Resilient by Nature.
Robust by People.

Refex Industries Limited

Annual Report
2020-21

ACROSS THE PAGES

Investor information

Market Capitalisation as at March 31, 2021	NSE ₹ 196.26 Crore & BSE ₹ 197.21 Crore
CIN	L45200TN2002PLC049601
BSE Code	532884
NSE Symbol	REFEX
Dividend Declared	₹ 1 i.e. 10 Percent as Interim Dividend and recommended ₹ 0.50 i.e. 5 Percent as Final Dividend.
AGM Date	September 30, 2021
AGM Mode	Video Conferencing (VC) and Other Audio Visual Means (OVAM)

Please read this Report online at:
https://www.refex.co.in/investors-information.php
Or simply scan to download:

Disclaimer

This document contains statements about expected future events and financials of Refex Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

RESILIENT BY NATURE. ROBUST BY PEOPLE.

Challenges are inevitable!

But a true winner is not someone who never falls rather the one who gets up every time after falling. This resilience coupled with the 'never give up' attitude and perseverance determine who wins at the end.

Always ready to face any challenge head-on, our people are our biggest asset forming the very essence of our organisation. We hope to traverse a long journey on this path of Incessant Growth with these two core qualities: ***Resilience and Culture*** *illuminating the way.*

At Refex Industries Limited, we thrive on RESILIENCE.

REFEX GROUP: AN INTRODUCTION

Refex Group traces its roots back to 2002 when Anil Jain incorporated Refex Industries Limited and set up a manufacturing plant for refrigerant gases. He has been the unrelenting driving force behind this pursuit of excellence for the Group, its people and its stakeholders.

Life is a journey that must be travelled no matter how bad the roads and accommodations, said Oliver Goldsmith. Anil, who has been in the driver's seat at Refex Group, believes in this statement wholeheartedly. This very diktat has helped him keep the show powering ahead, in good times or bad.

The team at Refex Group, Anil believes, will have to work doubly hard in the coming years to help India achieve its dreams.

Refex Group aspires to increase its contribution to the nation's development. It intends to do this through its businesses and the development of its people and the communities supporting the businesses.

Refex Group has always striven to create an impact by working on a war-footing across all its businesses and sectors, the core of it being allied services for the energy industry and other related businesses. Additionally, the Refex Group, through its Alternative Investment Fund (AIF), is shaping the dreams of new entrepreneurs.

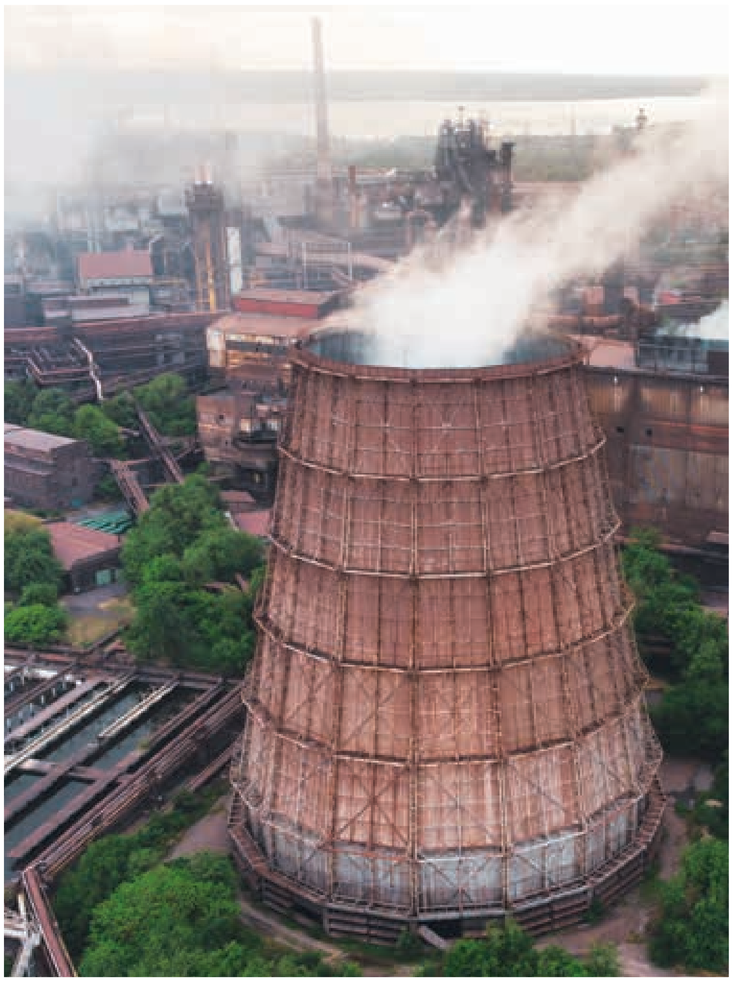
DIVERSE BUSINESS OPERATIONS OF REFEX GROUP

ENTITY
Refex Industries Limited

NATURE
The flagship entity of Refex Group

BUSINESS VERTICALS

- Refilling and distribution of refrigerant gases
- Value-added services to power plants:
  - Fly ash handling and coal yard management services
  - Over Burden (OB) excavation from a captive lignite mine in Rajasthan
- 5 MW renewable energy portfolio



ANIL JAIN: OUR LEADER AT THE FRONT

Refex Group's distinguished presence across the key infrastructural sectors such as ancillary services for thermal power, solar power and guiding, mentoring and funding start-ups is a result of the astute business acumen of our visionary founder and Managing Director, Anil Jain. Building his entrepreneurial skills and team spirit through exposure to multifaceted business activities has helped him become this multi-dimensional charismatic individual. His enormous exposure in the field of business and commerce finds roots in his childhood days when he used to be actively involved in his family's stainless steel trading venture. Early on, he found the manufacturing of refrigerant gases to be his calling and set up Refex Industries Limited. With his indomitable entrepreneurial zeal and enthusiasm, he learned to consistently create value by not short-changing for the near term but rather by focusing on long-term value creation. This long term visioning has enabled him to develop sturdy businesses from the ground up under the Refex Group banner.

At Refex Industries Limited, we recognise the importance of Environmental, Social and Governance (ESG) factors and aim to integrate these into our business processes and seek to become an ESG compliant entity.

Anil has always believed that if investors continue to back the leadership team with their trust and guidance, we will have all the support we need to better ourselves every passing moment.

REFEX INDUSTRIES LIMITED

ABOUT US

Refex Industries Limited (hereinafter addressed as the 'Refex' or 'The Company' or 'We'), was incorporated in 2002 on identifying the immense commercial potential of refrigerant gases market in India – breaking the hitherto existing duopoly in this controlled market. Refex is successfully nipping away from its competition in the business of refilling Hydrofluorocarbons (HFCs) through its pan-India distribution network. Thereafter, since 2015, after identifying an equally enormous opportunity in the cross-value chain services for power generation sector in India, we have only expanded into newer domains within the sector.

An immensely under-invested segment of providing value-added services to the thermal power plants such as round-the-clock coal yard management, fly ash disposal handling, and coal trading, Refex has resolved to increase its footprint in this segment from its current scale to 10x in the next five years. It requires undeterred determination and microfocus on helping our partner plants run in the most efficient and environmentally friendly manner.

The Company believes in the significance of energy for any growing economy. The recent global natural disasters have strengthened Refex's resolve to slowly move into renewable energy sources. This journey of being an energy producer has begun with a 5 MW solar power plant at Vituza village in Barmer, Rajasthan.

Refex's intention is to grow rapidly. The Company's leadership team, led by Anil Jain, is strong in its resolve to learn and understand nuances of the trade. The team aspires to internalise best practices to grow this segment and find radical solutions to expand the portfolio that can stand on its own against the intensive competition in the country in the renewable sector. In addition to this, closely analysing our carbon footprints, the target for us during next fiscal would be to identify a roadmap with respect to the reduction of the same.

Refex has identified three pillars of success:

Refrigerant Gas Division: This division is slowly regaining its lost glory. In the next couple of years, this business will grow into a stronger self and aims to be within the top five in the country, in profitability, before 2025.

Operations & Management (O&M) Services Division: Currently, we are providing Operations and Management (O&M) Services to the thermal sector. We intend to expand the scope of our services into other energy-producing sectors. Today, even though we are a small player in this segment, we aspire to capture a 5 Percent market share within the next five years.

Ash Disposal Division: This division has the most significant business prospects across the country. With over 50 Percent of the ash being generated in India not being disposed of efficiently, there is a massive potential to expand the services offerings to other thermal power producers. We currently provide services to four thermal power plants, which we are looking to expand at a rapid pace.

OUR BUSINESS VERTICALS

- Refrigerant Gases Refilling and Distributing
- Coal and Fly Ash Handling; Coal Trading
- O&M Services for Thermal Power Plants; Coal Yard Management Services
- Solar Power Generation

VISION

To strive to achieve a top five position in every business segment we work in, in terms of profitability. We will serve to get a higher share of business of every business enterprise we work with.

MISSION

Refex Industries Limited aims to make power plants that it partners with, run the most efficient power plant in their respective category and region, in the process.

OUR PRESENCE IN INDIA:

Disclaimer:

This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company, or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

For Coal & Ash Handling and Coal Yard Management Services Vertical:

Procuring ash from power plants in: Chhattisgarh, Maharashtra, Rajasthan

Supplying ash to cement plants in: Chhattisgarh, Maharashtra, Madhya Pradesh and Andhra Pradesh & Karnataka

For Refrigerant Gases Vertical:

Re-filling facility at: Thiruporur in Tamil Nadu

Distribution: Pan-India

Commercial warehouse at: Swaroop Nagar, Delhi

For Solar Power Generation Vertical:

Solar power plant at: Barmer, Rajasthan

BUILDING THE NATION WITH RESILIENCE AND PEOPLE

Taking up challenges and winning has been integrated into the value system at Refex. We are proud to create a culture that thrives on the commitment of our talent pool. Our people are our biggest assets. Their mindset of owning up their responsibilities with 100% dedication makes us stand out in the marketplace, contributing largely to our success. This is evident in our performance, especially in the year marked by a catastrophe like the COVID-19 pandemic; and growth plans across our business verticals. We are also proud to contribute to the infrastructural development of India by our current business models and growth plans of the same in our business verticals of coal and ash handling, refrigerant gases and solar power generation.

Our Business Model, Strengths and Expansion Plans:

Coal & Ash Handling

Business Model:

- Types of Ashes handled - Fly Ash, Pond Ash, Bottom Ash
- Procuring Ash from Leading Thermal Power Plants in Rajasthan, Maharashtra, Chhattisgarh on Contractual Basis
- Supplying Ash to Leading Cement Manufacturers in Maharashtra, Chhattisgarh, Madhya Pradesh, Andhra Pradesh & Karnataka; To Every Major Infrastructure Project in Chhattisgarh; To Paver Block and Hollow Bricks Manufacturers. Procuring Contracts For Filling Mines With Ash.
- Offering Round-the-clock, Value-added Coal Yard Management Services to Power Plants:
  - Handing Movement of Coal within the Plant from One Point to Another
  - Crushing the Coal into Uniform Size and Feeding to Track Hoopers

Strengths:

- Serving Power Plants with a Cumulative Capacity of 2,561 MW in the Three States
- One of the Largest Ash Disposal Companies in Chhattisgarh

Expansion Plans:

- Aiming for Faster, Efficient and Eco-friendlier Disposal of Ash by Using Innovative Idea of the Train Racks for Ash Disposal
- Plans to Acquire Stressed Assets, esp. Solar and Thermal Power Plants

Refrigerant Gases

Business Model:

- Sourcing the gases (HFCs) in ISO Tanks
- Refilling into different categories of cylinders
- The Cylinders Reach the Market through Channels of Dealers and Distributors
- These Gases are Primarily Used as Refrigerants, Blowing Agents and Aerosol Propellants

Strengths:

- Pioneer in India in Supplying Automotive Air conditioning Gases in Disposable Cans
- Use of Disposable Cans Reduces the Freight Cost of Empty Cylinders and makes the Task of Filling the Gases Hassle-free
- Fully Automated Filling Facility
- A Warehouse in Delhi that Reduces the Delivery Time in the Northern region Substantially
- 100% Compliance with all Government Mandates in Refrigerant Industry

Expansion Plans:

- Planning for an Market Share Expansion from Present 8.5 Percent up to 10 Percent the Upcoming Fiscal of 2021-22
- Planning to Conduct a Nationwide Launch of Zero Global Warming Potential (Zero GWP) Gases in Next 12 to 18 Months
- Exploring Nepal as Export Market

Solar Power

Business Model:

- A 5.18 Mega Watt (MW) Solar Power Plant at Vituza village, Barmer, Rajasthan

MANAGING DIRECTOR'S MESSAGE

> The year 2020-21 threw some severe challenges at us. It reinforced a very valuable lesson of resilience and belief in our people. It is with this indefatigable attitude of our people that we have maintained our pace towards progress.

Dear Stakeholders,

I am happy to present the Annual Report for yet another successful year at Refex Industries Limited. While the year 2020-21 threw some very serious challenges at us, in the form of the COVID-19 pandemic and nationwide lockdown, it also reinforced very valuable lessons of resilience. It reinstated the belief in our people, who have demonstrated how to meet a challenge like COVID-19, head-on.

