/ W-100022

For and on behalf of the Board of Directors

C&S Electric Limited**Rahul Nayar**

Partner

Membership No. : 508605

Prakash Kumar Chandraker

Managing Director & CEO

DIN No.: 05150366

Siddharth Kasera

Director

DIN No.: 09086454

Manav Adlakha

Chief Financial Officer

PAN.: AEIPA4199N

Anup Sobti

Company Secretary

ACS No.: 16466

Place : New Delhi

Date : 17 November 2022

Place : New Delhi

Date : 17 November 2022

C&S Electric Limited
Statement of profit and loss
For the year ended September 30, 2022
(All amounts are in INR million except wherever stated otherwise)

Particulars	Note	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
I Revenue from operations	24	12,197.94	4,878.54
II Other income	25	130.21	120.55
III Total income (I + II)		12,328.15	4,999.09
IV Expenses:			
(a) Cost of materials consumed	26	8,032.04	3,120.98
(b) Purchases of stock-in-trade	27	8.46	2.09
(c) Changes in inventories of finished goods, stock-in-trade and work in progress	28	(164.10)	(100.74)
(d) Employee benefits expense	29	1,395.80	674.50
(e) Finance costs	30	45.86	45.61
(f) Depreciation and amortisation expense	31	301.10	134.53
(g) Other expenses	32	2,445.95	837.11
Total expenses (IV)		12,065.11	4,714.08
V Profit before tax (III - IV)		263.04	285.01
VI Tax expense:			
(a) Current tax	33 (a)	119.50	148.13
(b) Deferred tax credit	33 (a)	(19.63)	(47.51)
Total tax expenses		99.87	100.62
VII Profit for the year/ period (V - VI)		163.17	184.39
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities		(21.46)	1.14
Income tax relating to items that will not be reclassified to profit or loss	33 (b)	5.40	(0.57)
Other comprehensive (loss)/ Income		(16.06)	0.57
IX Total comprehensive income for the year/ period (VII + VIII)		147.11	184.96
X Basic and diluted earnings per share (Face value of Rs. 10 each):			
Earning per share	44	3.69	4.17

Significant accounting policies

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Company Secretary

ACS No.: 16466

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C&S Electric Limited
Statement of cash flows
For the year ended September 30, 2022
(All amounts are in INR million except wherever stated otherwise)

Particulars	As at		As at	
	September 30, 2022		September 30, 2021	
A. Cash flow from operating activities				
Profit before tax		263.04		285.01
Adjustments for :				
Depreciation and amortisation expenses	301.10		134.54	
Loss on sale of Property, plant and equipment	31.64		0.08	
Interest expenses	1.93		22.23	
Other borrowing costs	24.44		13.17	
Interest expense on lease liabilities	19.50		10.21	
Interest income on deposits	(10.17)		(12.95)	
Interest income - others	(2.71)		(0.45)	
Net loss on disposal of debt instruments	0.75		-	
Liabilities/ provisions no longer required written back	(56.60)		(105.86)	
Debit balances written off	6.84		24.14	
Provision for foreseeable loss and others	-		32.08	
Provision for doubtful debt/ bad debts written off	141.26		76.73	
Capital work-in-progress written off	4.33		-	
Unrealised foreign exchange gain	(23.07)		(3.44)	
Mark to market loss on derivative contracts	0.75		3.21	
Charge for slow moving inventory/ inventory written off	191.17		-	
Provision for warranty	-		22.20	
		631.16		215.89
Operating profit before changes in assets and liabilities		894.20		500.90
Adjustments for changes in assets and liabilities				
(Increase) in Inventories	(544.38)		(93.82)	
(Increase)/decrease in Trade receivables	(0.56)		74.73	
(Increase) in Other non-current financial assets	(12.55)		(7.01)	
Decrease in Other current financial assets	26.63		33.14	
Decrease)/(increase) in Other current assets	46.06		(153.12)	
Decrease)/(increase) in Other non-current assets	17.00		(1.48)	
(Decrease) in Trade payables	(469.41)		(496.75)	
Increase in Other non-current financial liabilities	2.17		0.40	
(Decrease) in Other current financial liabilities	(9.23)		(114.59)	
(Decrease)/increase in Other current liabilities	(29.53)		124.79	
Increase in Short-term provisions	181.04		2.95	
Increase in Long-term provisions	0.80		20.38	
		(791.96)		(610.38)
Cash flow from / (used) in operating activities		102.24		(109.48)
Direct taxes paid		(168.41)		(164.72)
Net cash used in operating activities (A)		(66.17)		(274.20)
B. Cash flow from investing activities				
Capital expenditure on Property, plant and equipment	(310.08)		(90.47)	
Proceeds from sale of Property, plant and equipment	2.12		4.03	
Sale of investments	33.14		-	
Interest on investment in Debentures	1.36		-	
Movement in bank balances not considered as cash and cash equivalents	139.52		9.97	
		(133.94)		(76.47)
C. Cash flow from financing activities				
Repayment of borrowings	(16.76)		(514.19)	
Net decrease in working capital borrowings	-		(4.78)	
Interest expenses paid	(2.46)		(24.28)	
Other borrowing costs	(3.38)		-	
Payment of Principal of lease liabilities	(55.33)		(24.93)	
Payment of Interest of lease liabilities	(19.50)		(8.57)	
		(97.43)		(576.75)
Net decrease in Cash and cash equivalents (A+B+C)		(297.54)		(927.42)
Cash and cash equivalents at the beginning of the period		508.86		1,436.28
Cash and cash equivalents at the end of the period		211.32		508.86

Cash and cash equivalents comprises:			
Cash in hand	-		0.08
Cheques / drafts in hand	1.74		-
Balances with banks			
(i) In current accounts	109.51		265.92
(ii) In deposits accounts with original maturity of less than 3 months	100.07		242.86
(Refer note 13a)	211.32		508.86

Movement in financial liabilities

Movement in borrowings	Non-current borrowings	Current borrowings	Total
As at October 01, 2021	-	16.01	16.01
Proceeds from borrowings	-	-	-
Repayments of borrowings	-	(16.76)	(16.76)
Reinstatement impact of foreign currency loan	-	0.75	0.75
As at September 30, 2022	-	-	-

C&S Electric Limited
Statement of cash flows
For the year ended September 30, 2022
(All amounts are in INR million except wherever stated otherwise)

Movement in borrowings	Non-current borrowings	Current borrowings	Total
As at April 01, 2021	9.81	524.33	534.14
Proceeds from borrowings	-	-	-
Repayments of borrowings	(9.81)	(509.16)	(518.97)
Reinstatement impact of foreign currency loan	-	0.84	0.84
As at September 30, 2021	-	16.01	16.01

Movement in lease liabilities	Total
As at October 01, 2021	221.20
Additions during the year	52.68
Interest accrued on lease liabilities (refer note 17)	19.50
Payment of Principal of lease liabilities (refer note 17)	(55.33)
Payment of Interest of lease liabilities (refer note 17)	(19.50)
As at September 30, 2022	218.55

Movement in lease liabilities	Total
As at April 01, 2021	244.49
Additions during the year	-
Interest accrued on lease liabilities (refer note 17)	10.21
Payment of Principal of lease liabilities (refer note 17)	(24.93)
Payment of Interest of lease liabilities (refer note 17)	(8.57)
As at September 30, 2021	221.20

Movement in Interest accrued on borrowing	Total
As at October 01, 2021	1.05
Interest accrued on borrowing	1.41
Interest expenses paid	(2.46)
As at September 30, 2022	-

Movement in Interest accrued on borrowing	Total
As at April 01, 2021	3.10
Interest accrued on borrowing	22.23
Interest expenses paid	(24.28)
As at September 30, 2021	1.05

The above statement of cash flow has been prepared under the "indirect method" as set out in Ind AS-7 - "Statement of cash flows".

Significant accounting policies

1

The accompanying notes from **1 to 53** form an integral part of the financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No.: 101248W/ W-100022

For and on behalf of the Board of Directors
C&S Electric Limited

Rahul Nayar
Partner
Membership No. : 508605

Prakash Kumar Chandraker
Managing Director & CEO
DIN No.: 05150366

Siddharth Kasera
Director
DIN No.: 09086454

Manav Adlakha
Chief Financial Officer
PAN.: AEIPA4199N

Anup Sobti
Company Secretary
ACS No.: 16466

Place : New Delhi
Date : 17 November 2022

Place : New Delhi
Date : 17 November 2022

C&S Electric Limited**Standalone Statement of changes in equity for the year ended September 30, 2022***(All amounts are in INR million except wherever stated otherwise)***a. Equity share capital**

Particulars	As at September 30, 2022	As at September 30, 2021
Opening Balance	442.68	442.68
Changes in equity share capital during the year	-	-
Closing Balance	442.68	442.68

b. Other equity

Particulars	Other equity			Total
	Reserves and surplus		Other Comprehensive income	
	General reserve	Surplus in Statement of Profit and Loss		
Balance as at April 01, 2021	681.18	2,914.55	(0.90)	3,594.83
1. Profit for the period	-	184.39	-	184.39
2. Other comprehensive income for the period, net of income tax	-	0.57	-	0.57
Total comprehensive income for the period	-	184.96	-	184.96
Balance as at September 30, 2021	681.18	3,099.51	(0.90)	3,779.79
1. Profit for the year	-	163.17	-	163.17
2. Other comprehensive income for the year, net of income tax	-	(16.06)	-	(16.06)
Total comprehensive income for the year	-	147.11	-	147.11
Balance as at September 30, 2022	681.18	3,246.62	(0.90)	3,926.90

a) General reserve is created out of profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares. As General reserve is created by transfer on one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be subsequently reclassified to statement of profit and loss.

b) Surplus in statement of Profit and Loss are the profits that the Company has earned till date, less any transfers to General reserve and payment of dividend.

Significant accounting policies**1**

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For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration No.: 101248W/ W-100022

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Partner

Membership No. : 508605

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Anup Sobti

Company Secretary

ACS No.: 16466

Place : New Delhi

Date : 17 November 2022

Place : New Delhi

Date : 17 November 2022

Note 1 - General information and Significant Accounting Policies**Note 1.1 - General information**

C&S Electric Limited ('The Company') is a public limited company incorporated in India, having registered office at 210, 211, 212, Second Floor, Salcon Aurum, Plot No. 4, Jasola District Centre, New Delhi 110025 and having principal place of business in New Delhi, Noida, Greater Noida, Haridwar and Assam.

The Company's operations and principal activities includes manufacturing and business of electrical switchgear, controlgears, contactors, miniature circuit breakers (MCBs), electrical and electronic panels, protection and measurement devices, bus ducts, bus trunkings and wiring products etc.

Note 1.2 - Basis of preparation and presentation**I. Statement of compliance**

The financial statements have been prepared to comply in all material aspects with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act 2013 ("The Act") and other relevant provisions of the Act, as applicable.

Accounting policy has been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a changes in the accounting policy hitherto in use.

The financial statements are presented in INR, which is functional currency and all values are rounded to the nearest million (INR 1,000,000), except when otherwise indicated.

II. Basis of measurement

The financial statements have been prepared on the historical cost basis except for following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value
Net defined benefits (assets)/liability	Fair value of plan assets less present value of defined benefits obligations

III. Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively. The key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as follows:

(i) Useful lives and residual value of property, plant and equipment, intangible assets : Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc. and same is reviewed at each financial year end / period end.

(ii) Impairment of non-financial assets : The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or cash generating unit.

(iii) Provisions : Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts, warranty costs, asset retirement obligations, legal and regulatory proceedings etc. The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. The provision for warranty, liquidated damages, onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

(iv) Deferred tax assets : The Company has reviewed the carrying amount of deferred tax assets at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered..