It is with this indefatigable attitude of our people that we have maintained our pace towards progress. The following financial numbers further bolster my assertion. The total revenues for 2020-21 stood at ₹ 632.66 Crore, as against ₹ 660.74 Crore for the fiscal 2019-20. The revenues from Ash and Coal Handling vertical declined from ₹ 589.06 Crore in 2019-20 to ₹ 515.74 Crore in 2020-21. Similarly, those from Refrigerant Gases vertical declined from ₹ 20.11 Crore in 2019-20 to ₹ 17.20 Crore in 2020-21, and those from Solar segment went down from ₹ 14.85 Crore in 2019-20 to ` 12.32 Crore in 2020-21. Despite this overall marginal decline in revenues, our Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) increased from ₹ 51.15 Crore in 2019-20 to ₹ 67.67 Crore in 2020-21. This rise in operating profits can be largely attributed to a rise in income from the services segment, which has more than doubled from ₹ 36.72 Crore in 2019-20 to ₹ 87.40 Crore in 2020-21. Similarly, Profit After Tax (PAT) has also gone up from ₹ 33.08 Crore in 2019-20 to ₹ 40.94 Crore in 2020-21. As we continue to look forward to enhancing our performance, I appreciate the contribution and dedication of every member of Refex Industries Limited in achieving this result.

Indian economy has been through a turbulent phase during the last fiscal – primarily led by successive waves of the COVID-19 pandemic and the resulting uncertainties and periods of extended lockdowns. Together, these froze the wheels of the economy completely for days. However, with the nominal growth in Gross Domestic Product (GDP) for the Q3 and Q4 of 2020-21, the nation has been set on the path of recovery. The International Monetary Fund (IMF) estimates the growth of the Indian economy in 2021-22 to be at 9.5 Percent, which is a very positive outlook given that during 2020-21, the GDP contracted by 7.3 Percent. The gigantic economic stimulus of ₹ 20 Lakh Crore provided by the Government of India under 'Aatmanirbhar Bharat' initiative has indeed offered a booster to the major sectors of the economy.

Speaking about the sectors of the economy, the ones highly relevant to the business of Refex Industries Limited are the power sector, automobile industry and Fast-Moving Consumer Durables (FMCD). The demand for our offerings is highly intertwined with the growth of these sectors.

Coming to the principal business vertical of Refex Industries Limited, the coal and ash handling vertical is expanding at a rapid rate. In India, the total installed capacity for thermal power is 234 GW, of which 53 Percent of the thermal power was obtained from coal as of 2020-21. This leads to the estimated coal consumption of around 966 Million Tonnes (MT). Out of the total coal burnt, 30-35 Percent is fly ash, a by-product of the coal burning process and can be used as raw material for PPC cement and paver blocks and bricks. We are currently handling around 20,000 MT per day of ash from four plants in Rajasthan, Maharashtra and Chhattisgarh. Due to our efficient handling of ash, we are gaining market visibility, which is expected to result in a higher number of such service contracts. Apart from ash handling, we also provide round-the-clock coal yard management services, which involves the movement of coal within the plant, crushing the coal, and feeding it into the track hoopers continuously to ensure the smooth functioning of the plant. Besides, we have also ventured into the segment of coal trading where we procure thermal coal from India and imported coal from countries such as Indonesia, Australia, South Africa, Mozambique and supply the same to the power plants in India. Due to our increasing brand visibility in the ash disposal space, we can also garner increasing attention from the power plants across India for these value-added services. We also intend to enter the Operations & Management (O&M) segment for thermal power plants.

The Company's revenue from the refrigerant gases vertical is linked directly with the demand for domestic durables like refrigerators and air conditioners. The rising income levels in India, higher electrification in rural areas and high tropical temperatures throughout the year have been the significant growth drivers for these products, where refrigerant gases are used. Increasing awareness about protecting the environment has also led to higher demand for eco-friendlier Hydrofluorocarbons (HFCs)-based refrigerant gases.

Another source of demand is the passenger vehicles where refrigerant gases are used as coolants. The total market size for refrigerant gases in India in 2020-21 was estimated to be around 1,00,000 MT. With our installed capacity of 2,000 MT and state-of-the-art, fully automated refilling technology, we are prepared to acquire a larger market share by expanding our dealer and distributor network and procuring contracts from Original Equipment Manufacturers (OEMs), Railways, Auto OEMs and other industrial and government sectors. In addition to the domestic markets, we are also exploring Nepal as a potential export market.

The solar power segment, though at a nascent stage in India, is gaining a great deal of growth impetus in terms of installations and Government initiatives. In 2020-21, a total of 3.2 Giga Watt (GW) of capacity was added. The states of Rajasthan, Gujarat and Andhra Pradesh accounted for more than half (51 Percent) share of the total capacity addition in the calendar year (CY) 2020. This makes the cumulative solar power capacity installed in the country at 39 GW. The capacity addition for 2021-22 is projected to be 10 GW. Despite the short-term challenges such as rising raw materials and transportation costs, the Indian solar power sector is expected to register impressive growth due to conducive environmental conditions and solar power's clean, eco-friendly nature. The Indian Renewable Energy Development Agency Ltd. (IREDA) seeks to set up solar module manufacturing units under the Production Linked Incentive Scheme (PLI) of the Government of India. Also, there has been an additional capital investment of ₹ 1,000 Crore in Solar Energy Corporation of India by the Government in the Union Budget 2021-22. This bodes well for the Company's plans to expand its footprints in the solar power sector. We are already present in the solar power segment through our Balotra Solar Power Plant of 5.18 MW near Vituza village in Barmer, Rajasthan. We have employed string inverters that ensure higher efficiency in power generation and reduce the plant's downtime in case of any problems.

People First

Our 'People first' policy has helped us foster an inclusive and collaborative culture that has shielded us even during the catastrophes of global scale like the COVID-19 pandemic. For ensuring the safety of our employees against the pandemic, we had formed an emergency task force. We also undertook COVID-19 insurance cover worth ₹ 5 Lakhs for them. We grieve the loss of our valued employees who lost their lives at the hands of COVID-19, but we are committed to taking care of their families through the following family support initiative:

- Full salary for next three years to the heir of the employee
- Funding education of children till graduation
- Extending mediclaim policy till the children of the employee turn 25 years or become financially independent, whichever is earlier
- Offering employment to the spouse or dependent in the Company as per their qualifications

Additionally, through our initiative 'Oxygen on Wheels', the Company, in association with Jain International Trade Organisation (JITO), had deployed four dedicated buses, equipped with six oxygen concentrators outside government hospitals in Chennai. It could accommodate six patients and aimed at providing relief to people who had been waiting in queues to get admitted in the hospitals during the second wave of the COVID-19 pandemic.

Concluding thoughts

Summarising the growth outlook for Refex Industries Limited, I can say that our prime goal is to become a net-zero carbon Company, while simultaneously progressing towards becoming a completely ESG-compliant company. We would like to explore cost-effective and environmentally efficient ways of disposing off ash. To achieve this, we are expanding our presence across the value chain of thermal power plants by handling ash, providing coal yard management services, supplying coal to power plants, and undertaking Operations and Management (O&M) contracts. This would ensure sustained revenue visibility and improved margins for the Company. Hiring the best talent from across the nation from élite educational institutes and nurturing them in our culture of 'People & Positivity' will ensure our achievement of newer milestones.

I would like to sincerely thank all my Board of Directors for providing strategic guidance to the Company even during the turbulent times while helping the Company advance towards the business goals. I also thank all the managers and employees for their undeterred passion and perseverance towards their duties that enabled the Company to serve the clientele in the best possible manner. I extend my gratitude to all the shareholders for showing their confidence in our vision and giving sustained support to our actions to realise that vision.

Regards,

Anil Jain

Chairman & Managing Director

RESILIENT BY NATURE.
ROBUST BY PEOPLE.

At Refex, we strongly uphold the value of 'People First'. In our organisation, we believe in adopting an innovative approach to turn challenges into opportunities by channelising our human talent pool's innate creativity and leadership skills. Our business verticals, being environmentally sensitive, keep facing newer challenges in terms of product innovation or business practices. However, with our talented and committed task force, we can stay ahead of the curve and enhance the competitiveness and sustainability of our business models and make them more environmentally considerate.

Talent Pool at Refex Industries Limited

Acquired from Top-ranking Educational Institutes in India such as IITs/IIMs

Young and Agile in Age and Approach:

- **Average Age of The Workforce: 30 years**
- **Male-Female Ratio: 10:1**

Treated with Highly Supportive and Employee Centric Measures like 100% Vaccination, COVID-19 Insurance Policy at Workplace esp. with Regards to a Critical Situation like the COVID-19 pandemic.

With the right set of people and policies in place, we have created the following innovative solutions in response to the existing and potential business challenges.

COAL & ASH HANDLING

Challenge:

Under our ash handling vertical, we dispose off the fly ash generated out of burning of coals in the power plants. 30-35 Percent of the burning coal is ash which is full of heavy metals and toxins. Even during the process of disposal, it can pollute air, water bodies and land. We supply this ash as raw material to cement manufacturers for PPC cement or as raw mateiral for paver blocks and bricks .

However, the principal challenge is to dispose off the ash without causing much environmental damage or without putting financial strain on the Company.

Innovative Solution:

We have successfully tested 'Reverse Logistics' model to deliver the ash to cement companies and soon, we intend to adopt that on a wider scale.

Under this model, we use the same rail racks that deliver coal to the power plants, refill them with ash and deliver to the cement companies.

This ensures that the freight cost is reduced and the number of vehicles that would otherwise have been required to pick-up ash are lowered, leading to environmental sustainability. The possibility of ash spilling on the highways is also averted.

We are also collaborating with students across various IITs to develop other viable commercial applications for the fly ash. The avenue of filling mines with ash has also been explored and contracts for the same are underway.

REFRIGERANT GASES

Challenge:

The Chlorofluorocarbons (CFCs) and Hydrochlorofluorocarbons (HCFCs) have been identified with high Global Warming Potential (GWP) and hence have been increasingly phased out from their use as refrigerant gases worldwide. In fact, CFCs are competely banned in India as well as many other developed countries.

Hydrofluorocarbons (HFCs) are being used on a wide scale as environment-friendly substitute for CFCs and HCFCs. Refex is a premium brand and one amongst the market leaders in this segment.

However, HFCs also have GWP potential. It is estimated that even the use of HFCs will have to be phased out over next couple of decades.

Innovative Solution:

Refex Industries Limited is prepared for a nationwide launch of Zero Global Warming Potential (Zero GWP) gases in next 12 to 18 months.

This launch will provide us an early mover advantage in Zero GWP space and help establish our market dominance.

OUR BOARD OF DIRECTORS

Shri Anil Jain

Chairman & Managing Director

A driving force behind the expansion of Refex Industries Limited, Anil Jain has successfully mapped the growth path for the Company into various key infrastructural sectors such as coal & ash handling, solar power generation, refrigerant gases and allied value-added services in the thermal power generation value chain. With over 23 years of experience in successfully heading various business operations, he has deployed his sharp business acumen and robust virtuosity in various management functions to accelerate the progress of Refex Industries Limited. He is also actively involved with various trade bodies such as The Associated Chambers of Commerce and Industry in India (ASSOCHAM) and the National Solar Energy Federation of India (NSEFI).

In addition to this, Anil also has a social dimension, where he is fostering entrepreneurship at the community level through his Board membership of Jain International Trade Organisation (JITO) Apex council.

Shri Dinesh Kumar Agarwal

Non-Executive Director

Shri Dinesh Kumar Agarwal possesses an all-encompassing experience of over 19 years in Corporate Finance and has been in charge of multiple functions thereunder such as Audit, Management and Financial Accounting and Planning as well as Tax and Fund Raising. Drawing upon his rich experience in Internal and Statutory Audit, Information Systems and Risk Assessment, he has steered fundraising efforts to the scale of ` 3,000 Crore through Equity and Debt routes. Having radically transformed the Finance and Accounting Function at Refex Industries Limited since coming on board in 2014, he has been instrumental in driving the Company towards becoming a leading EPC player, pursuing utility-scale projects.

Shri Shailesh Rajagopalan
Non-Executive Director

With strong technical competence and more than 2 decades of diverse experience in Operations and Management across various sectors, Shri Shailesh has helped scale many IT and Fintech companies. He is currently assuming mentorship responsibilities for many start-ups.

Shri Ramesh Dugar
Independent Director

Shri T. Ramesh Dugar, director of Dugar Group of Companies, has honed his leadership skills with a vast experience in diverse fields such as Finance, Investments, and Real Estate. His strategic guidance with respect to risk management and corporate governance has helped Refex Industries Limited thrive in competitive markets.

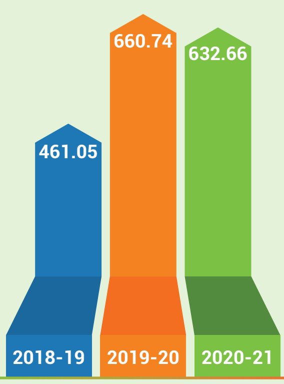
Shri Pillappan Amalanathan
Independent Director

Shri P. Amalanathan is an accomplished advocate and member of the Bar Council, Tamil Nadu, with profound expertise in the matters of Company Law such as company formation, amalgamation, tax planning, pre-litigation settlements and international contracts formation. Shri Amalanathan has been managing his successful independent practice for the last 20 years.

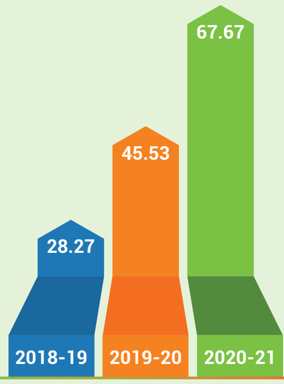
Smt Jamuna Ravikumar
Independent Director

With a distinctive blend of excellent communication skills and superior analytical abilities, Smt Jamuna Ravikumar is an aspiring leader demonstrating exceptional technical aptitude and a professional approach in her field of Accounts and Finance.

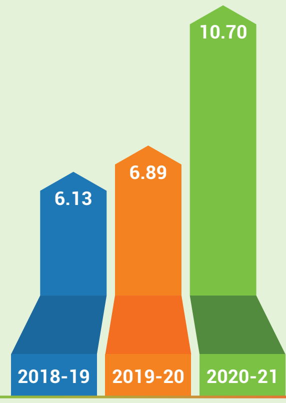
KEY PERFORMANCE INDICATORS



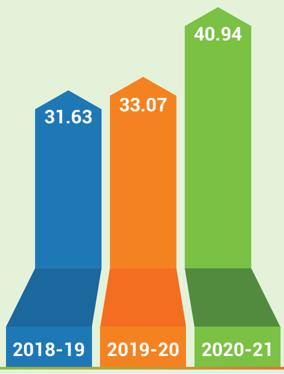
Turnover (in ₹ Crore)



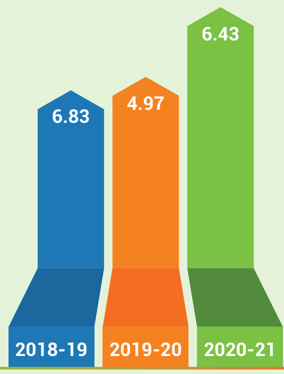
*EBITDA (in ₹ Crore)



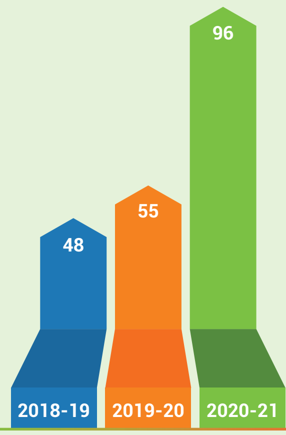
EBITDA Margin (in Percent)



**PAT (in ₹ Crore)



PAT Margin (in Percent)



No. of Employees

*EBITDA – Earnings before Interest, Tax, Depreciation and Amortisation

**PAT – Profit After Tax

CORPORATE INFORMATION

Board of Directors

Shri T. Anil Jain
Chairman and Managing Director

Shri Dinesh Kumar Agarwal
Non-Executive Director

Shri Shailesh Rajagopalan
Non-Executive Director

Shri Pillappan Amalanathan
Independent Director

Smt Jamuna Ravikumar
Independent Director

Shri Ramesh Dugar
Independent Director

Shri S. Gopalakrishnan
Company Secretary

Smt U. Lalitha
Chief Financial Officer

Statutory Auditors

Mr. M. Krishna Kumar & Associates
Practising Chartered Accountants
New No. 33, (Old No. 17), School View Road,
R. K. Nagar, Chennai 600 028

Secretarial Auditors:

Mr. R. Muthu Krishnan
Practising Company Secretary
New No. 33, (Old No. 17), School View Road,
R. K. Nagar, Chennai 600 028

Registrar & Transfer Agent:

Cameo Corporate Services Limited
'Subramanian Building'
Fifth Floor, No. 1, Club House Road,
Chennai 600 002

Bankers

HDFC Bank
R A Puram Branch
Chennai 600 024

ICICI Bank Ltd.
No. 40, Bazullah Road,
T. Nagar, Chennai 600 017

Indian Overseas Bank
C & I C Branch,
Dr. Radha Krishnan Salai,
Mylapore, Chennai 600 004

Stock Code

BSE: 532884
NSE: REFEX
ISIN Code: INE056I01017

Website

www.refex.co.in

Registered & Corporate Office

11th Floor, BasconFutura IT Park,
New No. 10/2, Old No. 56L,
Venkat Narayana Road,
T. Nagar
Chennai 600 017

DIRECTORS' REPORT

To the Members,

Your directors have great pleasure in presenting the Nineteenth Annual Report of your Company together with the Audited Statement of Accounts for the year ended March 31, 2021.

Financial Summary / Highlights

The key financial parameters for the period under review are as follows.

(₹ In Lakhs)

Description	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Turnover	63,265.88	66,074.43	63,265.88	66,074.43
Other Income	444.37	479.09	444.37	479.09
Total Income	63,710.25	66,553.52	63,710.25	66,553.52
Expenditure (other than Tax)	57,924.46	61,169.41	57,924.98	61,170.04
Exceptional Items		(581.46)	-	(581.46)
Profit before tax	5,785.79	4,802.66	5,785.27	4,802.03
Provision for Income Tax	1,772.38	1,414.00	1,772.38	1,414.00
Provision for deferred tax	(80.93)	75.42	(80.93)	75.42
Profit after Income Tax	4,094.34	3,313.25	4,093.92	3,312.61
Earnings Per Share (in ₹)	21.74	21.38	21.73	21.37

During the year under review the Company achieved a turnover of ₹ 63,265.88 Lakhs as against the previous year figure ₹ 66,074.43 Lakhs, registered a decline of nearly 4.26%. The Board of Directors are happy to report a net profit after tax of ₹ 4094.34 Lakhs as against ₹ 3,313.25 Lakhs for the earlier year registering an increase of ₹ 781.09 Lakhs.

Operations

Highlights of your Company's operations and state of affairs for the Financial Year 2020-21, including the Management Discussion and Analysis Report, capturing your Company's performance, industry trends and other material changes with respect to your Company, wherever applicable, forms part of this Annual Report.

Dividend

Your Board of Directors had declared Interim Dividend of ₹ 1 per share (i.e., Rupee One per share) (10%) on December 29, 2020 and paid on January 27, 2021 and pleased to recommend Final Dividend of ₹ 0.50 per share (i.e., Fifty Paise per share) (5%) in the ensuing Annual General Meeting subject to approval of the Shareholders.

Amount Transferred to General Reserve

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

Corporate Governance

A Report on Corporate Governance, in terms of Regulation 34 of the Listing Regulations, along with a Certificate from Practising Chartered Accountant, certifying compliance of conditions of Corporate Governance enumerated in the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 **('Listing Regulations')**, is presented in a separate section forming part of this Annual Report.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, giving detailed analysis of Company's operations, as stipulated under Regulation 34 of the Listing Regulations, is presented in a separate section forming part of this Annual Report.

Committees of the Board:

The details of the Board's Committees – the Audit Committee, the Nomination & Remuneration Committee, the Corporate Responsibility Committee and the Stakeholders' Relationship Committee have been disclosed separately in the Corporate Governance Report which is annexed to and forms part of this Annual Report.

Material Changes and Commitments, if any, affecting the Financial Position of the Company

There were no adverse material changes or commitments occurred between the end of financial year and date of this report, which may affect the financial position of the Company or may require disclosure.

COVID-19 pandemic continues to spread across many parts of the world including India. This has impacted all the businesses worldwide during Financial Year 2020 -21. The impact of COVID-19 pandemic may be different from that estimated as at the date of approval of standalone and consolidated financial statements.

Considering the continuing uncertainties, the Company continues to closely monitor any material changes in future economic conditions. The duration and severity of COVID-19 pandemic and the disruption caused to global economic and business environment cannot be reasonably estimated. The extent of impact of this pandemic on Company's business operations, cash flows, future revenue, assets and liabilities will depend on numerous evolving factors that currently cannot be reasonably assessed.

In the backdrop of above, the Company has made assessment of the recoverability and carrying value of its assets, inventories, receivables, and other current assets and on the basis of evaluation, the Company is of the view that there are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. The impact on the financial results for the Financial Year ended March 31, 2021 because of any events and developments beyond the date of this report may differ from that estimated as at the date of approval of these financial results and will be recognised prospectively.

Given the criticalities and uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial health will be continuously made and provided for as required.

Further there was no change in the nature of business of the Company during the period under review.

Board Meetings

The Board during the Financial Year 2020-21 met Eight (8) times i.e., on June 10, 2020, June 30, 2020, August 19, 2020, September 14, 2020, September 28, 2020, November 12, 2020, December 29, 2020 and February 12, 2021. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

Composition of Audit Committee

The Audit Committee of the Board comprises of the following members: Mr. Pillapan Amalanathan – Chairperson, Ms. Jamuna Ravikumar – Member and Mr. Dinesh Kumar Agarwal – Member. All recommendations given by Audit Committee during Financial Year 2020-21 were accepted by the Board.

Further details on the Audit Committee and other Committees of the Board are given in the Corporate Governance Report, which forms a part of this Annual Report.

Directors and Key Managerial Personnel

As per Article 35 of the Articles of Association of the Company, Mr. Dinesh Kumar Agarwal, Director of the Company retires by rotation in the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board has recommended his re-appointment. A resolution proposing his re-appointment forms part of the notice of AGM.

Pursuant to the recommendation of the Nomination & Remuneration Committee (NRC), the Board in its meeting held on December 29, 2020 appointed Mr. Shailesh Rajagopalan as Non-Executive (Additional) and Mr. Ramesh Dugar was appointed as a Non-Executive – Independent (Additional) Director with effect from December 29, 2020. They hold office up to the conclusion of the forthcoming AGM of the Company. Requisite notice under Section 160 of the Companies Act, 2013 **('the Act')** has been received for their appointment. The Company has received their consent to act as the director of the Company. Appropriate resolution seeking your approval for the aforesaid appointment is forming part of the notice convening the ensuing AGM of the company.

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act and the Listing Regulations. The Independent Directors of the Company have also registered themselves in the databank with the Indian Institute of Corporate Affairs and confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

During the year, the Non-Executive Director of the Company had no pecuniary relationship or transaction with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

In terms of provisions of Section 203 of the Act, and the Rules made thereunder the Key Managerial Personnel of the Company are:

Mr. Anil Jain - Managing Director

Ms. Uthayakumar Lalitha - Chief Financial Officer

Mr. Gopalakrishnan Srinivasan - Company Secretary.

There has been no change in the Key Managerial Personnel during the year.

Performance evaluation of the Board, its Committees and Individual Directors

Pursuant to the provisions of the Companies Act of 2013 and Regulation 17(10) of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 ("the Listing Regulation") the Board has carried out a formal process of performance evaluation of the Board, Committees and Individual Directors. The performance was evaluated based on the parameters such as composition and quality of Board members, effectiveness of Board/ Committee process and functioning, contribution of the Members, Board Culture and dynamics, fulfilment of key responsibilities, ethics and compliance etc. A structured questionnaire was prepared covering the above areas of competencies. All the responses were evaluated by the Nomination & Remuneration as well as by the Board of Directors and the results reflected high satisfactory performance.

Meeting of Independent Directors

The Independent Director of your Company met once during the year without the presence of Non- Independent Directors. The meeting was conducted in an informal and flexible manner to enable the Independent Directors inter alia to discuss matters pertaining to performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company after taking inputs from the executive and Non- Executive Directors.

Directors' Responsibility Statement

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act had been followed and there are no material departures from the same;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year April 1, 2020 to March 31, 2021;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a 'going concern' basis;

(e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Compliance with Secretarial Standards

Your Directors confirm that the Secretarial Standard - 1 on Meetings of Board of Directors and Secretarial Standard – 2 on General Meetings, issued by The Institute of Company Secretaries of India, have been duly complied with.

Contracts or Arrangements with Related Parties

All contracts and arrangements with related parties, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis and did not attract the provisions of Section 188 of the Companies Act, 2013.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' in terms of the Company's Related Party Transactions Policy. Accordingly, there are no transactions that are required to be reported in Form AOC-2. However, details of the transactions with Related Parties are provided in Note no. 36 of the financial statements which forms part of the Annual Report.

Changes in Share Capital

During the year, your Company has come up with further issue of share capital by way of Rights Issue to its existing shareholders and raised funds of ₹ 24.87 Crore which was opened for subscription for on July 27, 2020 and closed on August 10, 2020 and the shares were allotted on August 19, 2020.

As a result of it the paid-up share capital of your Company was increased from ₹ 15,47,51,760 (Rupees Fifteen Crores Forty-Seven Lakhs Fifty-One Thousand Seven Hundred and Sixty) to ₹ 21,00,20,240 (Rupees Twenty-One Crore Twenty Thousand Two Hundred and Forty).

Financial Statements

The Ministry of Corporate Affairs and SEBI has provided several relaxations, in view of difficulties faced by the Companies, on account of threat posed by COVID-19. Pursuant to General Circular No.20/2020, dated May 5, 2020, issued by the Ministry of Corporate Affairs, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by SEBI, the Company shall not be dispatching physical copies of financial statements and the Annual Report shall be sent only by email to the members.

The consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, duly audited by Statutory Auditors, also forms part of this Annual Report.

Statutory Auditors

Pursuant to provisions of Section 139 of the Companies Act 2013 read with Companies (Audit and Auditors) Rules 2014, as amended, M Krishnakumar & Associates was appointed as the Statutory Auditors of your Company at the 15th AGM held on September 26, 2017 for a term of five years till the conclusion of 20th Annual General Meeting.

Statutory Auditor's Report

There are no qualifications, reservations or adverse remarks the Statutory Auditors in their report for the Financial Year ended March 31, 2021 which requires an explanation or comments by the Board.

The Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

Secretarial Auditor

Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 the Board of Directors had appointed Mr. R Muthukrishnan, Practising Company Secretary as the Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for the Financial Year 2020-21. The Report of the Secretarial Auditor for the Financial Year ended March 31, 2021 is annexed as **Annexure I** and same forms part of this report.

Reply to the observation of Secretarial Auditor's Report:

Due to technical issue, the Company was unable to submit the Annual Report with the Stock Exchanges within the prescribed timeline and the same was filed with a delay of two days. Further, as on April 1, 2020 the Company for the first time fell within the top 2000 listed companies and due to COVID-19 Pandemic the Company could not appoint new directors within the prescribed statutory timelines to meet the minimum number of directors criteria as required under Regulation 17(1)(c) of the Listing Regulations. However, the Company has appointed the requisite number of directors as on December 29, 2020 to meet the aforesaid requirement.

Disclosure about Cost Audit

Maintenance of Cost Records and requirements of Cost Audit as prescribed under the provisions of Section 148 (1) of the Companies Act is no applicable for the business activities of the Company.

Internal Financial Controls

The Company has appointed an Internal Auditor, a Chartered Accountant, to ensure the effective functioning of internal financial controls and check whether the financial transaction flow in the organisation is being done based on the approved policies of the Company. The Management based on the internal audit observations gives their comments. Further, the Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Vigil Mechanism, Material Subsidiary Policy for ensuring the orderly and efficient conduct of its business, for safeguarding of its assets for the prevention and detection of frauds and errors and for maintenance of adequate accounting records and timely preparation of reliable financial information.

Information about the financial performance / financial position of the Subsidiaries

Vituza Solar Energy Limited continues to be the wholly owned subsidiary of your Company. In accordance with Section 129(3) of the Act, a statement containing salient features of the financial statements of the subsidiary company(ies) in Form AOC-1 is provided as part of the consolidated financial statement as **Annexure II**. Hence, a separate report on the performance and financial position of the subsidiary company(ies) is not repeated here for the sake of brevity.

Annual Return

In terms of Section 92(3) of the Act, the annual return of the Company for the Financial Year ended March 31, 2021 shall be available on the Company's website https://www.refex.co.in/investors-information.php

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & outgo.

(A) Conservation of energy & Technology absorption:

The Company does not engage in manufacturing activity involving energy intensive processes. However, the Company has taken sufficient steps towards general energy saving techniques and conservation.

Given the Nature of Process employed by the Company, there is no technology absorption involved.

(B) Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings = ₹ NIL

Foreign Exchange Outgo = ₹ 1158.88 Lakhs

Public Deposits

The Company did not invite or accept any deposits from the Public under Sec 73 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

Significant & Material Orders passed by the Regulators

During the year under review no significant and material orders were passed by the regulators impacting the Company as a going concern and its operations.

Vigil Mechanism / Whistle Blower Policy

The Company has established a vigil mechanism and formulated the Whistle Blower Policy (WB) to deal with instances of fraud and mismanagement, if any. The details of the WB Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

Disclosure Regarding Prevention of Sexual Harassment

The Company is committed to maintaining a productive environment for all its employees at various levels in the organisation, free of sexual harassment and discrimination on the basis of gender. The Company has framed a policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act"). The Company has also set up Prevention of Sexual Harassment Committee, which is in compliance with the requirement of the POSH Act, to redress the complaints received regarding sexual harassment, which has formalised a free and fair enquiry process with clear timeline. During the period under review, the Company has not received any complaints of harassment.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

Risk Management Policy

The Company has a Risk Management Policy in place although it is not applicable to it both under the SEBI LODR Regulations 2015 and the Companies Act, 2013. However, the Company has an adequate Risk Management Policy commensurate with its size and operation. Risk Management includes identifying types of risk and its assessment, risk handling, monitoring and reporting.

Corporate Social Responsibility

The Board has constituted Sustainability and Corporate Social Responsibility Committee ('CSR Committee') which comprises Mr. Pillapan Amalanathan, Chairman, Mr. Anil Jain and Mr. Dinesh Kumar Agarwal as Members.

The Board has also approved a CSR policy on recommendations of CSR Committee, which is available on the website of the Company at https://www.refex.co.in/investors-information.php

At Refex, Corporate Social Responsibility has been integral part of the business since its inception. Refex believes in making a difference to the lives of millions of people who are under privileged. It promotes Social and Economic inclusion by ensuring that marginalised communities have equal access to health care services, educational opportunities and proper civic infrastructures. Corporate Social responsibility is embedded in the Refex ethos going hand in hand with the core business of the Company.

The Annual Report on CSR activities, in accordance with Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure III** to this Report.

Particulars of Employees and Related Disclosures

The statement containing particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not form part of this report. In terms of Section 136 of the Act, the same is open for inspection during working hours at the registered office of your company. A copy of this statement may be obtained by the members by writing to the Company Secretary.

The Ratio of Remuneration of each director to the median remuneration of the employees of the company and other details in terms of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report as **Annexure IV**.

Listing with Stock Exchanges

The Equity Shares of the Company are listed on the following Stock Exchanges:

i. BSE Limited (BSE): No. 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai- 400 001;

ii. National Stock Exchange of India Limited (NSE): Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai- 400 051.

The Stock Codes allotted by these Stock Exchanges are as under:

Name	Code
BSE Limited	532884
National Stock Exchange of India Limited	REFEX

The Company has paid listing fees to the stock exchanges for the Financial Year 2020-21

General

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

a) The Company has not accepted any deposits from the public or otherwise in terms of Section 73 of the Act read with Companies (Acceptance of Deposit) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet

b) The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise

c) The Managing Directors of the Company do not receive any remuneration or commission from any of its subsidiaries

DIRECTORS' REPORT (Contd.)

d) The Auditors have not reported any matter under Section 143(12) of the Act, therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

e) The assets of the Company are adequately insured.

f) Your Company's' Industrial relations continues to be harmonious and cordial.

Acknowledgements

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors take on record their deep sense of appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation towards the progress of your Company.

For and on behalf of the Board

Sd/-
Anil Jain
Chairman & Managing Director
DIN: 00181960

Place: Chennai
Date: June 30, 2021

List of Annexures

Annexure No.	Particulars of Annexure
I	Secretarial Audit Report Form MR - 3
II	Form AOC – 1
III	Report on Corporate Social Responsibility
IV	Ratio of Remuneration

ANNEXURE - I

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

For the Financial Year Ended March 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Refex Industries Limited,
(CIN: L45200TN2002PLC049601),
11th Floor, Bascon Futura IT Park,New No. 10/2, Old No. 56L,
Venkat Narayana Road,T Nagar
Chennai - 600 017,
Tamil Nadu

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: The members are requested to read this report along with my letter of even date placed as **'Annexure A'** to this report.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on **March 31, 2021** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**"SEBI Act"**):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;

   c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(v) I am informed that for the Financial Year ended on March 31, 2021 the Company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of the following Regulations and Guidelines prescribed under the SEBI Act:

   a. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

   e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(vi) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent applicable;

(vii) Secretarial Standards, SS-1 and SS-2 issued by The Institute of Company Secretaries of India in respect of conducting of Board Meetings and General Meetings, respectively;

(viii) Based on the information, representations and explanations provided by the offices of the Company, there are no specific laws applicable to the Company for which books, forms and other records needs to be maintained.

ANNEXURE - I (Contd.)

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

(i) The Listing Agreements entered into by the Company with following Stock Exchange(s),

a. National Stock Exchange of India Ltd; and

b. BSE Limited

During the period under review, to the best of my knowledge and belief and according to the information and explanation furnished to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations as placed in **'Annexure B'** to this report

I further report that

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

1. Appointment of Mr. Ramesh Dugar (DIN No. 01686047) as an Additional Independent Director and Mr. Shailesh Rajagopalan (DIN No. 01855598) as an Additional Non-Executive Director both with effect from December 29, 2020 in terms of Section 161 of the Companies Act, 2013 in the Board meeting held on December 29, 2020

2. Appointment of Mr. Pillappan Amalanathan (DIN No. 08730795) as an Non-Executive Independent Director of the Company (who was earlier appointed as an Additional Independent Director in the Board Meeting held on March 28, 2020) for a period of 3 years commencing from March 28, 2020 in the Annual General Meeting (**"AGM"**) held on December 29, 2020 in terms of Section 149 of the Companies Act, 2013.

3. Reappointment of Mr. T Anil Jain (DIN No. 00181960) as Managing Director of the Company for a period of 3 years commencing from July 1, 2020 till June 30, 2023 in the AGM held on December 29, 2020.

Adequate notices were given to all the directors for the Board Meetings along with the agenda and detailed notes on agenda were sent at least seven days in advance or as per the statutory requirements, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and I have been informed that there were no dissenting Board members' views that were required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period

(i) The Company has no instance of Public / Preferential issue of shares /debentures / sweat equity. The company completed a rights issue of 55,26,848 equity shares of ₹ 10/- each at a price of ₹ 45/- per share at a premium of ₹ 35 per share and the allotment was completed on August 19, 2020.

(ii) The Company has no instance of Redemption / buy-back of securities;

(iii) The Company has no instance of Merger / Amalgamation / Reconstruction etc.;

(iv) The Company has no instance of Foreign Technical collaborations;

(v) The Company has taken following major decision(s) during the year:

The company had passed necessary Special Resolution under Section 185 of Companies Act, 2013 to lend/extend/advance any loan/give any guarantee/extend or to provide any security in connection with any loan to or any borrowing made by Sherisha Technologies Private Limited, a company in which one of the Director is interested, up to an amount of ₹ 50 Crore.

Signature:

Sd/-
R Muthu Krishnan
FCS No. 6775
CP No. 3033
UDIN F006775C000546369

Place: Chennai
Date: June 30, 2021

ANNEXURE A TO SECRETARIAL AUDIT REPORT

To
The Members,
Refex Industries Limited,
(CIN: L45200TN2002PLC049601),
11th Floor, Bascon Futura IT Park, New No. 10/2, Old No. 56L,
Venkat Narayana Road, T Nagar
Chennai - 600 017, Tamil Nadu

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have verified only the documents shared by the Company in electronic mode due to the lockdown ordered by the Central Government and various State Governments.

Signature:

Sd/-
R Muthu Krishnan
FCS No. 6775
CP No. 3033
UDIN F006775C000546369

Place: Chennai
Date: June 30, 2021

ANNEXURE B - LIST OF OBSERVATIONS

1. The Company paid a penalty of ₹ 4,720/- for delay of 2 days in sending Annual Report of the Company to Stock Exchanges in terms of Clause 34 (1) (a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. The Company received a notice of penalty of ₹ 5.37 Lakhs each for quarter ended June 30, 2020 and ₹ 5.43 Lakhs for quarter ended September 30, 2020 from BSE and NSE for not having minimum number of six directors as the as required under Clause 17 (1) (c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the company fell within the top 2000 listed companies as at April 1, 2020.

   The Company had sought waiver of the said penalty from both BSE and NSE citing inability to appoint new Directors in view of Covid Pandemic and resultants lock downs imposed by the Central and State Government and the BSE accepted the waiver request of the Company on June 23, 2021.

   As the Company has appointed 2 more Directors on December 29, 2020, as on the date of this report the Company has 6 (Six) Directors on the Board as required under the aforesaid clause of the Listing Regulations and hence the above said listing regulations stands complied with.