(v) Impairment of financial assets : The Company assesses impairment on financial assets based on Expected Credit Loss (ECL) model. The provision matrix is based on its historically observed default rates over the expected life of the financial assets and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward looking estimates are analysed.

(vi) Leases: The Company use estimates and judgements in identification of leases, identification of non-lease component of lease, lease term assessment considering termination and renewal option and the discounting rate used. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

(vii) Employee Benefits: The company's obligation for employee benefits is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Refer note 42 for details of the key assumptions used in determining the accounting of these plans. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the Actuary considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

IV. Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date.

V. Current vs Non-current classification:

All assets and liabilities have been classified as current or non-current as per Company's operating cycle. Based on the nature of business and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Deferred tax assets and liabilities are classified as non current assets and liabilities.

Note 1.3 - Significant Accounting Policies

I. Revenue recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is stated exclusive of goods and services tax and net of trade and quantity discount.

Sale of goods : - Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customer in an amount that reflect the consideration the Company expects to receive in exchange of this product. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, cash discounts and volume rebates.

Sale of services: Revenue from services includes supervision charges, Job work etc. which is recognised in accordance with the terms of the contract when the services are rendered and the related costs are incurred.

Income from erection / work contracts :- When the outcome of a erection / work contracts can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a erection / work contracts cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue earned in excess of billing has been reflected as "Contract assets" and billing in excess of contract revenue has been reflected under "Contract liabilities" in the balance sheet.

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentives.

II. Other income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

III. Property, Plant and Equipment

- i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value over their useful lives.

ii. Capital work-in-progress

Projects under which property plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses.

IV. Intangible assets :

- i. Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:
- a. for assets acquired in a business combination, at fair value on the date of acquisition.
 - b. for separately acquired assets, at cost comprising the purchase price (including import duties and non refundable taxes) and directly attributable costs to prepare

the asset for its intended use. Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands and websites are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g. patents, licenses and trademarks) or the likelihood of technical, technological obsolescence (e.g. computer software, design, prototypes) or commercial obsolescence (e.g. lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized. All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses. The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

ii. Intangible assets under development

Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

V. A. Depreciation / amortisation

i. The Company is following the straight line method of depreciation in respect of buildings, plant and equipment, office equipment and written down value method in respect of other assets.

ii. Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc., as given below:

Estimated useful lives :-

Asset	Useful Life
Buildings	30-60 years
Plant and Equipment	3-15 years
Furniture and Fixtures	10 years
Vehicles	8-10 years
Office Equipments	5 years
Leasehold improvement	lease period or ten year whichever is earlier

iii. If significant parts of property, plant and equipment have different useful lives, then they are accounted as separate items (major components) of property, plant and equipment.

iv. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

v. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other Non-Current Assets".

vi. Intangible assets comprises of software and technical know-how. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. These intangible assets are amortised on a straight-line basis over a period of 3-5 years, which in management's estimate represents the period during which economic benefits will be derived from their use.

B. Impairment

(i). Financial assets

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on the following financial assets and credit risk exposure:

(a) Financial assets that are measured at amortised cost e.g. deposits

(b) Trade receivables, contract assets or any another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows the simplified approach for recognition of impairment loss allowance on trade receivables (net of billing in excess) and contract assets. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date.

ECL is the difference between net of all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on trade receivables (net of billing in excess) and Contract assets. ECL impairment loss allowance (or reversal) recognised during the period is recognised in the Statement of Profit and Loss. This amount is reflected under the head 'Other expenses' in the Statement of Profit and Loss.

(ii). Non - financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or cash generating unit.

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 the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost, had there not been impairment recognised.

VI. Foreign Currency Transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on the date of transaction.

Monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognised as income / expense in the period in which they arise.

Commodity risk is mitigated by entering into future contracts to hedge against fluctuation in commodity prices.

VII. Financial Instruments

Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Subsequent measurement

Non derivative financial instruments

(i) Financial assets carried at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVTOCI): A financial asset is subsequently measured at FVTOCI if it is held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(iii) Financial assets carried at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

(iv) Financial liabilities : Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts are approximate to fair value due to the short maturity of these instruments.

Derecognition

i) Financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

ii) Financial liabilities:

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

Offsetting

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

VIII. Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, work-in-progress, finished goods and traded goods are carried at the lower of cost and net realisable value.

The bases of determining costs for various categories of inventories are as follows:-

Raw material, Traded goods and components - Weighted average

Work in progress and finished goods - Weighted material cost plus appropriate share of labour and other overheads.

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

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials and other supplies held for use in production of finished goods are not written down below cost, except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed its net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

IX. Cash and Cash equivalents

Cash and cash equivalents include cash, cheques in hand, cash at bank and deposits with banks having maturity of three months or less. Bank deposits with original maturity of up to three months are classified as 'Cash and cash equivalents' and with original maturity of more than three months are classified as 'Other bank balances'.

X. Employee Benefits

(a) 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 short-term compensated absences, etc.

(b) Post-employment and other long-term benefits

(i) **Defined Contribution Plans:** The Company's provident fund, superannuation and employee state insurance scheme are defined contribution plans. The Company's contribution payable under the schemes is recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans and other Long Term Benefits:** The Company's gratuity, medical benefit and retirement gift schemes are defined benefit plans. Compensated absences is other long term benefit. The present value of the obligation under such defined benefit plans and other long term benefits are 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 obligation. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

In case of defined benefit plans, remeasurement comprising of actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (wherever applicable) is recognised in other comprehensive income (OCI) and is reflected in retained earnings and is not eligible to be reclassified to profit or loss. In case of other long term benefits, all remeasurements including actuarial gain or loss are charged to Statement of Profit and Loss.

The Company recognises following items in the net defined benefit obligation as an expense in Statement of Profit and Loss:

- Service cost including current service cost, past service cost and gains and losses on curtailments and settlements; and
- Net interest expense or income.

Provision for compensated absences which is expected to be utilized within the next 12 months is treated as short-term employee benefits and beyond 12 months as long term employee benefits. For the purpose of presentation, the allocation between short and long term provisions has been made as determined by an actuary.

XI. Share-based payments

Share-based payment consists of share awards of the Ultimate Holding Company to the employees of the Company. These awards are predominantly designed as cash-settled transactions. The fair value of the amount payable is remeasured at the end of each reporting period upto the settlement date, with the changes in the fair value recognised as employee benefits expenses with a corresponding increase in liabilities.

XII. Contingent liabilities and provisions

Provisions are recognised when the Company recognises it has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are recognised at present value by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money. When a contract becomes onerous, the present obligation under the contract is recognised as a provision. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Disclosures for contingent liability are made when there is a possible and present obligation that arises from past events which is not recognised since it is not probable that there will be an outflow of resources. When there is a possible and present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Provisions for warranty related cost are recognised when the product is sold or service is provided to the customer. Initial recognition is based on past experience.

Contingent assets are neither recognised nor disclosed in the Financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

XIII. Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for the same.

XIV. Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 "Income Tax" and Ind AS 19 "Employee Benefits" respectively.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

XV. Earnings per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate.

XVI. Income taxes

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income.

XVII. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

XVIII. Ind AS 116 "Leases"

The Company has adopted Ind AS 116 Leases effective 1 April 2019, using the modified retrospective method. The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is (or contains) a lease, at inception of a contract. A contract is (or contains), a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

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

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

Where the Company is the lessee:

At the date of commencement of the lease, the Company recognises a Right-of-Use asset ("ROU") and a corresponding Lease Liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and Lease payments have been classified as financing cash flows.

XIX. Government grants and subsidies

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grants or subsidies relate to revenue, they are recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs for which they are intended to compensate. Where the grants or subsidies relate to an asset, the same are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

XX. Discontinued operations

A discontinued operation is a division of Company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business or geographical area of operations and is a part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

C&S Electric Limited
Notes forming part of the financial statements
(All amounts are in INR million except wherever stated otherwise)
Note 2a - Property, plant and equipment
As at September 30, 2022

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at October 01, 2021	Additions	Disposals / Reclassification	As at September 30, 2022	As at October 01, 2021	Depreciation for the period	Disposals / Reclassification	As at September 30, 2022	As at September 30, 2022	As at October 01, 2021
BUILDINGS										
Factory buildings	503.33	16.63	(107.95)	412.01	121.73	17.67	(33.43)	105.97	306.04	381.60
Office buildings	0.01	-	-	0.01	0.01	-	-	0.01	-	-
Leasehold improvements	99.96	14.75	103.85	218.56	40.22	61.78	30.07	132.07	86.49	59.74
Temporary shed	5.04	-	(5.04)	-	1.58	-	(1.58)	-	-	3.46
	608.34	31.38	(9.14)	630.58	163.54	79.45	(4.94)	238.05	392.53	444.80
PLANT AND EQUIPMENT										
Plant and machinery	878.24	36.82	(47.37)	867.69	442.37	58.15	(30.00)	470.52	397.17	435.87
Laboratory testing equipment	42.48	9.40	(6.16)	45.72	33.85	4.99	(6.35)	32.49	13.23	8.63
Tools, dies, jigs and fittings (refer note (i) below)	679.46	115.00	(50.90)	743.56	149.03	61.52	(40.02)	170.53	573.03	530.43
Generator	26.84	1.15	(3.01)	24.98	12.96	2.00	(2.06)	12.90	12.08	13.88
Storage weighing and handling equipment	18.07	3.76	(2.89)	18.94	9.33	1.67	(2.65)	8.35	10.59	8.74
Air conditioner	13.37	2.26	(1.54)	14.09	8.82	1.70	(1.54)	8.98	5.11	4.55
Computer	77.58	39.23	(37.98)	78.83	59.72	11.24	(33.63)	37.33	41.50	17.86
	1,736.04	207.62	(149.85)	1,793.81	716.08	141.27	(116.25)	741.10	1,052.71	1,019.96
FURNITURE AND FIXTURES										
Furniture and fixtures	15.46	2.86	(15.13)	3.19	9.54	1.31	(15.03)	(4.18)	7.37	5.92
	15.46	2.86	(15.13)	3.19	9.54	1.31	(15.03)	(4.18)	7.37	5.92
VEHICLES										
Vehicles	7.55	-	(2.24)	5.31	5.23	0.74	(2.24)	3.73	1.58	2.32
	7.55	-	(2.24)	5.31	5.23	0.74	(2.24)	3.73	1.58	2.32
OFFICE EQUIPMENT										
Office equipment	12.71	15.09	(0.53)	27.27	4.69	4.29	(7.12)	1.86	25.41	8.02
	12.71	15.09	(0.53)	27.27	4.69	4.29	(7.12)	1.86	25.41	8.02
	2,380.10	256.95	(176.89)	2,460.16	899.08	227.06	(145.57)	980.56	1,479.60	1,481.02

(i) The cost of finished and semi finished tools, dies, jigs and fittings manufactured during the period in the tool room and included in Property, plant and equipment at Rs.42.09 (Previous year 12.06) has been determined on the basis of estimates of the technical personnel of the Company, for materials used and labour hours spent on each such tools, jigs, dies and fittings.

(ii) For lien / charge against Property, plant and equipment refer note 16 and 21.

(iii) During the current year, the company has done the physical verification of Property plant and equipment as per the program and written off assets amounting to Rs. 30.66 (Gross Block: Rs.155.01) for the assets which were obsolete/damaged.

(iv) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988.