ANNEXURE - II

FORM AOC-1

for the Financial Year ending March 31, 2021

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Vituza Solar Energy Limited
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	There is no change in the reporting period with that of its Holding Co.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	5,00,000
5.	Reserves & surplus	(5,73,354)
6.	Total assets	13,246
7.	Total Liabilities	13,246
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	(51,613)
11.	Provision for taxation	-
12.	Profit after taxation	(51,613)
13.	Proposed Dividend	-
14.	Percentage of shareholding	100

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: The above-mentioned subsidiary Company is yet to commence its operations.
2. Names of subsidiaries which have been liquidated or sold during the year. **N.A**

"Part B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures are not applicable since the Company does not have any Associates / Joint Venture – **Nil**

ANNEXURE - III

ANNUAL REPORT ON CORPORATE SOCIAL REPONSIBLITY

Your Company has constituted a Corporate Social Responsibility committee (CSR) pursuant to provisions of Section 135 of The Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below:

You're Company CSR Policy:

At Refex, Corporate Social Responsibility has been integral part of the business since its inception. Refex believes in making a difference to the lives of millions of people who are under privileged. It promotes Social and Economic inclusion by ensuring that marginalized communities have equal access to health care services, educational opportunities and proper civic infrastructures. Corporate Social responsibility is embedded in the Refex ethos going hand in hand with the core business of the Company

1. **Corporate Social Responsibility Committee Comprises of One Independent Director, One Non-Executive Director and one Executive Director**

Sr. No.	Name of the Member	Category	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Pillappan Amalanathan - Chairman	Independent Director	1	1
2	Mr. T. Anil Jain	Executive Director	1	1
3	Mr. Dinesh Kumar Agarwal	Non-Executive Director	1	1

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

   The Company's CSR policy and other details have been uploaded on the website of the Company under the web link; https://www.refex.co.in/pdf/CSR_Policy.pdf

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

4. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not applicable**

5. **Average Net profit before tax for the last three financial year (PBT)**

Financial Year	Net Profit before tax (₹ in Lakhs)
2017-18	173.82
2018-19	2,886.97
2019-20	4,802.66
Total profit of the preceding three Financial Years	7,863.45
Average Net Profit of the preceding three Financial Years	2,621.15
2% of Average Net Profit of the preceding three Financial Years	52.42

6. (a) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years- **NIL**

   (b) Amount required to be set off for the Financial Year, if any – **NIL**

   (c) Total CSR obligation for the Financial Year ₹ **52.42 Lakhs**

7. (a) CSR Amount spent or unspent for the Financial Year

Amount Spent	Amount Unspent	
Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per Section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).
₹ 182.08 Lakhs	**NIL**	**NIL**

ANNEXURE - III (Contd.)

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

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs		Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency	CSR Registration Number
			Local area or other	Specify the State and district where projects or programs was undertaken					
Not Applicable									

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

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs		Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency	CSR Registration Number
			Local area or other	Specify the State and district where projects or programs was undertaken					
1	Sri Alagu Murugan Modern Rice Mill	Eradicating poverty	Chennai	Tamil Nadu	1,89,000	1,89,000	1,89,000	Direct	NA
2	Sri Venkteswara Trading Co	Eradicating poverty	Chennai	Tamil Nadu	2,50,000	2,50,000	4,39,000	Direct	NA
3	Shree Agarwal Trading Co	Eradicating poverty	Chennai	Tamil Nadu	2,00,000	2,00,000	6,39,000	Direct	NA
4	Ambika Agency	Eradicating poverty	Chennai	Tamil Nadu	1,60,000	1,60,000	7,99,000	Direct	NA
5	Tanish agro food exports	Eradicating poverty	Chennai	Tamil Nadu	36,000	36,000	8,35,000	Direct	NA
6	Jayanthi	Eradicating poverty	Chennai	Tamil Nadu	1,00,000	1,00,000	9,35,000	Direct	NA
7	Nathan Traders	Eradicating poverty	Chennai	Tamil Nadu	63,240	63,240	9,98,240	Direct	NA
8	Samskriti Trust	Protection of national heritage, art and culture	Chennai	Tamil Nadu	50,00,000	50,00,000	59,98,240	Implementing Agency	NA
9	Friends of Tribals Society	Education and healthcare for tribal people	Kolkata	West Bengal	1,10,000	1,10,000	61,08,240	Direct	NA
10	JITO Administrative Training Foundation	Education /training to students	Mumbai	Maharashtra	47,00,000	47,00,000	1,08,08,240	Direct	NA
11	JATF Hostel (Chennai) Trust	Education/training to students	Chennai	Tamil Nadu	74,00,000	74,00,000	1,82,08,240	Implementing Agency	NA

(d) Amount spent in Administrative Overheads: **Nil**

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

(f) Total amount spent for the financial year (7b+7c+7d+7e): ₹ **182.08 Lakhs**

(g) Excess amount for set off, if any: ₹ 129.66 Lakhs

Sr. No.	Particulars	Amount in Lakhs
1	Two percent of average net profit of the company as per section 135(5)	52.42
2	Total amount spent for the Financial Year	182.08
3	Excess amount spent for the financial year	129.66
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years (3-4)	129.66

8. (a) Details of Unspent CSR amount for the preceding three Financial Years: **NIL**

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s): **NIL**

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) – **NA**

(b) Amount of CSR spent for creation or acquisition of capital asset - **NA**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **NA**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset – **NA**

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section - **NA**

For and on behalf of the Corporate Social Responsibility Committee
of the Board of Directors of
Refex Industries Limited

Place: Chennai Date: June 30, 2021	**Sd/-** **Anil Jain** DIN - 00181960 Chairman, Managing Director & Member CSR Committee	**Sd/-** **Pillappan Amalanathan** DIN - 08730795 Chairman CSR Committee

ANNEXURE - IV

RATIO OF REMUNERATION

Particulars required to be disclosed under Section 197(12) of the Companies Act,2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	
(i)	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2020-21	
	The Company is paying remuneration only to the Managing Director. Other directors are not paid. The ratio of Remuneration of Managing Director to the median Remuneration is 39.62 times.	
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the Financial Year.	
	Mr. T. Anil Jain, Managing Director	133
	Mr. S. Gopalakrishnan, Company Secretary	-
	Mrs. U. Lalitha, Chief Financial Officer	21
(iii)	The percentage Decrease in the median remuneration of employees in the Financial Year	6.40 Percent
(iv)	The explanation on the relationship between average increase in remuneration and Company performance	
	Average increase in remuneration of employees in the Financial Year (in percentage)	80.4
	Decrease in Turnover (in percentage)	4.27 Percent
	Increase in PAT /(decrease in loss) (in percentage)	23.57 Percent
	Decrease in EPS (in percentage)	1.68 Percent
	Comparison of the remuneration of Key Managerial Personnel against the performance of the Company	

Particulars	Managing Director	Chief Financial Officer	Company Secretary
Remuneration (₹ In Lakhs)	84	16.28	3.96
Revenue (₹ In Lakhs)	63,710	63,710	63,710
Remuneration (as Percent of Revenue)	0.13	0.02	-

Sr. No.	Particulars	
(v) (a)	**Variations in the market capitalization of the Company as at the closing date of the current Financial Year and the previous Financial Year**	**(₹ in Crore)**
	Market capitalization as at March 31, 2020	98.57
	Market capitalization as at March 31, 2021	197.20
(v) (b)	Variations in the Price Earning Ratio as at the closing date of the Current Financial Year and the previous Financial Year	
	Price Earning Ratio as at March 31, 2020	2.98 Times
	Price Earning Ratio as at March 31, 2021	4.32 Times
	Increase / Decrease in Price Earning Ratio	1.34 Times

ANNEXURE - IV (Contd.)

Sr. No.	Particulars	
(v) (c)	Percentage increase or decrease in the market quotation of shares of the Company at the close of the previous Financial Year comparison to the rate at which the Company came out with the last public offer	
	Rate at which public issue was made	₹ 65
	Market price as at March 31, 2021	₹ 93.90
	Increase (decrease) in Market price %	Increase by 45 Percent
(vi)	The average percentile increase already made in the salaries of employees other than the Managerial Personnel in the previous financial year, and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.	The average salary of the employees has increased by 80.44 Percent. The Managerial Remuneration are considered by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee in line with the Remuneration policy for the directors, Key Managerial Personnel and other employees after taking into account their individual qualifications, experience and other parameters. Wherever required approval of the shareholders is also obtained
(vii)	The ratio of remuneration of the highest paid director to that of the employees who are not directors but receiving remuneration in excess of the highest paid director during the year	N.A.
(viii)	Affirmation that the remuneration is as per the Remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company in respect of Directors, Key Managerial personnel and other employees.

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to ensure high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The Company follows all the principles of Corporate Governance in its true spirit.

1. BOARD OF DIRECTORS:

a) COMPOSITION

The Board consists of Six (6) Directors as on March 31, 2021. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The day-to-day management of the Company is carried on by Mr. Anil Jain, the Managing Director of the Company.

Chairman and Managing Director	**Mr. Anil Jain**
Non-Executive and Independent Directors	• Mr. Dinesh Kumar Agarwal (Non-Executive Director) • Mr. Pillappan Amalanathan (Independent Director) • Ms. Jamuna Ravikumar (Independent Director) • Mr. Shailesh Rajagopalan (Additional Non-executive Director) W.E.F December 29, 2020 • Mr. Ramesh Dugar (Additional Independent Director) W.E.F December 29, 2020

All Independent Directors possess the requisite qualifications and are very experienced in their own fields. They are not liable to retire by rotation. None of the Directors are members of more than ten Committees or chairman of more than five Committees in Public Limited Companies in which they are Directors. Necessary disclosures have been obtained from all the Directors regarding their Directorship which have been taken on record by the Board.

The names of the Directors and the details of other chairmanship/Directorship/Committee membership of each Director as on March 31, 2021 is given below:

S. No	Name of Directors	Category	Number of Directorships in other companies		Number of Committee memberships in other companies		Directorship in other Listed Entities
			Chairman	Director	Chairman	Member	
1	Mr. Anil Jain	Executive Director	0	1	0	1	Non-Executive Director – SunEdison Infrastructure Limited
2	Mr. Dinesh Kumar Agarwal	Non-Executive Director	0	0	0	0	-
3	Mr. Pillappan Amalanathan	Non-Executive Independent Director	0	1	2	0	Non-Executive – Independent Director in SunEdison Infrastructure Limited
4	Ms. Jamuna	Non-Executive Independent Director	0	1	0	2	Non-Executive – Independent Director in SunEdison Infrastructure Limited
5	Mr. Ramesh Dugar	Non-Executive Independent Director	0	2	0	0	-
6	Mr. Shailesh Rajagopalan	Non-Executive Director	0	2	0	1	Non-Executive Non– Independent Director in SunEdison Infrastructure Limited

NOTE:

a. Other Directorships exclude Foreign Companies, Private Limited Company, Section 8 Companies and Alternate Directorships.

b. Only membership in Audit Committee and Stakeholder's Relationships Committee has been reckoned for other Committee memberships.

c. Board Meetings and Attendance at Board Meetings

The Board met Eight (8) times i.e., on June 10, 2020, June 30, 2020, August 19, 2020, September 14, 2020, September 28, 2020, November 12, 2020, December 29, 2020, and February 12, 2021 during this Financial Year 2020-2021. The actual time gap between any two meetings was well within the maximum allowed period of 120 days was relaxed for the first quarter by SEBI due to the Covid Pandemic.

The relevant details are as under:

S. No	Date	Board Strength	No.of Directors Present
1	June 10, 2020	4	4
2	June 30, 2020	4	4
3	August 19, 2020	4	4
4	September 14, 2020	4	4
5	September 28, 2020	4	4
6	November 12, 2020	4	4
7	December 29, 2020	4	4
8	February 12, 2021	6	6

The Company placed before the Board all those details as required under Regulation 17(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The dates for the Board Meetings are fixed after taking into account the convenience of all the Directors and sufficient notice is given to them. Detailed Agenda notes are sent to the Directors. All the information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The Chairman and the Managing Director appraise the Board on the overall performance of the Company at every Board Meeting. Legal issues, write-offs, provisions, purchase and disposal of Capital Assets are all brought to the notice of the Board. The Board reviews performance, approves Capital Expenditures, sets the strategy the Company should follow and ensures financial stability. The Important decision taken at Board Meetings are communicated to the concerned departments, divisions of the Company for taking necessary actions

The Board also takes on record the declaration made by the Company Secretary, Chairman and Managing Director and the Chief Financial Officer regarding compliances of all laws on a quarterly basis.

d) Disclosure of relationship between Directors inter-se: None of the Directors are related to each other.

e) Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM)

S. No	Name	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at the Last AGM
1	Mr. Anil Jain	8	8	Present
2	Mr. Dinesh Kumar Agarwal	8	8	Present
3	Ms. Jamuna	8	8	Present
4	Mr. Pillappan Amalanathan	8	8	Present
5	Mr. Ramesh Dugar	1*	1	NA
6	Mr. Shailesh Rajagopalan	1*	1	NA

* Mr. Ramesh Dugar and Mr. Shailesh Rajagopalan appointed in the Board with effect from December 29, 2020

REPORT ON CORPORATE GOVERNANCE (Contd.)

f) The Board of Directors have, identified the following core key skills/expertise/ competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

Name and Category of the Director	Finance	Strategy / Business Leadership	Governance/ Regulatory and Risk	Sales & Marketing	Human Resources	Hospitality
Mr. Anil Jain	✓	✓	✓	✓	✓	✓
Mr.Dinesh Kumar Agarwal	✓	✓	✓		✓	✓
Mr.Pillappan Amalanathan	✓	✓	✓			✓
Ms. Jamuna	✓		✓			✓
Mr. Shailesh Rajagopalan	✓	✓	✓	✓	✓	✓
Mr. Ramesh Dugar	✓	✓	✓			✓

2. AUDIT COMMITTEE

The Audit Committee assists the Board in the dissemination of financial information and in overseeing the financial and accounting procedures followed by the Company. The terms of reference of the audit Committee covers all matters specified in Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and also those specified in section 177 of the companies Act 2013. The terms of reference broadly include review of Internal Audit Reports and action taken reports, assessment of the efficacy of the Internal Control Systems/ Financial Reporting System and reviewing the adequacy of the Financial Policies and Practices followed by the Company. The Audit Committee reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions. A report on its finding relating to the periodical Financial Statements is sent to the Board. The Committee also recommends the appointment of Internal Auditor, Secretarial Auditor and Statutory Auditor. The Audit Committee takes notes of any default in the payments to creditors and shareholders. The Committee also looks into those matters specifically referred to it by the Board. The Audit Committee comprises of Two Independent and One Non-Executive Director.

S. No	Name of the Members	Category
1	Mr. Pillappan Amalanathan - Chairman	Independent Director
2	Mr. Dinesh Kumar Agarwal - Member	Non-Executive Director
3	Ms. Jamuna - Member	Independent Director

The Composition of the Audit Committee is in compliance with Provision of Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

All the members of the Committee are financially literate and have relevant finance/audit exposure. The Chief Financial Officer and Internal Auditor are permanent invitees to the Meetings of the Committee. The other Directors are invited to attend the audit Committee meetings as and when required. The Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee is as per Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Audit Committee met four times on June 30, 2020, September 14, 2020, November 12, 2020 and February 12, 2021 during the Financial Year 2020-21.

Attendance of details of the Members are given below

Name of the Members	Category	Number of Meetings Attended
Mr. Pillappan Amalanathan - Chairman	Independent Director	4
Mr. Dinesh Kumar Agarwal -Member	Non-Executive Director	4
Ms. Jamuna – Member	Independent Director	4

In terms of Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 CFO has certified to the Board that the financial statements present a true and fair view of the Company's affairs and are in compliance with Indian accounting standards

3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of two Independent Directors and one Non-Executive Director

(II) Composition of Committee

S. No	Name of the Members	Category
1	Mr. Pillappan Amalanathan - Chairman	Independent Director
2	Mr. Dinesh Kumar Agarwal - Member	Non-Executive Director
3	Ms. Jamuna - Member	Independent Director

This Committee recommends the appointment/ reappointment of executive Directors and the appointments of employees from the level of Vice President and above along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the candidate's track record, his/her potential individual performance, the market trends and scales prevailing in the similar industry. The Nomination and Remuneration Committee comprises of Non-Executive and Independent Directors. Mr. Pillappan Amalanathan is the Chairman of the Committee; Mr. Dinesh Kumar Agarwal and Ms. Jamuna are the other members. The Company Secretary is the Secretary to the Committee. The Nomination and Remuneration Committee met two times on June 10, 2020 and December 18, 2020, during the Financial Year 2020-21.

Attendance of details of the Members are given below

Name of the Members	Category	Number of Meetings Attended
Mr. Pillappan Amalanathan - Chairman	Independent Director	2
Mr. Dinesh Kumar Agarwal - Member	Non-Executive Director	2
Ms. Jamuna - Member	Independent Director	2

(III) NOMINATION AND REMUNERATION POLICY:

The policy inter alia provides for the following:

a) To formulate criteria for determining qualifications, positive attributes and independence of a director.

b) To formulate criteria for evaluation of Independent Directors and the Board.

c) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.

d) To carry out evaluation of the Director's performance.

e) To recommend to the Board the appointment and removal of Directors and Senior Management.

f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

g) To devise a policy on Board diversity, composition, size.

h) Succession planning for replacing Key Executives and overseeing.

i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable

(IV) CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS:

No remuneration/commission was paid to any of the non-executive Director or independent Directors during 2020-21. The Company does not have any pecuniary relationships or transactions with non-executive Directors during 2020-21. However Non-executive Directors are paid sitting fees for the Board and committee meetings.

REPORT ON CORPORATE GOVERNANCE (Contd.)

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee is required to meet regularly to approve share transfers, transmissions, issue of duplicate share certificates, re-materialization of shares in the physical form as per the time limits and procedures specified in the Regulation 40 of SEBI (LODR) Regulation, 2015 and all other issues pertaining to shares and also to redress investor grievance like non-receipt of dividend warrants, non-receipt of share certificates, etc. The Committee regularly reviews the movement in shareholding and ownership structure. The Committee also reviews the performance of the Registrar and share transfer agents. During the financial year 2020-21 the committee met only once on March 25, 2021 to review status of the investor complaints/ grievance from the start of the financial year 2020-21 the Company During the year 2020-21, the Company received 04 (Four) complaint from the investors. As on March 31, 2021, there were no investor grievances pending.

The Stakeholders Relationship Committee Comprises of Two Independent Directors, and one Executive Director

S. No	Name of the Member	Category
1	Mr. Pillappan Amalanathan - Chairman	Independent Director
2	Mr. Anil Jain - Member	Executive Director
3	Ms. Jamuna - Member	Independent Director

SEBI vide circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the Company that they had commenced processing of investor complaints in a web-based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES. It is found that 2 (Two) complaints received against the Company under SCORES. As on March 31, 2021, there were no investor complaint pending at the SCORES portal.

Mr. S Gopalakrishnan, Company Secretary is the compliance officer of the Company. For any clarification/complaint the shareholders may contact Mr. S. Gopalakrishnan, Company Secretary at the registered office of the Company.

5. CORPORATE SOCIAL RESPONSILBILITY COMMITTEE

For Refex Industries Limited, responsible business practices include being responsible for our business processes, engaging in responsible relations with employees, customers and the community. Hence for the Company, Corporate Social Responsibility goes beyond just adhering to statutory and legal compliances, and creates social and environmental value while supporting the company's business objectives and reducing operating costs, and at the same time enhancing relationships with key stakeholders and customers. Annexure III is forming part of this report about the activities of CSR undertaken by the Company

Corporate Social Responsibility Committee Comprises of One Independent Director, One Non-Executive Director and one Executive Director

S. No	Name of the Member	Category
1	Mr. Pillappan Amalanathan - Chairman	Independent Director
2	Mr. Anil Jain – Member	Executive Director
3	Mr. Dinesh Kumar Agarwal - Member	Non-Executive Director

5. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company had met once during the year and reviewed the performance of Non-Independent Directors, the Board as a whole, and that of Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

6. FAMILIARISATION PROGRAMME FOR DIRECTORS:

Refex believes that a Board which is well informed / familiarized with the company and its affairs can contribute significantly while discharging its role of trusteeship in a manner that fulfills stakeholder's aspiration and societal expectations. In pursuit of this, the Directors of the Company are updated on changes/ developments in the domestic/ global corporate and industry scenario including those pertaining to Statutes/ Legislations and the economic environment and on matters affecting the Company to enable them to take well informed and timely decisions.

7. REMUNERATION OF DIRECTORS

Pecuniary Relationship of Non-Executive Directors

The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for attending Board & Committee meetings.

Remuneration Policy (Website Link): https://www.refex.co.in/investors-information.php

Out of the total Six (6) Directors, only one is an Executive Director. The remuneration payable to the Director is determined by the Board on the recommendation of the Nomination and Remuneration Committee. This is subject to the approval of the shareholders at the Annual General Meeting and that of the Central Government and such other authorities as maybe necessary. The Non-Executive Directors do not draw any remuneration from the Company other than sitting fees.

a) Details of remuneration paid to Directors:

Name of the Director	Salary	Sitting Fee*	Perquisites	Performance Linked incentive	Other Allowances
Mr. Anil Jain	₹ 84 lakhs	-	-	-	-
Mr. Dinesh Kumar Agarwal	-	-	-	-	-
Mr. Pillappan Amalanathan	-	₹ 70,000	-	-	-
Ms. Jamuna	-	₹ 70,000	-	-	-
Mr. Shailesh Rajagopalan	-	₹ 10,000	-	-	-
Mr. Ramesh Dugar	-	₹ 10,000	-	-	-

* Sitting fees paid for Board and the Committee meetings

b) Details of shareholding of Directors as on March 31, 2021

As on March 31, 2021, the Company had one (1) Executive Director and three (5) Non-Executive Director. The said Executive Director, Mr. Anil Jain holds 48,24,815 equity shares in the Company. The Non –Executive Directors do not hold any shares in the Company.

8. Annual General Meetings and Extraordinary General Meetings

The details of the Annual General Meetings/Extraordinary General Meetings held in the last three years are as follows:

Annual General Meetings of the Company:

Venue	Financial Year	Date	Time
Bharatiya Vidya Bhavan", East Mada Street, Mylapore , Chennai – 600 004	2017-2018	July 31, 2018	10.30 A.M
Nahar Hall, Deshabandhu Plaza, 1st floor, 47, Whites Road, Royappettah, Chennai 600 014	2018-19	September 30, 2019	3.30 P.M
Through Video Conference (VC) / Other Audio-Visual Means (OAVM) facility	2019-2020	December 29, 2020	11.00 A.M

The details of special resolutions passed in AGM in the last three years are as follows:

AGM	Subject
AGM during the year 2017-2018= July 31, 2018	Re Classification of Jagdish Jain, Promoter as Public Shareholder. Re Classification of Seema Jain, Promoter as Public Shareholder. Increasing the Investment and Lending powers of the Company under Section 186 of Companies Act 2013
AGM during the year 2018-2019= September 30, 2019	Increase in Authorized Capital of the Company from 30 crores to 40 Crores Amendment in the Main objects of the Company Increase in the remuneration of Mr Anil Jain, Managing Director of the Company

REPORT ON CORPORATE GOVERNANCE (Contd.)

AGM	Subject
AGM during the year 2019-2020= December 29, 2020	Re appointment of Managing Director for further term of 3 years Appoint of Mr Pillappan Amalanathan as an Independent Director Approval for Section 185 with Sherisha Technologies Private Limited

E-Voting:

Three special resolutions were passed by the shareholders of the Company through e-voting during the year 2020-21

9. Subsidiary companies

The financials of the Wholly Owned Subsidiary Company viz., M/s Vituza Solar Energy Limited have been duly reviewed by the Audit Committee and by the Board. The Board minutes of the Unlisted Subsidiary Company are placed before the Board. The Board is also periodically informed about all significant transactions and arrangements entered into by the subsidiary Company. The Company has also formulated a policy for determining the Material Subsidiary and the details of such policies are disseminated in the website of the Company

(https://www.refex.co.in/pdf/Policy_for_determining_Material_Subsidiary.pdf)

10. Vigil Mechanism/ Whistle Blower Policy

The Company has an established mechanism for Directors/Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may blow the whistle on any misconduct or unethical activity taking place in the Company. All suspected violations such as abuse of authority, misconduct, fraud, Misappropriation of assets, Non-Compliance to code of conduct are reported to the Chairman of the Audit Committee. The Audit Committee reviews the functioning of the Whistle Blower and Vigil mechanism and ensures that the policy is adhered to both in Letter and spirit. The policy are disseminated in the website of the Company

(https://www.refex.co.in/pdf/Vigil_Mechanism_or_Whistle_Blower_Policy.pdf)

11. Disclosures

Related Party Transactions:

There were no materially significant related party transactions with the Company's promoters, Directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding transactions are given in the notes to accounts. The Company has obtained necessary approval of the audit Committee and Board of Directors were taken wherever required in accordance with the policy.

The Company has also formulated a policy for determining the Material RPT and the details of such policies for dealing with the Related Party Transactions are disseminated in the website of the Company

(https://www.refex.co.in/pdf/Policy_on_Related_Party_Transaction.pdf)

12. Accounting Treatment:

The Company is following the Indian accounting standards with effect from April 01, 2017.

13. Compliances:

The Company has fully complied with the statutory requirements under the Companies Act 2013 and SEBI (LODR) Regulations, 2015.

14. Means of Communication

a) The Unaudited Quarterly Results of the Company are published in leading newspapers such as News Today and Malai Sudar. These are not sent individually to the shareholders.

b) The Company's website address is: www.refex.co.in. The website contains basic information about the Company and such other details which are required under the listing agreement and relevant SEBI regulations. The Company ensures periodical updating of its website. The Company has a designated email-id cscompliance@refex.co.in to enable the shareholders to register their grievances.

c) Pursuant to the relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all data related to quarterly financial results, shareholding pattern, etc., are filed with stock exchanges within the time frame prescribed in this regard.

d) No presentations have been made to institutional investors or to analysts.

15. Code of Conduct for the Board of Directors and the Senior Management

The standards for business conduct provide that the Directors and the senior management will uphold ethical values and legal standards as the Company pursues its objectives , and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website www.refex.co.in/investors-information/code-of-conduct/. As provided under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2020-21.