Note 2b - Right-of-use assets

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at October 01, 2021	Additions	Disposals / Reclassification	As at September 30, 2022	As at October 01, 2021	Depreciation for the period	Disposals / Reclassification	As at September 30, 2022	As at September 30, 2022	As at October 01, 2021
Land & Building	369.87	54.62	-	424.49	114.94	63.13	-	178.07	246.42	254.93
	369.87	54.62	-	424.49	114.94	63.13	-	178.07	246.42	254.93

(i) Title deeds of immovable properties disclosed in the financial statements are held in the name of the Company, however few immovable properties are in the name of Control & Switchgear Company Private Limited (erstwhile name of the Company). The process of transferring the same in the name of Company (C&S Electric Limited) is in progress.

(ii) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988.

(iii) The impact of adoption of Ind AS 116 on the statement of profit and loss account is as below :

C&S Electric Limited

Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

Particulars	As at September 30, 2022	As at September 30, 2021
Rent expenses is lower by	74.83	33.50
Depreciation is higher by	63.13	28.62
Finance cost is higher by	19.50	10.21
Profit before tax is lower by	7.80	5.33

(iv) The Company has recognised as rent expense during period October 01, 2021 to September 30, 2022 Rs. 10.06 (Previous year Rs. 5.36) which includes short term lease/ low value asset which were not recognised as part of right of use asset. (Refer note 32)

Particulars	As at October 01, 2021	Additions	Transfer / Capitalisation	As at September 30, 2022
Note 3 - Capital work-in-progress	33.77	314.29	(331.77)	16.29

Capital work-in-progress ageing as on September 30, 2022

Particulars	Amount in CWIP				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) Project in progress	15.43	0.86	-	-	16.29
(ii) Project temporarily suspended	-	-	-	-	-
Total	15.43	0.86	-	-	16.29

The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan.

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at October 01, 2021	Additions	Disposals / Reclassification	As at September 30, 2022	As at October 01, 2021	Depreciation for the period	Disposals / Reclassification	As at September 30, 2022	As at September 30, 2022	As at October 01, 2021
Note 4 - Other Intangible assets										
Technical know how	25.89	17.49	-	43.38	25.88	0.68	-	26.56	16.82	0.01
Softwares	73.08	57.33	(26.74)	103.67	59.67	10.23	(24.31)	45.59	58.08	13.41
Commercial rights	22.33	-	(22.33)	-	22.33	-	(22.33)	-	-	-
Total	121.30	74.82	(49.07)	147.05	107.88	10.91	(46.64)	72.15	74.90	13.42

Particulars	As at October 01, 2021	Additions	Transfer / Capitalisation	As at September 30, 2022
Note 5 - Intangible assets under development	12.42	7.30	(12.42)	7.30

Intangible assets under development ageing as on September 30, 2022

Particulars	Amount in Intangible assets under development				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) Project in progress	6.96	0.34	-	-	7.30
(ii) Project temporarily suspended	-	-	-	-	-
Total	6.96	0.34	-	-	7.30

The Company does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan.

C&S Electric Limited
Notes forming part of the standalone financial statements
(All amounts are in INR million except wherever stated otherwise)
Note 2a - Property, plant and equipment
As at September 30, 2021

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals / Reclassification	As at September 30, 2021	As at April 01, 2021	Depreciation for the year	Disposals / Reclassification	As at September 30, 2021	As at September 30, 2021	As at April 01, 2021
BUILDINGS										
Factory buildings	503.33	-	-	503.33	113.04	8.69	-	121.73	381.60	390.29
Office buildings	0.01	-	-	0.01	0.01	-	-	0.01	-	-
Leasehold improvements	99.09	0.87	-	99.96	24.97	15.25	-	40.22	59.74	74.12
Temporary shed	5.04	-	-	5.04	1.58	-	-	1.58	3.46	3.46
	607.47	0.87	-	608.34	139.60	23.94	-	163.54	444.80	467.87
PLANT AND EQUIPMENT										
Plant and machinery	858.48	19.78	(0.02)	878.24	410.57	31.80	-	442.37	435.87	447.91
Laboratory testing equipment	41.84	0.64	-	42.48	26.19	7.66	-	33.85	8.63	15.65
Tools, dies, jigs and fittings (refer note (i) below)	657.26	22.20	-	679.46	121.44	27.59	-	149.03	530.43	535.82
Generator	26.84	-	-	26.84	11.91	1.05	-	12.96	13.88	14.93
Storage weighing and handling equipment	18.07	-	-	18.07	8.51	0.82	-	9.33	8.74	9.56
Air conditioner	13.10	0.34	(0.07)	13.37	8.08	0.81	(0.07)	8.82	4.55	5.02
Computer	74.09	3.49	-	77.58	54.11	5.61	-	59.72	17.86	19.98
	1,689.68	46.45	(0.09)	1,736.04	640.81	75.34	(0.07)	716.08	1,019.96	1,048.87
FURNITURE AND FIXTURES										
Furniture and fixtures	12.92	2.54	-	15.46	8.76	0.78	-	9.54	5.92	4.16
	12.92	2.54	-	15.46	8.76	0.78	-	9.54	5.92	4.16
VEHICLES										
Vehicles	14.44	-	(6.89)	7.55	7.10	0.94	(2.81)	5.23	2.32	7.34
	14.44	-	(6.89)	7.55	7.10	0.94	(2.81)	5.23	2.32	7.34
OFFICE EQUIPMENT										
Office equipment	11.49	1.24	(0.02)	12.71	3.00	1.70	(0.01)	4.69	8.02	8.49
	11.49	1.24	(0.02)	12.71	3.00	1.70	(0.01)	4.69	8.02	8.49
	2,336.00	51.10	(7.00)	2,380.10	799.27	102.70	(2.89)	899.08	1,481.02	1,536.73

(i) The cost of finished and semi finished tools, dies, jigs and fittings manufactured during the year in the tool room and included in Property, plant and equipment at Rs.12.06 (previous year Rs. 38.93) has been determined on the basis of estimates of the technical personnel of the Company, for materials used and labour hours spent on each such tools, dies, jigs and fittings.

(ii) For lien / charge against Property, plant and equipment refer note 16 and 21.

(iii) All the immovable properties' title deed are in the name of Company and not held jointly with others.

(iv) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988.

Note 2b - Right-of-use assets

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals / Reclassification	As at September 30, 2021	As at April 01, 2021	Depreciation for the year	Disposals / Reclassification	As at September 30, 2021	As at September 30, 2021	As at April 01, 2021
Land & Building	368.79	1.08	-	369.87	86.32	28.62	-	114.94	254.93	282.47
	368.79	1.08	-	369.87	86.32	28.62	-	114.94	254.93	282.47

(i) Title deeds of immovable properties disclosed in the financial statements are held in the name of the Company, however few immovable properties are in the name of Control & Switchgear Company Private Limited (erstwhile name of the Company), the process of transferring the same in the name of Company (C&S Electric Limited) is in progress.

(ii) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988

(iii) The impact of adoption of Ind AS 116 on the statement of profit and loss account is as below :

C&S Electric Limited
Notes forming part of the standalone financial statements
(All amounts are in INR million except wherever stated otherwise)

Particulars	As at September 30, 2021	As at April 01, 2021
Rent expenses is lower by	33.50	63.31
Depreciation is higher by	28.62	51.70
Finance cost is higher by	10.21	18.66
Profit before tax is lower by	5.33	7.05

(v) The Company has recognised as rent expense during the period April 01, 2021 to September 30, 2021 Rs. 5.36 (Previous Year Rs. 3.59) which includes short term lease/ low value asset which were not recognised as part of right of use asset. (Refer note 32)

Particulars	As at April 01, 2021	Additions	Transfer / Capitalisation	As at September 30, 2021
Note 3 - Capital work-in-progress	18.24	27.09	(11.56)	33.77

Capital work-in-progress ageing as on March 31, 2021

Particulars	Amount in CWIP				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Project in progress	32.42	1.35	-	-	33.77
(ii) Project temporarily suspended	-	-	-	-	-
Total	32.42	1.35	-	-	33.77

The Company does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan.

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at April 01, 2021	Additions	Disposals / Reclassification	As at September 30, 2021	As at April 01, 2021	Depreciation for the year	Disposals / Reclassification	As at September 30, 2021	As at September 30, 2021	As at April 01, 2021
Note 4 - Other Intangible assets										
Technical know how	25.89	-	-	25.89	25.88	-	-	25.88	0.01	0.01
Softwares	71.88	1.20	-	73.08	56.46	3.21	-	59.67	13.41	15.42
Commercial rights	22.33	-	-	22.33	22.33	-	-	22.33	-	-
Total	120.10	1.20	-	121.30	104.67	3.21	-	107.88	13.42	15.43

Particulars	As at April 01, 2021	Additions	Transfer / Capitalisation	As at September 30, 2021
Note 5 - Intangible assets under development	12.42	-	-	12.42

Intangible assets under development ageing as on March 31, 2021

Particulars	Amount in Intangible assets under development				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Project in progress	-	12.42	-	-	12.42
(ii) Project temporarily suspended	-	-	-	-	-
Total	-	12.42	-	-	12.42

The Company does not have any Intangible assets under development which is overdue or has exceeded its cost compared to its original plan.

Note 6 - Trade receivables

Particulars	As at September 30, 2022	As at September 30, 2021
(a) Non current-(unsecured)		
-Considered good	107.56	0.33
	107.56	0.33
(b) Current-(unsecured)		
-Considered good*	2,791.54	3,076.72
-Credit impaired	40.06	49.58
	2,831.60	3,126.30
Less: Impairment Allowance**	(644.71)	(699.67)
	2,186.89	2,426.63
	2,294.45	2,426.96

(i) Parri passu charge on trade receivables refer note 16 and 21.

(ii) The Company's exposure to credit risk, currency risk and loss allowance related to trade receivables are disclosed in note 41.

*Trade receivables (unsecured, considered good) includes Rs. 172.01 (Previous year Rs. 179.46) due from related parties. (refer note 37)

Trade receivables ageing as at September 30, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - Considered good	1,372.25	827.29	93.92	180.51	161.47	263.66	2,899.10
(ii) Undisputed trade receivables - Credit Impaired	-	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good #	-	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit Impaired #	-	-	-	-	3.18	36.88	40.06
Total (A)	1,372.25	827.29	93.92	180.51	164.65	300.54	2,939.16
Less: Allowance for expected credit loss							604.65
Less: Allowance for credit impaired trade receivables							40.06
Total (B)							644.71
Total (A)-(B)							2,294.45

Trade receivables ageing as at September 30, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - Considered good	1,401.07	609.31	261.46	241.52	262.97	300.72	3,077.05
(ii) Undisputed trade receivables - Credit Impaired	-	-	-	-	-	-	-
(iii) Disputed trade receivables - Considered good #	-	-	-	-	-	-	-
(iv) Disputed trade receivables - Credit Impaired #	-	-	-	1.66	7.21	40.71	49.58
Total (A)	1,401.07	609.31	261.46	243.18	270.18	341.43	3,126.63
Less: Allowance for expected credit loss							650.09
Less: Allowance for credit impaired trade receivables							49.58
Total (B)							699.67
Total (A)-(B)							2,426.96

**There is an outstanding of Rs. 322.60 (Previous year Rs. 358.37) from C&S Electric International B.V. (an erstwhile subsidiary of the Company, also mentioned as 'Eta-com') as on September 30, 2022. Out of this balance, Rs. 322.60 (Previous year Rs. 333.62) is overdue beyond the agreed payment terms. In the absence of any written confirmation from the C&S Electric International B.V. specifying the date by which the outstanding will get settled and also given that the current financial health of the entity does not demonstrate ability to settle the overdue outstanding, the management has recorded a provision in books of Rs. 322.60 (Previous year Rs. 284.66) as at September 30, 2022 against the balance outstanding.

Further, as the above amount is recoverable in foreign currency and is overdue beyond the timelines prescribed under FEMA regulations. The Company has applied to the authorized dealer seeking extension in timelines for recovery of this amount. Management believes that the Company would be able to obtain the approvals, if required, from the authorities with levy of nominal penalty, if any.