16. General Shareholder Information

a) Annual General Meeting

Date and time:	September 30, 2021 at 11:00 A.M.
Venue:	Through Video Conference (VC) / Other Audio Visual Means (OAVM) facility
Book Closure Date:	September 18, 2021 – September 30, 2021
Financial Year:	April 1, 2020 – March 31, 2021.

b) Financial Calendar 2021-22 (tentative)

1st Quarter ending June 30, 2021	On or before August 14, 2021
2nd Quarter ending September 30, 2021	On or before November 14, 2021
3rd Quarter ending December 31, 2021	On or before February 14, 2022
4th Quarter ending March 31, 2022	On or before May 29, 2022

c) Particulars of Dividend for the year ended 31.03.2021

Interim Divided

Date of declaration	December 29, 2020
Rate of dividend	(10%) Re 1 Per Share
Date of payment of dividend	January 27, 2021

Final Dividend

Date of declaration	September 30, 2021 (Subject to Approval)
Rate of dividend	(5%) Re 50 Paise per share
Date of payment of dividend	On or after 10th October 2021

d) Listing of Shares

Name and Address of the Stock Exchange	Stock Code
BSE Limited, Mumbai (BSE) 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532884
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bhandra - Kurla Complex, Bandra (East), Mumbai – 400 051	REFEX
ISIN allotted by depositories	INE056I01017

(Note: Annual Listing fees for the year 2020-21 were duly paid to the above Stock Exchanges)

REPORT ON CORPORATE GOVERNANCE (Contd.)

e) Stock Market Data

Month	The Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	Month's High Price (In. ₹)	Month's Low Price (In. ₹)	Total volume of shares transacted	Month's High Price (In. ₹)	Month's Low Price (In. ₹)	Total volume of shares transacted
April 2020	61.75	33.55	709367	61.45	35.45	20,95,771
May 2020	58.7	44.35	468462	58.6	46.65	27,53,665
June 2020	68.25	47	737492	68	51.55	33,49,732
July 2020	64.85	45.7	975862	64.6	47.9	46,02,399
Aug 2020	54	46.5	367910	54.15	48.75	23,08,835
Sep 2020	54.85	42.55	494064	55	45	19,47,167
Oct 2020	57.75	44.25	917249	57.4	45.75	34,61,855
Nov 2020	101.8	45.45	1779100	101.9	47.45	97,55,642
Dec 2020	121.15	92	1479240	121.4	97.25	95,06,232
Jan 2021	103.4	85.6	756935	101	91.4	15,27,277
Feb 2021	115.45	84.5	1389393	114.85	90.45	50,41,108
Mar 2021	96.85	78	493461	92	80.1	23,87,554

f) Shareholding Pattern as on March 31, 2021

Particulars	Number of Shareholders	Share held in Physical Form	Shares held in dematerialized form	Total Number of Shares held
Promoter and Promoter Group				
1. Bodies Corporate	1		46,09,003	46,09,003
2. Directors and their Relatives	4		58,33,521	58,33,521
Public Shareholding				
I. Institutions				
1. Mutual				
Funds/UTI				
2. Financial Institutions/Banks				
3. Insurance Companies				
4. Foreign Institutional Investors				
5. Foreign Nationals	1	1,200		1,200
II. Non Institutions				
1. Bodies Corporate	73		7,30,028	7,30,028
2. Individuals	20,815	67	94,44,218	94,44,285
3. NRI	261		3,83,987	3,83,987
Total	**21,155**	**1,267**	**2,10,00,757**	**2,10,02,024**

g) Distribution of Shareholding as on March 31, 2021

DISTRIBUTION OF HOLDINGS – NSDL & CDSL & PHYSICAL

Share or debenture holding	Share/debenture holders		Share debenture holdings	
shares	Number	Percentage of total	Shares	Percentage of total
1 - 100	13,324	61.24	5,33,851	2.5
101 - 500	5,663	26.02	15,03,302	7.15
501 - 1000	1,374	6.31	11,02,101	5.24
1001 - 2000	701	3.22	10,66,439	5.07
2001 - 3000	247	1.1353	6,32,813	3.01
3001 - 4000	102	0.46	3,65,486	1.74
4001 - 5000	75	0.34	3,52,516	1.67
5001 - 10000	144	0.66	10,38,892	4.94
10001 - And Above	126	0.579	1,44,06,624	68.5
Total :	**21,756**	**100.0000**	**2,10,02,024**	**100.0000**

DISTRIBUTION OF HOLDINGS – NSDL & CDSL & PHYSICAL

Share or debenture holding	Share/debenture holders		Share debenture amount	
₹	Number	Percentage of total	₹	Percentage of total
10 – 5000	18,987	87.27	2,03,71,530	9.69
5001 – 10000	1,374	6.31	1,10,21,010	5.24
10001 – 20000	701	3.22	1,06,64,390	5.07
20001 – 30000	247	1.13	63,28,130	3.01
30001 – 40000	102	0.46	36,54,860	1.74
40001 – 50000	75	0.34	35,25,160	1.67
50001 – 100000	144	0.66	1,03,88,920	4.94
100001 – And Above	126	0.57	14,40,66,240	68.5
Total :	**21,756**	**100.00**	**21,00,20,240**	**100**

h) Registrar and Share Transfer Agents

CAMEO Corporate Services Limited, having its registered office at Subramanian building No. 1, Club House Road, Chennai- 600 002 are the Registrars for the demat segment and also the share transfer agents of the Company. All matters connected with share transfer, transmission, dividend payment is handled by the share transfer agent. Share transfers are processed within 15 days of lodgement.

i) Transfer of unclaimed dividends to Investor Education and Protection Fund (IEPF):

Year	Type of Dividend	Date of Declaration	Due date for transfer to IEPF	Unpaid/Unclaimed amount as on June 30, 2021
2020-2021	Interim Dividend	December 29, 2020	January 27, 2028	₹ 4,13,786

j) Request to Investors

Shareholders are requested to follow the general safeguards/ procedures as detailed hereunder in order to avoid risks while dealing in the securities of the Company.

- Shareholders are advised to convert their physical holding to demat/electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.
- Shareholders holding shares in physical form should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the Company.
- It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode.

REPORT ON CORPORATE GOVERNANCE (Contd.)

- Shareholders holding shares in physical form, who have not availed nomination facility and would like to do so , are requested to avail the same, by submitting the nomination in Form SH 13. The form will be made available on request. Those holding shares in electronic form are advised to contact their DPs .
- As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrant. This would avoid wrong credits being obtained by unauthorized persons.

k) Reconciliation of Share Capital Audit

A quarterly audit is being conducted by a Practicing Company Secretary , reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in the depositories and the report on Reconciliation of Share Capital Audit are submitted to the stock exchanges within the prescribed time limit As on March 31, 2021, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 21000757 equity shares representing 99.99% of the paid-up equity capital have been dematerialized as on March 31, 2021.

l) Statutory Auditor Fee Particulars

The Members at the 15th Annual General Meeting held on September 26, 2017 have appointed, M/s. M. Krishnakumar & Associates, Chartered Accountants as the Statutory Auditor of the Company and to hold office till the conclusion of the 20th Annual General Meeting of the Company. The Company does not have any Material Subsidiaries. No fees were paid during the year to any entity in the network firm / network entity of which the Statutory Auditor is a part.

The total fee paid for the year 2020-21 to M/s. M. Krishnakumar & Associates, Chartered Accountants is given below:

Sl. No.	Description of Services	Fees (Amount) (In. Lakhs)
1	Statutory Audit Fees	₹ 6.35

m) Plant locations

- Refrigerants Gases :
  No.1/171, Old Mahabalipuram Road, Thiruporur,
  Kancheepuram district , Tamil Nadu-603110
- Solar Energy Division:
  Balotra, Barmer District, Rajasthan-344022

n) Equity Shares in the Demat Suspense Account:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follow as on March 31, 2021:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the beginning of the year	9	2,945
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	7	2,805
Number of Shareholders to whom shares were transferred from suspense account during the year	7	2805
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	2	140

o) Address for Corespondence

Refex Industries Limited

11th Floor, Bascon Futura IT Park,New No. 10/2, Old No. 56L, Venkat Narayana Road, T Nagar Chennai – 600 017

DECLARATION PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE V OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF BUSINESS CONDUCT AND ETHICS.

To

The Members of

Refex Industries Limited,

Chennai

Refex is committed to conducting its business in accordance with the applicable laws, rules and regulations with highest standards of Business Ethics. The Company has adopted a Code of Ethics and Business Conduct which is applicable to all Directors and senior management personnel. Accordingly, in terms of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby certify that both the Members of the Board and the Senior Management Personnel have affirmed compliance as on March 31, 2021 with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board of Directors.

For **Refex Industries Limited**

	Sd/-	**Sd/-**	**Sd/-**
	Anil Jain	**Pillappan Amalanathan**	**S.Gopalakrishnan**
Place: Chennai	Managing Director	Director	Company Secretary
Date: June 30, 2021	DIN: 00181960	DIN: 08730795	

AUDITORS' CERTIFICATE ON COMPLIANCE OF THE PROVISIONS OF THE CODE OF CORPORATE GOVERNANCE

To

The Members of

Refex Industries Limited,

Chennai

We have examined the compliance of the conditions of Corporate Governance by **Refex Industries Limited**, Chennai for the year ended on March 31, 2021, as stipulated in Regulations 17 to 27 and Regulation 46 (2) (b) – (i) of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of the conditions of corporate governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of my information and according to the explanations given to me, we certify that the company has complied with the conditions of Corporate Governance stipulated in the above-mentioned SEBI Regulations.

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

Sd/-

M Krishnakumar & Associates

Chartered Accountants

FRN 006853S

Membership No 203929

Place: Chennai

Date: June 30, 2021

UDIN: 21203929AAAADV9095

REPORT ON CORPORATE GOVERNANCE (Contd.)

CERTIFICATION BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) TO THE BOARD

We, the undersigned in our respective capacities as Managing Director and Chief Financial Officer of Refex Industries Limited to the best of knowledge and belief, certify that:

1. We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief:
    a) These statements do not contain any materially untrue statement or omit any material fact or contains statements that may be misleading;
    b) These statements together present a true and fair view of the state of affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining Internal Control for financial reporting. We have evaluated the effectiveness of Internal Control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated based on our most recent evaluation wherever applicable to the auditors and to the Audit Committee:
    a) Significant changes if any in internal control over financial reporting during the year;
    b) Significant changes if any in accounting policies made during the year; and that the same have been disclosed on the notes to the financial statements; and
    c) Instances of significant fraud of which we have become aware and the involvement therein if any of the Management or employees having a significant role in the Company's internal control system over financial reporting. However, during the year there was no such instance.

For **Refex Industries Limited**

	Sd/-	**Sd/-**
	Anil Jain	**U. Lalitha**
Place: Chennai	Managing Director	Chief Financial Officer
Date: June 30, 2021	DIN: 00181960	

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **REFEX INDUSTRIES LIMITED** having **CIN: L45200TN2002PLC049601** and having registered office at **11th Floor, Bascon Futura IT Park ,New No. 10/2, Old No. 56L, Venkat Narayana Road, T Nagar Chennai 600 017** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

S. No	Name of the Director	DIN	Date of appointment
1	Mr. Anil Jain	00181960	September 13, 2002
2	Mr. Dinesh Kumar Agarwal	07544757	July 27, 2016
3	Mr. Pillappan Amalanathan	08730795	March 28, 2020
4	Ms. Jamuna	08009308	February 14, 2018
5	Mr. Shailesh Rajagopalan	01855598	December 29, 2020
6	Mr. Ramesh Dugar	01686047	December 29, 2020

Sd/-
R. Muthu Krishnan
Practicing Company Secretary
Membership No.: 3033
FCS: 6775

Place: Chennai
Date: June 30, 2021
UDIN: F006775C000546633

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

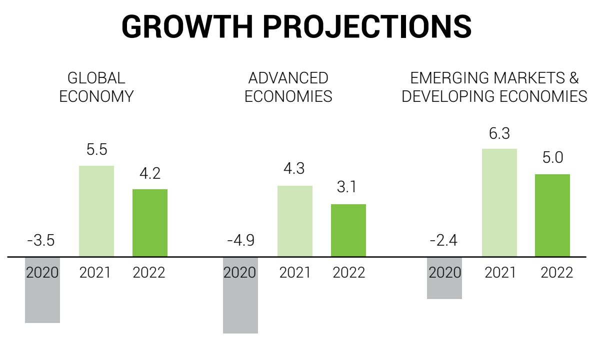
Global Economic Overview

COVID-19 wreaked havoc across the globe with an impact on lives and livelihood, both. The pandemic-induced mobility restrictions deteriorated the global economic health, production, transaction, supply-chain, and everything else in between. The world became a virtual place, as we all remained physically isolated. The global scale of this unforeseen pandemic disrupted the supply chain entirely and led to a 3.5 percent contraction in the global economy.

A significant liquidity loss, rising unemployment, disruptions in transportation and manufacturing industries had been rampant in the wake of the pandemic. Despite the governments of the world raising their investments generously to aid the wound, even surpassing USD 10 trillion in global allocation and providing exquisite monetary and fiscal policy support, the economic damage is yet to be contained fully. While there was a significant rebound from the pandemic's hit, an uncertainty looms over the global outlook. Resurging COVID-19 waves impeded the recovery. The damage caused by the newer mutants has even led to reinforcement of lockdown measures, which has further weakened the sluggish momentum.

The global economy is expected to rebound with a growth of 5.5 percent in 2021, moderating to 4.2 percent in 2022, as can be seen from the graph below. This improvement has been largely due to the pace of vaccine rollouts and policy support.

WORLD ECONOMIC OUTLOOK UPDATE JANUARY 2021



(Source: https://www.imf.org/en/Publications/WEO/Issues/2021/01/26/2021-world-economic-outlook-update)

Vaccine roll-outs, although uneven, are paving way for economic upturn. Companies across the globe are now comfortable working around the pandemic's restrictions with virtual and social distancing measures in the mix. However, the prospects of sustainable growth are heterogenous and differ for each country and sector, with emerging countries projected to record a growth of 6.3 percent in 2021. The per-capita income in most EMDEs would likely remain below pre-pandemic peaks for an extended period. The progressive trajectory many developing countries had impressed with before the COVID-19 catastrophe has now been lengthened. For various countries, the race to catch up with more advanced economies has gotten tougher, with some even farther now than they were previously.