In view of the management, at this stage, there is significant uncertainty over recovery of these amounts from the perspective of C&S Limited and hence the Company is carrying adequate provision in its books.

Disputed trade receivables represent where there is legal case with customers.

Note 7 - Financial assets - Others

Particulars	As at September 30, 2022	As at September 30, 2021
(a) Non Current		
-Financial assets at amortised cost		
Other bank balances - Margin money deposits *	2.79	2.86
Security deposits	44.71	34.42
Earnest money deposits	3.46	3.10
	50.96	40.38
(b) Current		
-Financial assets at amortised cost		
Other bank balances - Margin money deposits *	6.06	3.25
Security deposits	1.72	2.01
Earnest money deposits	1.78	1.94
Interest accrued on overdues from customers	0.66	0.86
Contract Assets - Unbilled Revenue	25.68	9.12
Other receivables	-	1.37
Export incentives receivable	41.77	77.25
Contractually reimbursable expenses	5.54	3.19
Insurance claim receivables	-	7.98
-Financial assets at Fair value through Profit or Loss		
Mark to market receivable on derivative contracts	-	0.75
	83.21	107.72

* Margin money with bank represents fixed deposits pledged with banks for guarantees issued to Government authorities.

Note 8 - Other assets

Particulars	As at September 30, 2022	As at September 30, 2021
Unsecured, considered good		
(a) Non Current		
Capital advances	44.85	28.55
Advances other than capital advances		
Prepaid expenses	9.02	18.02
Deposit with Government authorities	14.97	22.97
	68.84	69.54
(b) Current		
Advances to vendors	54.49	40.06
Prepaid expenses	45.32	47.75
Balance with government authorities	169.48	228.16
	269.29	315.97

Note 9 - Deferred tax assets (net)

Particulars	As at	As at
	September 30, 2022	September 30, 2021
Tax effect of items constituting deferred tax assets		
Provision for loss order & contingencies	74.78	45.24
Provision for employee benefits	81.56	77.52
Provision for doubtful trade receivables	162.26	177.34
Provision for inventory	54.61	44.86
Lease liabilities	55.00	55.67
Other temporary differences	12.98	34.53
	441.19	435.16
Tax effect of items constituting deferred tax liability		
On difference between written down value (WDV) of property plant and equipment as per Companies Act and as per Income tax act, 1961	83.66	100.52
On Right-of-use assets	62.02	64.16
	145.68	164.68
Deferred tax assets (net)	295.51	270.48

Note 10 - Tax Assets (Net)

Particulars	As at	As at
	September 30, 2022	September 30, 2021
Tax Assets		
Advance income tax and tax deducted at source receivable	1,568.14	1,319.15
Less : Provision for taxation	(1,486.82)	(1,248.94)
	81.32	70.21

Note 11 - Inventories *

(At lower of cost and net realisable value)

Particulars	As at	As at
	September 30, 2022	September 30, 2021
(a) Raw materials and bought out components (Includes goods in transit of Rs. 82.74 (Previous Year : Rs. 58.26))	1,203.03	1,044.91
(b) Work-in-progress	336.71	227.69
(c) Finished goods (Includes goods in transit of Rs. 163.79 (Previous Year : Rs. 117.25))	1,014.34	958.51
(d) Stock-in-trade	2.59	3.34
	2,556.67	2,234.45
Less : Write down / provision of inventory	(216.98)	(247.97)
	2,339.69	1,986.48

* Pari passu charge on inventories refer note 16 and 21.

Note 12 - Current investments

Particulars	As at		As at	
	September 30, 2022		September 30, 2021	
	Qty (in nos)	Amount	Qty (in nos)	Amount
(Unquoted, in joint ventures)				
Investment in equity shares (fully paid of Rs. 10 each)				
TC Electric Controls LLC (refer note (ii) below)		13.58		13.58
Less: Net off provision for impairment		(13.58)		(13.58)
		-		-
Investment in units of debentures at FVTPL (Unquoted)				
Piramal Capital And Housing Finance Limited of face value of Rs. 850.24 each (refer note (i) below)	-	-	39,855	33.89
		-		33.89
Aggregate amount of Unquoted Investment Financial Assets measured at FVTPL				
Debentures		-		33.89
		-		33.89

(i) In accordance with the provisions of the Share purchase agreement (SPA) and subsequent amendments thereof, the Company is required to pay to the erstwhile promoters any amount received in relation to the investments in bonds of Dewan Housing Finance Limited (DHFL). During the period, the Company has received Rs. 33.13 and debentures of Rs 33.89 in full and final settlement against its investments in DHFL of Rs. 150.00. Further discussion with the erstwhile promoter, the amendment in SPA has been finalized. According to the amendment in SPA, Siemens Limited is required to pay an amount of Rs. 67.02 to the erstwhile promoters. Accordingly, the Company has recognised an investment of Rs. 33.89 and reversed the provision of Rs. 67.02. Subsequently, debentures of Rs. 33.89 have been sold during the year at a loss of Rs. 0.75.

(ii) The Company had an investment of Rs. 13.58 in Joint venture TC electric controls, US (JV). The JV Company had been dissolved on 31 March 2021. The Company has made provision of Rs. 13.58 on investment and Rs. 26.14 on trade receivables. The Company is in the process of making necessary compliance as per Reserve Bank of India regulation.

C&S Electric Limited

Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

Note 13 - Cash and cash equivalents

Particulars	As at September 30, 2022	As at September 30, 2021
(a) Cash and cash equivalents		
Cash in hand	-	0.08
Cheques / drafts in hand	1.74	-
Balances with banks		
(i) In current accounts	109.51	265.92
(ii) In deposits accounts with original maturity of less than 3 months	100.07	242.86
	211.32	508.86
(b) Bank balances other than (a) above		
Other bank balances		
(i) Deposits with original maturity of more than 3 months but less than 12 months	-	129.32
(ii) Earmarked Balances with banks - unpaid dividend	0.52	0.57
(iii) Kotak Securities-Commodity Hedging	0.01	-
	0.53	129.89

Note 14 - Loans*

Particulars	As at September 30, 2022	As at September 30, 2021
Unsecured, considered good unless otherwise stated		
Loan to employees	1.18	1.95
	1.18	1.95

*No loans or advances which are in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act,2013), either severally or jointly with any other person have been granted by the company.

Note 15 - Equity share capital

Particulars	As at September 30, 2022		As at September 30, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised Equity shares of Rs. 10 each with voting rights	71,000,000	710.00	71,000,000	710.00
	71,000,000	710.00	71,000,000	710.00
Issued, subscribed and fully paid up Equity shares of Rs. 10 each with voting rights	44,268,062	442.68	44,268,062	442.68
	44,268,062	442.68	44,268,062	442.68

(a) Reconciliation of equity shares at the beginning and at the end of the year:

Particulars	As at September 30, 2022		As at September 30, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Shares outstanding at the beginning of the period	44,268,062	442.68	44,268,062	442.68
Shares outstanding at the end of the period	44,268,062	442.68	44,268,062	442.68

(b) Promoters Shareholding Pattern

Shares held by promoters at the end of the period / year						%change during the year
S.No.	Promoter Name	As at September 30, 2022		As at September 30, 2021		
		No. Of Shares	%of total shares	No. Of Shares	%of total shares	
	Siemens Ltd.	43,924,114	99.22%	43,924,114	99.22%	-
	Total	43,924,114	99.22%	43,924,114	99.22%	-

Shares held by promoters at the end of the period / year						%change during the period / year
S.No.	Promoter Name	As at September 30, 2021		As at April 01, 2021		
		No. Of Shares	%of total shares	No. Of Shares	%of total shares	
	Siemens Ltd.	43,924,114	99.22%	43,924,114	99.22%	-
	Total	43,924,114	99.22%	43,924,114	99.22%	-

(c) Shareholders holding more than 5% of shares

S.No.	Name	As at September 30, 2022		As at September 30, 2021	
		No. Of Shares	%of total shares	No. Of Shares	%of total shares
	Siemens Ltd.	43,924,114	99.22%	43,924,114	99.22%
	Total	43,924,114	99.22%	43,924,114	99.22%

(d) Details of shares held by Holding Company

S.No.	Name	As at September 30, 2022		As at September 30, 2021	
		No. Of Shares	Amount	No. Of Shares	Amount
	Siemens Ltd.	43,924,114	439,241,140	43,924,114	439,241,140
	Total	43,924,114	439,241,140	43,924,114	439,241,140

(e) Rights, preferences and restrictions on equity shares:

Voting rights and dividend shall be in the proportion to the capital paid upon equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the capital paid upon equity share after distribution of all preferential amount.

Note 16 - Non - current financial liabilities - Borrowings (at amortised cost)

Particulars	As at September 30, 2022	As at September 30, 2021
Secured		
Term loans		
from banks (refer note (i) below)	-	9.68
from other parties (refer note (ii) below)	-	6.33
Less : Current maturity of long term borrowings (refer note 21)	-	(16.01)
	-	-

Notes :-

(i) Term loan in form of external commercial borrowings from Standard Chartered Bank of Rs. NIL (September 30, 2021 Rs. 9.68) was secured by present and future movable properties out of proceeds of the facility.

Repayment term :- Payable in one balance quarterly installment (as at September 30, 2021) of Rs. 8.82 (Reinstated at Rs. 9.68 as per closing exchange rate on September 30, 2021).

The same has been repaid in current year.

(ii) Deferred payment liability in form of financing facility from Siemens Factoring Private Limited against purchase of software (refer note 21 & 37).

Repayment term: Payable in 11 balance monthly instalments (as at September 30, 2021) , each of Rs. 0.67 at interest rate of 8.00% . However, the same have been fully repaid in the current year.

Note 17 - Lease liabilities

Particulars	As at September 30, 2022	As at September 30, 2021
(a) Non current		
Lease liabilities	160.21	175.21
	160.21	175.21
(b) Current		
Lease liabilities	58.34	45.99
	58.34	45.99

The movement in lease liabilities is as follows :

Particulars	September 30, 2022	September 30, 2021
Opening lease liabilities	221.20	244.50
Additions	52.68	-
Finance cost accrued during the year	19.50	10.21
Payment of lease liabilities	(74.83)	(33.51)
Deletions	-	-
Closing lease liabilities	218.55	221.20

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows :

Particulars	Year ended September 30, 2022	Period ended September 30, 2021
Less than one year	70.33	64.48
One to five years	165.85	190.61
More than five years	71.67	76.51
	307.85	331.60

Amount recognised in statement of Cash Flow

Particulars	Year ended September 30, 2022	Period ended September 30, 2021
Cash outflow for leases	(55.33)	(24.94)
Interest on lease liabilities	(19.50)	(8.57)
Total cash outflow for leases	(74.83)	(33.51)

The leases that the Company has entered with lessors are generally long term in nature and no changes in terms of those leases are expected due to Covid-19.

Note 18 - Other financial liabilities (at amortised cost)

Particulars	As at September 30, 2022	As at September 30, 2021
(a) Non current		
-Financial liabilities at amortised cost		
Security deposits taken from customers	42.17	41.70
Liabilities related to share based payments (refer note 48)	1.70	-
	43.87	41.70
(b) Current		
-Financial liabilities at amortised cost		
Payable against property, plant and equipment	21.66	1.91
Interest accrued on borrowings	-	1.05
Employee and workers related payables	236.40	258.39
Unpaid dividends	0.52	0.57
Other payable*	19.64	-
-Financial liabilities at fair value through Profit or Loss		
MTM payable on derivative contracts	4.16	-
	282.38	261.92

The Company exposure to currency and liquidity risks related to other financials liabilities are disclosed note 41.

*Represents amount received from trade receivables of Trimaster Private Limited on their behalf.

Note 19 - Provisions

Particulars	As at September 30, 2022	As at September 30, 2021
(a) Non current		
Provision for employee benefits		
Provision for gratuity (net) (refer note 42)	177.31	165.12
Provision for compensated absences		
- Earned leave	41.55	38.62
- Sick leave	11.18	10.59
Provision Long service award	5.64	5.95
Provision for Retirement gift scheme (refer note 42)	0.44	0.30
Provision for Post retirement medical benefit (PRMB) (refer note 42)	1.42	1.27
Provision for Restoration cost*	6.57	-
	244.11	221.85
(b) Current		
Provision for employee benefits		
Provision for compensated absences		
- Earned leave	12.76	12.48
- Sick leave	3.16	3.00
Provision Long service award	1.88	1.25
Provision for loss order {refer note 36 (a)}	24.09	151.30
Provision for contingencies {refer note 36 (b)}	273.05	28.45
Provision for warranty {refer note 36 (c)}	25.26	33.09
Provision for restoration cost*	-	6.22
Provision for liquidated damages {refer note 36 (d)}	76.62	-
	416.82	235.79

* Represents the best estimate of the amount required to carry out site restoration at the end of the contract term. The movement in provision during the year represents the interest accretion amounting to Rs. 0.35.

Note 20 - Other Liabilities

Particulars	As at September 30, 2022	As at September 30, 2021
Current		
Contract liabilities		
Advances from customers	318.62	226.11
Income received in advance - unearned revenue	11.50	8.27
Payable to government authorities	66.91	246.35
	397.03	480.73

Note 21 - Current financial liabilities - Borrowings (at amortised cost)

Particulars	As at September 30, 2022	As at September 30, 2021
From banks		
Secured		
Working capital demand loan (repayable on demand)*	-	-
Current maturity of long term borrowings	-	9.68
From other parties		
Unsecured		
Current maturity of long term borrowings	-	6.33
	-	16.01

* Working capital demand loan are secured by:-

- first pari passu charge on whole of the current assets of the Company (both present and future);
- pari passu charge on movable property, plant and equipment of the Company (both present and future);
- first pari passu charge on the following immovable properties of the Company:-
 - land and building situated at A-7, A-8 and A-9, Sector - VIII, Noida, Phase I;
 - land and building situated at C-59, Noida, Phase II;

Repayment term :- On demand.

The Company has filed quarterly returns/statement of current assets with banks for the period ended September 30, 2022 and year ended September 30, 2021. The details of differences between books of account and quarterly returns are as follows:

Quarter	Name of Bank	Particulars	Nature of securities	Amount as per books of account	Amount as reported in the quarterly return statement	*Amount of difference
September, 2022	IDBI/SBI/SCB	Trade Receivables	Current assets	2,294.45	2,265.72	28.73
		Inventories		2,339.69	2,259.14	80.55
		Trade Payables	Current liabilities	1,548.47	1,503.63	44.85
June, 2022	IDBI/SBI/SCB	Trade Receivables	Current assets	2,644.53	2,659.78	(15.25)
		Inventories		2,575.29	2,477.72	97.57
		Trade Payables	Current liabilities	2,362.01	2,265.89	96.13
March, 2022	IDBI/SBI/SCB	Trade Receivables	Current assets	2,649.05	2,284.74	364.32
		Inventories		2,341.92	2,276.68	65.24
		Trade Payables	Current liabilities	2,462.22	2,158.58	303.64
December, 2021	IDBI/SBI/SCB	Trade Receivables	Current assets	2,601.92	2,788.69	(186.77)
		Inventories		1,951.22	1,902.05	49.17
		Trade Payables	Current liabilities	2,150.85	1,522.63	628.22
September, 2021	IDBI/SBI/SCB	Trade Receivables	Current assets	2,426.96	2,441.66	(14.70)
		Inventories		1,986.48	1,914.11	72.37
		Trade Payables	Current liabilities	2,018.93	1,378.96	639.97
June, 2021	IDBI/SBI/SCB	Trade Receivables	Current assets	2,965.42	2,969.32	(3.90)
		Inventories		2,018.31	2,046.91	(28.60)
		Trade Payables	Current liabilities	2,253.70	1,593.00	660.70
March, 2021	IDBI/SBI/SCB	Trade Receivables	Current assets	2,581.41	3,346.20	(764.79)
		Inventories		1,872.89	2,037.11	(164.22)
		Trade Payables	Current liabilities	2,564.27	1,661.93	902.34
December, 2020	IDBI/SBI/SCB	Trade Receivables	Current assets	4,179.55	3,677.23	502.32
		Inventories		2,461.45	2,561.19	(99.74)
		Trade Payables	Current liabilities	2,541.79	2,137.29	404.49

*The quarterly returns/statement of current assets submitted to banks as compared to books of accounts reflected differences as the Company did not have a formal quarterly closing process for its books of account. The Company has initiated formal quarterly closing process for its books of account starting quarter ended June 2021. The reasons for variances in the stock statement submitted to the bank for the period from October 01, 2021 to September 30, 2022 majorly is due to certain period ended book closure adjustments carried post filing of returns with banks and other reasons as mentioned below. Moreover the Company has submitted the reconciliation statements for the period from October 01, 2021 to September 30, 2022 to the bankers.

Trade Receivables:- Variances were mainly on account of book closure entries.

Trade Payables:- Trade Payables include all types of creditors and goods in transit in the books of accounts. The Company has been submitting unsecured creditors excluding goods in transit as per past practice.

Inventories :- Goods in transit are included in the inventories in the books of accounts. The Company has been submitting inventories excluding goods in transit as per past practice.

Note 22 - Trade payables

Particulars	As at September 30, 2022	As at September 30, 2021
Outstanding dues to Micro and Small enterprises (refer note 35)	292.23	235.95
Outstanding dues to parties other than Micro and Small enterprises (refer note (iii) below)	1,256.24	1,782.98
	1,548.47	2,018.93

C&S Electric Limited

Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

Trade Payable ageing as at September 30, 2022

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	247.30	2.92	18.50	17.88	5.63	292.23
(ii) Others	1,003.11	237.45	5.73	0.43	9.52	1,256.24
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,250.41	240.37	24.23	18.31	15.15	1,548.47

Trade Payable ageing as at September 30, 2021

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	175.81	58.07	2.05	-	0.02	235.95
(ii) Others	847.14	918.14	6.87	2.22	8.61	1,782.98
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,022.95	976.21	8.92	2.22	8.63	2,018.93

(i) All trade payables are current.

(ii) The Company exposure to currency and liquidity risks related to trade payables are disclosed note 41.

(iii) Trade payables includes Rs. 28.61 (Previous year Rs. 32.97) due to related parties. (refer note 37)

Note 23 - Current tax liabilities

Particulars	As at September 30, 2022	As at September 30, 2021
Provision for income tax	-	117.87
Less : Advance income tax and TDS receivable	-	(80.58)
	-	37.29

C&S Electric Limited

Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

Note 24 - Revenue from operations

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
(a) Sale of products		
Manufactured goods		
Domestic	9,538.11	3,539.62
Exports	2,328.25	1,167.93
	11,866.36	4,707.55
Traded goods		
Domestic	7.36	4.00
Exports	4.43	-
	11.79	4.00
	11,878.15	4,711.55
(b) Sale of services		
Sale of power, service, job work and commission income	15.50	5.16
(c) Income from erection / work contracts and supervision charges	127.99	55.73
(d) Other operating revenues		
Scrap sales	118.60	42.95
Export incentives	57.70	63.15
	12,197.94	4,878.54

Note 25 - Other income

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
(a) Interest income		
Interest income earned on financial assets that are not designated at FVTPL		
- Financial assets that are designated at amortised cost		
(a) On bank deposits	10.17	12.95
(b) Others	1.35	0.45
- Interest income earned on financial assets that are designated at FVTPL		
(a) On Investments in Debentures - measured at FVTPL	1.36	-
(b) Other non-operating income		
(a) Net gain for currency hedging	2.86	-
(b) Liabilities / provisions no longer required written back	84.63	105.86
(c) Net gain on foreign currency transactions	20.08	-
(d) Miscellaneous income	9.76	1.29
	130.21	120.55

C&S Electric Limited

Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

Note 26 - Cost of material consumed

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Raw Materials		
Opening inventories	1,044.91	1,042.63
Add:- Purchases	8,190.16	3,123.26
Less:- Closing inventories	(1,203.03)	(1,044.91)
	8,032.04	3,120.98

Note 27 - Purchase of stock-in-trade

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Purchase of stock in trade	8.46	2.09
	8.46	2.09

Note 28 - Changes in inventory of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Add: Opening stock		
Finished goods	958.51	873.39
Work-in-progress	227.69	210.97
Stock-in-trade	3.34	4.44
Less: Closing stock		
Finished goods	(1,014.34)	(958.51)
Work-in-progress	(336.71)	(227.69)
Stock-in-trade	(2.59)	(3.34)
Net (Increase) / decrease in inventory of finished goods, work-in-progress and stock-in-trade	(164.10)	(100.74)
	(164.10)	(100.74)

C&S Electric Limited**Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***Note 29 - Employee benefits expense**

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
(i) Salaries and wages	1,237.68	599.95
(ii) Contribution to provident and other funds (refer note 42(a) and 42(b))	102.99	52.33
(iii) Share based payments to employees (refer note 48)	1.70	-
(iv) Staff welfare expenses	53.43	22.22
	1,395.80	674.50

Note 30 - Finance cost

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
(a) Interest expense on		
- Term loans	0.16	9.40
- Others	1.76	12.83
(b) Other borrowing costs	4.01	4.60
(c) Interest on lease liabilities (refer note 17)	19.50	10.21
(d) Interest Others	20.43	8.57
	45.86	45.61

Note 31 - Depreciation and amortisation expense

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
(a) Depreciation of Property, plant and equipment (refer note 2a)	227.06	102.70
(b) Depreciation on Right-of-use assets (refer note 2b)	63.13	28.62
(c) Amortisation of intangible assets (refer note 4)	10.91	3.21
	301.10	134.53

C&S Electric Limited
Notes forming part of the financial statements
(All amounts are in INR million except wherever stated otherwise)
Note 32 - Other expenses

Particulars	For the year ended September 30, 2022		For the period April 01, 2021 to September 30, 2021	
Contract manufacturing and erection expenses (Including manpower charges)		546.13		214.76
Consumption of stores and spare parts		133.65		50.71
Power and fuel		121.26		61.97
Rent		10.06		5.36
Repairs and maintenance				
Buildings		260.22		6.93
Machinery		39.24		14.40
Other		100.62		48.09
Insurance		12.90		12.15
Rates and taxes		12.94		3.25
Travelling and conveyance		89.00		24.88
Legal and professional		108.76		57.60
Director's sitting fees		1.25		0.80
Payment to auditors (see note (i) below)		11.11		7.17
Communication		19.33		8.41
Vehicle running and maintenance		1.61		0.49
Bad trade receivables written off	196.21		4.50	
(Less) : Charged against provision for trade receivables	(194.30)	1.91	(4.50)	-
Provision for doubtful trade receivables (net)		139.35		76.73
Slow moving inventories written off	222.16		-	
(Less) : Charged against provision for Slow moving inventories	(222.16)	-	-	-
Charge for slow moving inventories		191.17		-
Quality analysis and certification expenses		38.85		31.02
Business promotion		22.29		19.66
Commission		24.26		5.39
Freight and forwarding		239.14		76.64
Printing and stationery		9.73		3.31
Expenditure on Corporate Social Responsibility (refer note 45)		7.16		10.71
Debit Balance (other than debtors) Written off		6.84		24.14
Loss on disposal of debt instruments		0.75		0.46
Net loss on property, plant and equipment sold / discard (net)		31.64		0.08
MTM loss on derivative contracts		0.75		3.21
Provision for loss order {refer note 36(a)}		(127.21)		32.08
Capital work-in-progress written off		4.33		-
Provision for Liquidated damages {refer note 36(b)}		76.62		-
Bank charges		32.82		18.03
MTM loss on hedging contracts		252.22		-
Miscellaneous expenses		67.34		30.74
		2,488.04		849.17
Less: Capitalised with tools, jigs, dies and fittings {refer note 2(a)}		(42.09)		(12.06)
		2,445.95		837.11

Note (i)

Particulars	For the year ended September 30, 2022		For the period April 01, 2021 to September 30, 2021	
As Auditors				
- Audit fees		8.25		5.75
- Tax audit fees		2.00		1.25
In other capacity				
- Other audit related services		0.45		-
- Reimbursement of expenses		0.41		0.17
		11.11		7.17

C&S Electric Limited

Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

Note 33 - Tax expenses

(a) Income Tax Expense

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Current Tax:		
Current Income Tax Charge	97.47	117.87
Current Income Tax for prior years	22.03	30.26
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(19.63)	(47.51)
Total Tax Expense recognised in profit and loss account including OCI	99.87	100.62

(b) Income Tax on Other Comprehensive Income

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Remeasurements of defined benefit plans	(5.40)	0.57
Total Income tax (credit)/ expense charged to OCI	(5.40)	0.57

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for September 30, 2022.

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Profit before tax	263.04	285.01
Other Comprehensive items	(21.46)	1.14
Total	241.58	286.15
Tax at statutory rate of 25.168% - (A)	60.80	72.02
Tax effect of (income) /expenses that are not deductible/(deductible) for tax purposes	11.64	(2.23)
Current Income Tax for prior years	22.03	30.26
Total (B)	33.67	28.03
Total (A+B)	94.47	100.05
Income tax reported in statement of profit and loss	99.87	100.62
Income tax (credit)/ expense reported in Other Comprehensive Income	(5.40)	0.57
Total	94.47	100.05

d) Movement in deferred tax

Particulars	Balance Sheet		Profit & Loss Account	
	As at September 30, 2022	As at September 30, 2021	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Deferred tax assets				
Provision for doubtful trade receivables	162.26	177.34	(15.08)	15.53
Provision for loss order & Contingencies	74.78	45.24	29.54	8.61
Provision for employee benefits	81.56	77.52	4.04	6.24
Provision for Inventory	54.61	44.86	9.75	(4.98)
Lease liabilities	55.00	55.67	(0.67)	(5.86)
Other temporary differences	12.98	34.53	(21.55)	15.01
Deferred tax liabilities				
Difference between WDV as per books and Income Tax Act, 1961	(83.66)	(100.52)	16.86	6.03
On Right-of-use assets	(62.02)	(64.16)	2.14	6.93
Deferred tax assets (net)	295.51	270.48	25.03	47.51
Deferred tax recognised directly in Other Comprehensive income	-	-	(5.40)	-
Total Deferred tax As shown in Balance sheet and Profit & Loss Account	295.51	270.48	19.63	47.51

Particulars	As at September 30, 2022	As at September 30, 2021
Reconciliation of deferred tax assets, net		
Opening Balance	270.48	222.97
Tax income recognised in profit or loss	19.63	47.51
Tax income recognised in OCI	5.40	-
Deferred tax assets (net)	295.51	270.48

C&S Electric Limited**Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***Note 34 - Contingent liabilities and commitments**

Particulars	As at September 30, 2022	As at September 30, 2021
(a) Contingent Liabilities		
Claims against the Company not acknowledged as debts		
Income tax matters	506.61	515.19
Sales tax matters	3.55	97.30
Others matters	8.38	9.89
	518.54	622.38
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	89.17	63.30
Total	607.71	685.68

(i) In respect of above contingent liabilities, the future cash outflows are determinable only on receipt of judgements pending at various forums/ authorities. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

(ii) The Supreme Court on 28 February 2019 has provided its judgment regarding inclusion of other allowances such as travel allowances, special allowances, etc. within the expression 'basic wages' for the purpose computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). There are interpretive challenges on the application of the Supreme Court Judgment including the period from which judgment would apply, consequential implications on resigned employees etc. Further, various stakeholders have also filed representations/ review petition with PF authorities and the Supreme Court respectively. All these factors raises significant uncertainty regarding the implementation of the Supreme Court Judgment.

Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Company has recognized provision for the PF contribution on the basis of above mentioned order with effect from the order date. Further, the management believes that impact of aforementioned uncertainties on the financial statements of the Company should not be material.

Note 35 - Dues to micro and small enterprises

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the balance due to Micro and Small Enterprises as defined under the MSMED Act, 2006 and interest due thereon is as under.

Particulars	As at September 30, 2022	As at September 30, 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the period:		
- Principal	246.99	188.91
- Interest	45.24	47.04
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the 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 appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	45.24	47.04
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	45.24	47.04

Note 36 (a) - Provision for loss order

A provision for expected loss on contracts is recognised when it is probable that the contract costs will exceed total contract revenue. For all other contracts, loss order provisions are made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits.

The movement of provision in accordance with Ind-AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is given below :-

Particulars	As at September 30, 2022	As at September 30, 2021
Opening balance	151.30	119.22
Provision created during the year	1.13	32.08
Utilised/reversed during the year	(128.34)	-
Closing balance	24.09	151.30

C&S Electric Limited**Notes forming part of the financial statements**

(All amounts are in INR million except wherever stated otherwise)

Note 36 (b) - Provision for Contingency

The Company has made provision for certain litigation cases involving ex-employees and contractual labour, the outflow of which would depend on cessation of the respective events and determined an amount of Rs 29.32 (Previous year Rs. 28.45) as a probable outflow in future in respect of such cases.

During the year, the Company with the help of external consultant performed an assessment of the compliance of the buildings constructed with the approved drawings plan/ Building Completion Certificate and observed that there were deviations which require rectifications to the buildings. Based on the assessment, the management has created provision of Rs. 249.70 (Previous year Rs. Nil). Further, penalty if any is not ascertainable and likelihood of same is low.

The movement of provision in accordance with Ind-AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is given below :-

Particulars	As at September 30, 2022	As at September 30, 2021
Opening balance	28.45	26.32
Provision created during the year	250.57	2.13
Utilised/reversed during the year	(5.97)	-
Closing balance	273.05	28.45

Note 36(c) - Provision for warranty

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

The movement of provision in accordance with Ind-AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is given below :-

Particulars	As at September 30, 2022	As at September 30, 2021
Opening balance	33.09	10.89
Provision created during the year	42.85	22.20
Utilised/reversed during the year	(50.68)	-
Closing balance	25.26	33.09

Note 36 (d) - Provision for Liquidated damages

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded. This expenditure is expected to be incurred over the respective contractual terms up to closure of the contract.

The movement of provision in accordance with Ind-AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is given below :-

Particulars	As at September 30, 2022	As at September 30, 2021
Opening balance	-	-
Provision created during the year	76.62	-
Utilised/reversed during the year	-	-
Closing balance	76.62	-

C&S Electric Limited**Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***Note 37- Related party disclosures under Accounting Standard Ind-AS - 24 “Related Party Disclosures”****a) Holding Company:**

Siemens Ltd.

b) Ultimate Holding Company:

Siemens AG. Germany

c) Fellow Subsidiaries:

Siemens Bangladesh Ltd
Siemens Sanayi Ve Ticaret Anonim Sirketi
Siemens Factoring Private Limited
Siemens Technology & Services Limited
Siemens Industry Software (India) Pvt. Ltd
Siemens Industrial Limited

d) Joint Ventures:

TC Electric Controls LLC (Dissolved on March 31, 2021)

e) Key Managerial Personnel**(i) Whole-Time Director**

Mr. Prakash Kumar Chandraker

(ii) Independent Director

Mr. Mehernosh Behram Kapadia
Ms. Rumjhum Chatterjee
Ms. Anjali Bansal

Transactions with related parties :

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Sales of goods & services		
Siemens Ltd	416.17	128.48
Siemens Sanayi Ve Ticaret Anonim Sirketi	1.23	72.38
Siemens Industrial Limited	5.61	-
Purchases of goods & services		
Siemens Ltd	60.16	3.91
Siemens Industry Software (India) Pvt. Ltd	1.75	-
Testing expenses		
Siemens Ltd	1.93	1.60
Professional fee paid		
Siemens Ltd	26.90	25.80
Siemens AG	0.70	0.39
Siemens Technology & Services Limited	8.40	4.31
Purchase of property, plant and equipment		
Siemens Ltd	6.45	-
Sitting Fees to Independent Director/Non-Executive Director	1.25	0.80
Deferred payment liability repayment		
Siemens factoring private limited	6.33	3.48

Closing balances with related parties :

Particulars	As at September 30, 2022	As at September 30, 2021
Balance outstanding as at year end		
Trade Receivables		
Siemens Ltd	171.00	103.33
Siemens Sanayi Ve Ticaret Anonim Sirketi	0.08	72.82
Siemens Industrial Limited	0.93	-
TC Electric Controls LLC	26.14	29.45
Less: Provision recognised in books	(26.14)	(26.14)
Payable		
Siemens Ltd	26.33	28.66
Siemens AG	0.12	0.39
Siemens Technology & Services Limited	2.16	3.92
Loan Payable		
Siemens factoring private limited	-	6.33

C&S Electric Limited**Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)*

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Managerial Remuneration*		
Mr. Prakash Kumar Chandraker	15.86	6.19

* Does not include provisions for incremental gratuity and leave encashment liabilities, since the provisions are based on actuarial valuations for the Company as a whole.

Closing balances with related parties :

Particulars	As at September 30, 2022	As at September 30, 2021
Payables		
Mr. Prakash Kumar Chandraker	1.67	1.05

Terms and Conditions of transactions with Related parties:-

All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis. The Company has recorded impairment of receivables relating to amounts owed by related parties of Rs.26.14 (previous year Rs.26.14). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

C&S Electric Limited
Notes forming part of the financial statements
(All amounts are in INR million except wherever stated otherwise)
Note 38 - Financial Instruments by Categories - fair value and risk management

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.

Particulars		As at September 30, 2022		As at September 30, 2021	
		Amortized cost	FVTPL	Amortized cost	FVTPL
Financial assets					
Non current					
Other financial assets	(b)	50.96	-	40.38	-
Current					
Investment	(a)	-	-	-	33.89
Trade receivables	(a)	2,294.45	-	2,426.97	-
Loans	(a)	1.18	-	1.95	-
Cash and cash equivalents and bank balances	(a)	211.85	-	638.75	-
Other financial assets	(a)	83.21	-	106.97	0.75
Total financial assets		2,641.65	-	3,215.02	34.64
Financial liabilities					
Non current					
Other financial liabilities	(b)	43.87	-	41.70	-
Current					
Borrowings	(c)	-	-	16.01	-
Trade payables	(a)	1,548.46	-	2,018.94	-
Other financial liabilities	(a)	278.22	4.16	261.92	-
Lease liabilities	(d)	218.55	-	221.20	-
Total financial liabilities		2,089.10	4.16	2,559.77	-

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables, other financial assets and liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

The following methods / assumptions were used to estimate the fair values:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short-term maturities of these instruments.

(b) Fair valuation of non-current financial assets and liabilities has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.

(c) The Company's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued) approximates fair value.

(d) Fair value measurement of lease liabilities is not required. The fair value is determined by using the valuation model/technique with observable/ non-observable inputs and assumptions.

The fair value is determined by using the valuation model/technique with observable/ non-observable inputs and assumptions.

Quantitative disclosures fair value measurement hierarchy as at 30 September 2022:

Particulars	Level 1	Level 2	Level 3	Total
Asset at Fair Value				
i) Fair values through profit and loss				
(a) Mark to market receivable on debt instruments	-	-	-	-
Liabilities at Fair Value				
i) Fair values through profit and loss				
(a) MTM payable on derivative contracts	-	4.16	-	4.16

Quantitative disclosures fair value measurement hierarchy as at 30 September 2021:

Particulars	Level 1	Level 2	Level 3	Total
Asset at Fair Value				
i) Fair values through profit and loss				
(a) Mark to market receivable on debt instruments	33.89	0.75	-	34.64
Liabilities at Fair Value				
i) Fair values through profit and loss				
(a) MTM payable on derivative contracts	-	-	-	-

There are no transfers between Level 1, Level 2 and Level 3 during the year ended September 30, 2022 and September 30, 2021.

Note 39 - Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The Company monitors capital on the basis of debt equity ratio.

The Company's net debt to equity ratio was as follows:

Particulars	As at September 30, 2022	As at September 30, 2021
Total debt	-	16.01
Less: cash and cash equivalents and other bank balances	211.85	638.75
Net debt	(211.85)	(622.74)
Total Equity	4,369.58	4,222.47
Net debt to equity ratio	(0.05)	(0.15)

C&S Electric Limited**Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***Note 40 - Derivative Instruments****a) Forward Contracts and Option contracts**

The Company's exposure to foreign currency fluctuations relates to foreign currency assets, liabilities and forecasted cash flows. The Company limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives like forward contracts. The Company enters into forward exchange contracts, where the counterparty is a bank. The hedging strategy is used for mitigating the currency fluctuation risk and the Company does not use the forward exchange and options contracts for trading or speculative purposes. The Forward exchange contracts are fair value at each reporting date with the resultant gains/losses thereon being recorded in statement of profit and loss.

The details of forward contracts outstanding at the year end are as follows:

Currency	Buy			Sell		
	No of Contracts	Amount	Indian rupees equivalent	No of Contracts	Amount	Indian rupees equivalent
US Dollar 30-Sep-22	-	-	-	5	5,063,452	420,548,866

b) Commodity Contracts

The Company uses Commodity Future Contracts to hedge against fluctuation in commodity prices. The following are outstanding future contracts entered into by the Company as at the year end.

Commodity	As at September 30, 2022			As at September 30, 2021		
	Qty. (In Kg)	No. of Contracts	Buy/Sell	Qty. (In Kg)	No. of Contracts	Buy/Sell
Copper	297,500	1	Buy	-	-	-
Aluminum	1,415,000	3	Buy	-	-	-
Aluminum	70,000	1	Sell	-	-	-

Note 41 - Financial Risk Management**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The Board regularly reviews the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks arising from financial instruments

Credit risk;
Liquidity risk; and
Market risk.

(a) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables from customers, cash and cash equivalents, other bank balances, loans and security deposits. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Particulars	As at September 30, 2022	As at September 30, 2021
Investment	-	33.89
Trade receivables	2,294.45	2,426.97
Loans	1.18	1.95
Cash and Cash Equivalents	211.32	508.86
Bank balances other than cash and cash equivalents	0.53	129.89
Others financial assets	134.17	148.10
	2,641.65	3,249.66

The movement in the provision for doubtful debts is as under:

Particulars	As at September 30, 2022	As at September 30, 2021
Opening Balance	699.67	642.93
Provision made during the period (refer note 32)	139.34	76.73
Written off during the period (refer note 32)	(194.30)	(4.50)
Reclassification of provision into Liquidated damage	-	(15.49)
Closing Balance	644.71	699.67

The major exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk on trade receivables is influenced by individual characteristics of each customer. The Company perform credit evaluation and defines credit limits for each customer. The Company also continuously reviews and monitors the same.

For trade receivables, as a practical expedient, the Company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Other Financial Assets

Credit risk on cash and bank balances is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

The Company has furnished security deposits to its lessors for obtaining premises on lease. Further, the Company has recognised government grant recoverable in respect of export incentives. The Company does not expect any default from these parties and accordingly the risk of default is negligible or Nil.

(b) Liquidity risk management

(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year.

The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt and Equity).

C&S Electric Limited
Notes forming part of the financial statements
(All amounts are in INR million except wherever stated otherwise)

Particulars	As at September 30, 2022	As at September 30, 2021
Total committed working capital limits from Banks	435.00	1,000.00
Utilized working capital limit	-	-
Unutilized working capital limit	435.00	1,000.00

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Exposure to liquidity risk

Particulars	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total	Carrying amount
As at September 30, 2022					
Non-derivatives					
Lease liabilities	70.33	165.85	71.67	307.85	218.55
Borrowings	-	-	-	-	-
Trade payable	1,548.47	-	-	1,548.47	1,548.47
Other financial liabilities	278.22	-	43.87	322.09	322.09
Derivatives					
Other financial liabilities	4.16	-	-	4.16	4.16
Total	1,901.18	165.85	115.54	2,182.57	2,093.27
As at September 30, 2021					
Non-derivatives					
Lease liabilities	64.48	190.61	76.51	331.60	221.20
Borrowings	17.06	-	-	17.06	16.01
Trade payable	2,018.93	-	-	2,018.93	2,018.93
Other financial liabilities	261.92	-	41.70	303.62	303.62
Total	2,362.39	190.61	118.21	2,671.21	2,559.76

There were no breaches of the covenants associated with the borrowings as at September 30, 2022 and none of the borrowings were called during the year.

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk, interest rate risk. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

a. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes on foreign exchange rate. The Company transacts in several currencies and has foreign currency trade receivables and trade payables. Hence, the Company is exposed to foreign exchange risk.

The currency exposure on the Company's financial assets and financial liabilities denominated in different currencies are as follows:

Currency	As at September 30, 2022		As at September 30, 2021	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
United States Dollar (USD)	645.03	42.25	577.04	40.91
Euro (EUR)	120.35	12.66	223.65	12.52
Great Britain Pound (GBP)	15.93	10.21	22.00	5.15
Total	781.31	65.12	822.69	58.58

The following table demonstrate the sensitivity to a reasonably possible change in major currencies like US Dollar, Euro and GBP with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

If increase by 5%	USD sensitivity		Euro sensitivity		GBP sensitivity	
	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021
Impact on profit or loss for the year	30.14	26.81	5.38	10.56	0.29	0.84
Impact on total equity	22.55	20.06	4.03	7.90	0.21	0.63

If decrease by 5%	USD sensitivity		Euro sensitivity		GBP sensitivity	
	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021
Impact on profit or loss for the year	(30.14)	(26.81)	(5.38)	(10.56)	(0.29)	(0.84)
Impact on total equity	(22.55)	(20.06)	(4.03)	(7.90)	(0.21)	(0.63)

C&S Electric Limited**Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***b. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates till last year relates primarily to the Company's borrowings with floating interest rates but in current year the borrowing with floating interest rates were repaid and as on September 30, 2022 the Company has no borrowings.

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

Particulars	As at	As at
	September 30, 2022	September 30, 2021
Variable rate borrowings		
Short term	-	16.01
Total variable rate borrowings	-	16.01
Fixed rate borrowings		
Long term	-	-
Total fixed rate borrowings	-	-
Total borrowings	-	16.01

(d) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on profit or loss before tax may be as follows:

Particulars	Impact on profit before tax	Impact on profit before tax
	September 30, 2022	September 30, 2021
Interest rate - increase by 1% *	-	0.01
Interest rate - decrease by 1% *	-	(0.01)

* Holding all other variable constant

Note 42- Employee benefits plans

(a) Defined benefits plans

I. Gratuity Plan

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial. Under the act, employee who has completed five years of service is entitled to the benefit. The level of benefits provided depends on the members length of service and salary at retirement age. The Company makes contributions to the Company gratuity cum life insurance scheme of the Life Insurance Corporation of India.

II. Medical

Post retirement medical benefit is paid to the retired employees and their spouse till their survival and after their death, benefits are available to the employee's spouse. It consists of 3 components, which is health insurance, domiciliary medical allowance and Group support in case the expenses incurred are more than the health insurance coverage subject to the ceiling limit as per the grades.

III. Retirement Gift

Retirement gift is paid, as a token of appreciation to the permanent employees who are separating on their retirement from the Company.

The defined benefits plan exposes the company to the following risks:

Interest rate risk:

The defined benefits obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefits obligation will tend to increase.

Salary inflation risk:

Higher than expected increase in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of result due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combinations of salary increase, discount rate and vesting criteria.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefits obligations. The Company has not changed the processes used to manage its risks from previous years. The funds are managed by specialised team of Life Insurance Corporation of India.

Particulars	Gratuity		Medical		Retirement Gift	
	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021
Change in benefit obligation (A)						
1. Present value of obligation as at the beginning of the year/period	223.32	214.02	1.27	-	0.30	-
2. Current service cost	20.22	9.49	0.34	0.34	0.08	0.08
3. Interest cost	12.44	6.19	0.09	0.09	0.02	0.02
4. Actuarial (gain) / loss	-	-	-	-	-	-
4a. Effect of changes in financial assumptions	11.13	1.48	-	-	-	-
4b. Effect of experience adjustments	11.18	(2.35)	-	-	-	-
4c. Effect of demographic assumptions	(0.13)	-	-	-	-	-
5. Benefits paid	(24.81)	(5.51)	-	-	-	-
6. Acquisition (credit) / cost	-	-	(0.27)	0.84	0.03	0.20
7. Present value of obligation as at the end of the year/period	253.35	223.32	1.43	1.27	0.43	0.30
Change in plan assets (B)						
1. Fair value of plan assets at the beginning of the year/period	58.21	62.15	-	-	-	-
2. Actual return on plan assets	4.55	2.03	-	-	-	-
3. Contribution by the Company	38.10	-	-	-	-	-
4. Benefits paid	(24.81)	(5.97)	-	-	-	-
5. Fair value of plan assets at the end of the year/period	76.05	58.21	-	-	-	-
Liability recognized in the financial statement (A-B)	177.30	165.11	1.43	1.27	0.43	0.30
Composition of plan assets						
Other than equity, debt, property and bank account *	76.05	58.21	-	-	-	-
Main actuarial assumption						
Discount rate	7.20%	5.90%	7.61%	6.92%	7.61%	6.92%
Expected rate of increase in compensation levels	8.00%	6.00%	-	-	9.00%	10% for the first year, 8% thereafter
Expected average remaining working lives of employees (years)	18.55	19.02	8.00	7.00	8.00	7.00
Average remaining working lives of employees with Mortality and Withdrawal (years)	6.00	6.00	-	-	-	-
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):-						
Age upto 30 years	22.00%	20.00%	9.00%	9.00%	9.00%	9.00%
From 31-50 years	10.00%	10.00%	6.00%	6.00%	6.00%	6.00%
Above 50 years	-	-	4.00%	4.00%	4.00%	4.00%
Retirement age (years)	58	58	60-62	60	60-62	60

Maturity profile of defined benefit obligation

Year	Gratuity	Medical	Retirement Gift
February 28, 2022	35.83	-	-
February 28, 2023	35.44	-	-
February 28, 2024	39.78	0.09	0.46
February 28, 2025	38.79	0.09	-
February 28, 2026	39.70	0.10	-
February 28, 2027 to February 28, 2031	192.04	0.65	-

* The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation of India are not available with the Company and have not been disclosed.

Particulars	Gratuity		Medical		Retirement Gift	
	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021
Cost for the period						
1. Current service cost	20.22	9.49	0.34	0.34	0.08	0.08
2. Net interest cost	8.62	6.19	0.09	0.09	0.02	0.02
Total amount recognised in profit or loss	28.84	15.68	0.43	0.43	0.11	0.10
Re-measurements recognised in Other comprehensive income						
1. Actuarial gain on plan assets	(0.72)	0.27	-	-	-	-
2. Effect of changes in demographic assumptions	(0.13)	-	-	-	-	-
3. Effect of changes in financial assumptions	11.13	(1.48)	-	-	-	-
4. Effect of experience adjustments	11.18	2.35	-	-	-	-
Total re-measurements included in Other Comprehensive Income	21.46	1.14	-	-	-	-

Expected employer contribution for the period ending 30 September 2023 amounting Rs. 35.83 (Previous year INR 33.82).

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate, medical inflation rate and expected salary increase.

Particulars	Gratuity		Medical		Retirement Gift	
	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021	As at September 30, 2022	As at September 30, 2021
Present value of Obligation at the end of the year	253.35	223.32	1.43	1.27	0.43	0.30
a) Impact of the change in discount rate						
i). Impact due to increase of 0.50%	(6.48)	(5.73)	(0.10)	(0.10)	(0.01)	(0.01)
ii). Impact due to decrease of 0.50%	6.83	6.03	0.11	0.11	0.01	0.01
b) Impact of the change in salary increase						
i). Impact due to increase of 0.50%	7.32	5.58	-	-	0.01	0.01
ii). Impact due to decrease of 0.50%	(7.01)	(5.35)	-	-	(0.01)	(0.01)
c) Impact of the change in medical inflation rate						
i). Impact due to increase of 0.50%	-	-	0.08	0.09	-	-
ii). Impact due to decrease of 0.50%	-	-	(0.08)	(0.08)	-	-

(b) Defined contribution Plans

The Company makes contribution towards employees' provident fund, superannuation fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Company has recognised for contributions to these plans in the statement of profit and loss as under :

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Company's contribution to provident and pension fund	72.96	36.88
Company's contribution to superannuation fund	1.15	1.04
Total	74.11	37.92

Note 43 - Segment Reporting

The Company was set-up with the object of, inter alia, carrying on the manufacturing business of electrical switchgears, switchgear accessories, electrical and electronic control panels, switchboards, bus ducts, bus trunkings and its allied products. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in to identification of different ways / sources in to which they see the performance of the Company. Accordingly, the Company has a single reportable segment.

Note 44 - Earning per share

Particulars		For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Profit for the year attributable to equity shares	Rs. in million	163.17	184.39
Weighted average number of Basic and diluted equity shares outstanding	Numbers	44,268,062	44,268,062
Basic and diluted earnings per share (face value - Rs. 10 per share)	Rupees	3.69	4.17

Note 45 - Corporate Social Responsibility (CSR) expenditure

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The Company has contributed Rs 7.16 as specified in schedule VII of the Companies Act, 2013.

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
a) The gross amount required to be spent by the Company during the year.	6.71	10.61
b) The amount spent during the year		
(i) Construction/Acquisition of any asset	-	-
(ii) On purpose other than (i) above	7.16	10.66
c) Excess/ (Shortfall) at the end of the year	0.45	0.05
d) Total of previous years shortfall	-	-
e) Detail of related party transaction	NA	NA
f) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA
g) Reason for shortfall	NA	NA
h) Nature of CSR Activities:	Promoting Education including Employment Enhancing Vocational Skills	Promoting healthcare & CSR administrative cost

C&S Electric Limited**Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***Note 46 - Disclosure of Various Ratios**

S.No.	Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021	Variance	Explanation for change in the ratio by more than 25% as compared to the previous year
(i)	Current Ratio (Times) (Current assets/Current liabilities)	1.88	1.78	5.85%	Not Applicable
(ii)	Debt-Equity Ratio (Times) (Total debt/Total Equity)	-	-	-	Not Applicable
(iii)	Debt service coverage ratio (Times) (Earning available for debt service/Debt Service)	5.78	0.67	763.50%	Applicable
(iv)	Return on Equity Ratio (%) (Net profit after tax/Avg. Equity)	3.80%	4.46%	-14.93%	Not Applicable
(v)	Inventory Turnover Ratio (Times) (Cost of Goods Sold/Average Inventory)	3.64	1.57	132.49%	Applicable
(vi)	Trade Receivable Turnover Ratio (Times) (Net Sales/Average trade Receivable)	5.09	1.91	167.21%	Applicable
(vii)	Trade Payable Turnover Ratio (Times) (Purchase/Average trade payable)	4.60	1.36	237.02%	Applicable
(viii)	Net Working Capital Turnover Ratio (Times) (Net Sales/working capital)	5.03	1.98	154.60%	Applicable
(ix)	Net Profit Ratio (%) (Net profit after tax/Net Sales)	1.36%	3.86%	-64.87%	Applicable
(x)	Return on Capital Employed (%) (EBIT/Total capital employed)	7.20%	7.85%	-8.20%	Not Applicable

Reasons for variance are as follows

- 1 Debt coverage ratio improved on account of repayment of borrowings.
- 2 Inventory turnover ratio improved on account of increase in cost of goods sold and reduction in inventory.
- 3 Trade Receivables turnover ratio improved on account of better collection from customer and increase in revenue.
- 4 Trade payables turnover ratio improved on account increase in purchase and timely payment to vendor.
- 5 Net Working Capital turnover ratio improved on account of increase in revenue.
- 6 Net profit ratio reduced on account of decrease in profit after tax in current year.

C&S Electric Limited

Notes forming part of the financial statements

(All amounts are in INR million except wherever stated otherwise)

Note 47 - Disclosures w.r.t. Revenue from Contracts with Customers under Ind AS 115

(i) Out of the total revenue recognised under Ind AS 115 during the year ended 30 September 2022, Rs. 94.98 (Previous year Rs. 37.64) is recognised over a period of time and Rs. 11,926.66 (Previous year Rs. 4734.81) at a point of time.

(ii) Reconciliation between revenue recognized and contract price:

Particulars	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021
Contract Price	12,369.63	4,888.42
Less: Reductions towards variable consideration components *	(347.99)	(115.98)
Revenue	12,021.64	4,772.44

* Reduction towards variable consideration components include discounts, schemes and liquidated damages etc.

(iii) Remaining performance obligations: The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is as follows -

Particulars	Unexecuted Order Value	Expected conversion in revenue	
		Up to 1 year	More than 1 year
Transaction price allocated to the remaining performance obligation	As at September 30, 2022	7,949.98	6,836.61
	As at September 30, 2021	7,052.67	5,544.57

(iv) Contract balances

The following table presents the information of trade receivables / unbilled revenue and contract liabilities arising out of contract with customers under Ind AS 115.

Particulars	As at September 30, 2022	As at September 30, 2021
(a) Trade receivables (refer Note 6)		
Trade receivable with respect to revenue from contracts with customers		
From related parties (refer Note 37)	172.01	179.46
From others	2,767.15	2,947.18
Less: Allowance for doubtful debts	(644.71)	(699.67)
Total trade receivables	2,294.45	2,426.97
(b) Unbilled revenue (refer Note 7(b))	25.68	9.12
(c) Contract liabilities (refer Note 20)	330.12	234.38

Unbilled revenue (refer Note 7(b))

Particulars	As at September 30, 2022	As at September 30, 2021
Opening balance as on October 01, 2021	9.12	16.30
Increase during the year	25.68	9.12
Billed during the year	(9.12)	(16.30)
Closing balance as on September 30, 2022	25.68	9.12
Analysed as :		
Current	25.68	9.12
Non-current	-	-
Total	25.68	9.12

Contract liabilities (refer Note 20)

Particulars	As at September 30, 2022	As at September 30, 2021
Opening balance as on October 01, 2021	234.38	244.13
Revenue recognised during the year	(146.78)	(103.71)
Increase in customer advances during the year	234.22	92.33
Increase in unearned income during the year	8.30	1.63
Closing balance as on September 30, 2022	330.12	234.38
Analysed as :		
Current	330.12	234.38
Non-current	-	-
Total	330.12	234.38

(v) Information about geographical areas

Particular	Revenue based on location of customers		Non-Current assets	
	For the year ended September 30, 2022	For the period April 01, 2021 to September 30, 2021	As at September 30, 2022	As at September 30, 2021
Within India	9,869.69	3,710.61	2,428.70	2,246.50
Outside India	2,328.25	1,167.93	-	-
Total	12,197.94	4,878.54	2,428.70	2,246.50

The Company does not receive 10% or more of its revenues from transactions with any single external customer during any reporting year.

Note 48 - Share-based payment transactions

The employees of the company are eligible for the Ultimate Holding Company's share awards, i.e. Under SSA Stock Awards (SSA) at C&S Electric Limited, the Holding Company grants stock awards of the Ultimate Holding Company's shares to the Chief Executive Officer, Chief Financial Officer, and other members of senior management. The vesting period is 4 years, after which the beneficiary gets certain number of shares which is tied to the performance of the employee in case of CEO Special Allocation scheme and performance of Ultimate Holding Company in case of Performance Oriented Siemens Stock Awards.

At the end of each reporting period, the Company recognises the fair value of the liability and the expense at each reporting period at the market price of the Ultimate Holding Company's share.

C&S Electric Limited**Notes forming part of the financial statements***(All amounts are in INR million except wherever stated otherwise)***Details of liabilities arising from the share-based payment transactions are as follows:**

Particulars	As at September 30, 2022	As at September 30, 2021
Other current financial liabilities	-	-
Other non-current financial liabilities	1.70	-
Total carrying amount of the liabilities	1.70	-

Effect of Share-based payment transaction on the profit & loss, shown under the head Employee benefit expense is Rs. 1.70 (previous year Nil)

Note 49 - Pursuant to the share purchase agreement dated January 24, 2020 entered in between the erstwhile promoters, Siemens Limited and the Company, on March 01, 2021, Siemens Limited acquired 99.22% equity share capital of the Company from its promoters for a consideration of Rs. 21,000, on cash free / debt free basis on terms and conditions that are mutually agreed between the parties to the transaction. The final settlement of the transaction price between Siemens Limited and the erstwhile promoters has been agreed.

Note 50 - Transfer Pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international and domestic transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its international and specified domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation, if any.

Note 51 - Other Information:

(i) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.

(iii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iv) There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(v) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

(vi) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(ix) In order to align with the accounting year of the parent Company i.e.; Siemens Limited with C&S Electric Limited, the Company has changed its accounting year from "1st day of April – 31st day of March" to "1st day of October – 30th day of September" each year. The Company has got the approval for the same vide approval dated October 29, 2021. The figures disclosed for the comparative period are for a period of six months i.e. 1 April 2021 to 30 September 2021. Accordingly, the amounts presented in the financial statements are not entirely comparable.

Note 52 - Dividend

The Board of Directors, in its meeting on 17 November 2022, recommended a dividend at the rate of Rs. 3.00 per equity share on 44.27 million shares having face value of Rs.10 each (fully paid) for the financial year ended September 30, 2022. This payment is subject to the approval in the Annual General Meeting (AGM) of the Company and if approved, would result in the net cash outflow of approximately Rs. 132.80 million.

Note 53 - Approval of financial statements - The financial statements were approved by the Board of Directors on November 17, 2022.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration No.: 101248W/ W-100022

For and on behalf of the Board of Directors

C&S Electric Limited

Rahul Nayar

Partner

Membership No. : 508605

Prakash Kumar Chandraker

Managing Director & CEO

DIN No. 05150366

Siddharth Kasera

Director

DIN No. 09086454

Manav Adlakha

Chief Financial Officer

PAN.: AEIPA4199N

Anup Sobti

Company Secretary

ACS No.: 16466

Place : New Delhi

Date : 17 November 2022

Place : New Delhi

Date : 17 November 2022