While many economies are on the path to recovery backed by their efforts towards virus containment, vaccination drives, stimulus packages, etc., the outlook remains challenging on account of divergence in the shape and pace of recovery as well as the potential for medium-to-long term economic scarring from the crisis. All this is notwithstanding the newer variants of COVID-19, that can yet derail all the progress being made world over.

Indian Economic Overview

The Indian Government enforced strict nationwide lockdown measures in 2020 to curb the spread of COVID-19, which disproportionately impacted industries as well as livelihoods of millions of people. However, post a complete absence of movement in Q1 and Q2 of 2020-21, the remaining year had seen a far more relaxed environment and development of home-grown vaccines. As trade commenced and the vaccination efforts began, there was a quick noticeable recovery.

In 2021-22, the Indian economy is expected to grow at 9.5 percent driven by growth in private investments stimulated by reforms, pent-up demand of high and mid-income consumers, and fiscal spending on building assets and infrastructure. However, the growth was dampened by a resurgence of the virus in the first quarter of 2021. Although, this time around, no central government lockdowns were proposed, many state governments had to place stringent lockdowns in place to prevent further rise in the cases. However, this hasn't had a major effect on the capital market liquidity and other fiscal factors. As of now, the growth remains hopeful and on track with slight disruptive backdrop of the second wave.

Going ahead, the recovery momentum faces risks in the form of dependency on availability of vaccines and the emergence of subsequent waves of the virus. Higher inflation levels, unemployment, poor wage growth, and low asset values are bound to negatively impact the purchasing power of consumers.

(Source: https://www.business-standard.com/article/economy-policy/rbi-retains-real-gdp-growth-projection-at-9-5-for-2021-22-as-covid-19-ebbs-121080600413_1.html)

India is precariously placed with a healthcare deficit considering the gigantic population. The Challenge was overwhelming – India had to vaccinate 4x the number of people compared to USA or 1.5x the population of Europe, with a small fraction of the infrastructure available at its disposal. However, taking up the challenge, India has sped up its vaccination efforts even surpassing one Crore vaccines being registered in a single-day

Even as the Indian economy faces multi-dimensional challenges in the short term, it remains one of the most dynamic major economies in the world with huge potential. With structural drivers of growth firmly in place, the pace of economic growth is expected to pick up over time.

Industry Overview

Refrigerants

The refrigerant market is expected to grow at around 8.5 percent per annum till 2026 and at around 7 percent from 2027 onwards, given the escalating demand for Heating, Ventilation, and Air Conditioning (HVAC) in the residential sector. This growth is expected to mark an increase in emissions due to high Global Warming Potential (GWP) refrigerant usage and electricity consumption.

(Source: Source: https://www.teriin.org/sites/default/files/2019-11/Mapping%20the%20Refrigerant%20Trends%20in%20India%20An%20Assessment%20of%20Room%20AC%20sector.pdf)

As per the Montreal protocol, India is allowed to use the current range of products without any restrictions until 2030-31 and start phasing down of Hydrochlorofluorocarbons (HCFCs) from 2032. This leaves adequate transitioning timeframe for technology development and commercial-scale production of zero to low-GWP products. India has already embarked on the path of promoting low-GWP Hydrofluorocarbon (HFC) based refrigerants, such as HFC32 and R290. A large-scale transition to next-generation low-GWP HFC products is on the rise despite technological and market barriers. Awareness of the adverse effects of refrigerants on the environment is leading to the development of energy-efficient systems in domestic and industrial sectors.

In the long run, natural refrigerants in the form of HCs and HFOs are being favoured given the tremendous potential they have to offer as climate-friendly replacements for HFCs. As the market warms up to the idea of HCs, the industry will find greater clarity in adopting HC-based refrigerants in the coming decade. Overall, initiatives to increase manufacturing capacity in the country are being favoured, for both refrigerants as well as energy-efficient cooling equipment.

Fly Ash

During the last few decades, there has been a dramatic increase in ash production due to increased amounts of energy being generated by coal-fired power plants. The fly ash market is estimated to register a CAGR of 4 percent in 2021-22, primarily due to the rapid growth of construction industry, both in residential and transportation sectors. This is because fly ash, a by-product of the process of burning coal in the thermal power plants, is chiefly used as a raw material in the production of PPC Cement, paver blocks, and bricks. The policy support from the Government in promoting the usage of fly ash is significantly driving the market. As per the Government norms, 100 percent of fly ash produced in thermal plants has to be utilised within 4 operational years. Along with domestic consumption, the Government is additionally seeking potential overseas off-takers in the West Asian region for fly ash usage.

Growing preference for greener substitutes is another major driving factor. Ash doesn't just stop at contributing to conservation of soil, but, it also doesn't emit greenhouse gases during the production process and thus, has environmental benefits. Major application of fly-ash remains in Portland cement (25 percent). Bricks and tiles respectively utilise over 10 percent and 15 percent of fly ash, which is used for the reclamation of low-lying areas as a substitute of sand/soil. Fly ash is also used in the construction of roads, flyovers, and embankments and in raising ash dykes. It is used in the backfilling of open cast mines and stowing of underground mines. Along with these, applications of fly ash in agriculture and decorative glass are likely to grow in the near future.

Coal

With the Government's commitment towards electrifying even the remotest Indian areas, there are more opportunities for the coal sector in the future. Coal-based power generation has been the backbone of power capacity and currently represents 70 percent of country's total power installed capacity. Increasing share of coal in power generation is expected to drive the coal market. In order to achieve the economic growth of 8-9 percent, the country's total coal demand, has been forecasted to increase from ~ 730 million tons in 2010-11 to ~ 2000 million tons in 2031-32 of this approx. 75 percent of this coal would go to thermal power plants alone.

Even as the Indian government strives to meet bold renewable energy targets, coal use is expected to increase as India's overall energy demand grows. With a robust domestic supply chain and ample capacity available to ramp up coal use at existing power plants, India could burn through a lot more of the resource without having to build any new generating stations.

Solar

Indian economy has made significant progress in the successful implementation of a wide range of electricity market reforms and deployment of renewable sources of energy to produce clean and sustainable electricity. Decreasing costs of installations of solar power is driving the market.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

The Government of India aims to achieve 175 GW of renewable energy capacity, consisting of 100 GW solar power, 60 GW wind energy, 10 GW bio-power and 5 GW hydro power by the year 2022. Besides, Investment Information and Credit Rating Agency (ICRA) has forecasted an investment of ₹ 1.8 trillion in the power transmission segment over a period of five years from 2020-21 to 2024-25, indicating an optimistic outlook for the sector.

(Source: https://www.icra.in/Media/OpenMedia?Key=54e9d22d-a082-4ba9-ae71-46fff4752f6f)

Company Overview

Refex was incorporated on September 13, 2002 and is an ISO 9001:2015 and ISO 14001:2015 Company. It is a public limited company with equity shares listed on the BSE Ltd. and the National Stock Exchange (NSE) both.

The core business of Refex is refilling non-ozone depleting refrigerant gases popularly known as Hydrofluorocarbons (HFCs), which unlike regular refrigerants, are eco-friendly and do not deplete the ozone layer. These gases are primarily used as refrigerants, foam blowing agents, and aerosol propellants in automobile air conditioners, room air-conditioners and refrigerating equipment. With its inception in 2002, the Company successfully broke the monopoly that existed in controlled refrigerant market.

In November 2011, the Company forayed into solar energy generation and distribution, by running a solar power plant at Barmer district in Rajasthan.

The Company harnessed its market reputation and well-established leadership in refrigerant gases to extend its management expertise and offer services in coal trading, handling of fly ash, and coal yard management to multiple thermal power plants.

Across all business segments, Refex Industries Limited (RIL) has consistently delivered out-of-the-box innovation coupled with positive financial sustainability, at every step of the way.

Refrigerant Gases

The Company is primarily engaged in re-filling of Hydrofluorocarbons or HFCs, which are replacements to the ozone depleting Chlorofluorocarbons or CFCs and Hydrochlorofluorocarbons or HCFCs. CFCs are already banned in India, while HCFCs are being banned in a phased manner from 2020 onwards, as per the implementation schedule of Montreal protocol for the developing countries.

Owing to this phase-out of HCFC gases, there is immense potential for Refex to acquire additional market share from domestic manufacturers for HFCs.

The Company's plant for refilling gases is located at Thiruporur, about 40 kms from Chennai, and has distribution outlets setup in Andhra Pradesh, Delhi, Maharashtra, Chhattisgarh, etc. The Company is the first to launch 450 ml cans, first to setup refilling plants at automotive Original Equipment Manufacturer (OEM) premises, and was also the first to launch blended gases in the country. Given the focus on innovation since inception, the Company's products are clearly distinguished and hence command a price premium over all existing brands. Margins are improving as the demand for these gases is rising sharply in extreme weather conditions. During 2020-21, the Company recorded a collective sale of 565.4 MTs for different gases against the installed capacity of 2,000 MTs. The business has recorded a revenue of ₹ 17.1 Crore in this fiscal and is aimed at multiplying five-fold in the successive years.

The Company is currently focused on retail and after-markets, wherein there is a tremendous growth due to increase in sales of cars and air-conditioners. The Company is working on strengthening its dealer's network pan India and entering new territories. To help reduce delivery time substantially and better service the Northern parts of India, the Company has set up a warehouse in Delhi for the storage of refrigerant gases. Further, the Company is focused on OEMs and bagging heavy contracts from Government sectors, mainly from the Customs' department.

To further enhance global growth, the Company has begun to expand its digital presence. The Company successfully launched two new products (R600 and R152a), which have low GWP and are replacements to R12 and R22 respectively, in canned form in this fiscal.

However, the Company is largely dependent on foreign countries, specifically on China for the supply of raw materials. Any political tensions between India and China will adversely affect the import of the raw materials, and eventually the cost structure and bottom line of the Company. Additionally, anti-dumping duty on all fast-moving refrigerants negatively impacts the import of refrigerant gases. Fluctuations in foreign exchange coupled with instability in the global economy are bound to further deteriorate the situation.

Although HFCs are permitted in the current scenario in India, they would also be subjected to phase-outs in the next 20-25 years to sustainable alternatives. To combat the same, the Company is associated with various technical institutions in the research and introduction of new refrigerant gases with Zero Global Warming Potential (Zero GWP), thereby playing to the strengths of being an early mover in commercialising such products and working towards a CO2 free world.

Coal Trading, Coal Crushing, and Coal Yard Management Services

The Company ventured into coal with power plants in Chhattisgarh and Maharashtra. Quality coal is sourced from domestic traders and is offered to the power plants at extremely competitive prices. In 2020-21 alone, the Company traded 11,57,546 MTs of domestic and imported coal amounting to a revenue of ₹ 440 Crore.

Apart from trading, the Company also provides coal crushing and coal yard management services. In coal crushing, uncrushed coal from trucks is first stored in the coal yard in the form of heaps. This coal is then transported and fed into the track hoopers at the Coal Handling Plant area. The coal in uneven size and shapes doesn't pass through the grizzly. Hence, it is broken to smaller sizes before it goes through. These services are provided round the clock to ensure sufficient supply of coal for an unhindered functioning at the power plant. We also provide housekeeping services in the Coal Handling Plant (CHP) areas, for instance, the conveyor belt surrounding areas, cable trays, trenches, drains, sump pit, where spilled coal is to be collected and shifted manually with adequate manpower to ensure the equipment works uninterruptedly.

Refex has recently forayed into the space of mining development. The Company is currently involved in the removal of over-burden work from a captive Lignite mine in Rajasthan. Refex has excavated over 2.5 million cubic meters of over-burden so far. The Company is also looking towards obtaining coal mining contracts from Coal India and Government organisations.

With the growing energy demand in India, 70 percent of which is met through coal-based thermal power plants alone, demand for coal isn't about to dampen. This provides a huge market for Refex Industries Limited in procuring and trading coal to these power plants.

However, it is prudent to note that most power plants are currently financially stressed, which poses a threat of delayed payments and/or cancellations of work orders. The Company mitigates such cancelations by means of clauses and notice periods in the work orders, yet there is still a heavy dependency on each of these thermal power plants. In view of spanning the entire value chain of thermal power generation, the Company is planning to venture into acquisitions of such thermal power plants.

Handling and Disposal of Fly Ash

Consequent to the business of coal trading, the Company also ventured into handling and disposal of ash from power plants. Ash is the by-product of coal burning, which is a fuel to all thermal power plants. 30-35 percent of this burnt coal constitutes residual ash, which is metal and toxin-heavy, and improper handling of the ash causes air, land, and water pollution.

During the running of a power plant, ash is continuously produced and stored in silos, which have to be simultaneously evacuated. The fly ash from the silos is a raw material required for the production of PPC cement, manufacturing of bricks, concreting of infrastructure projects like roads, bridges, etc. This fly ash from the silos is transported in closed bulkers to the cement factories. The excess undisposed ash from the silos is then sent to the ash dyke from where trucks carry the ash for mine reclamation, filling of low-lying areas, embankments etc. as per the guidelines of Ministry of Mines and Ministry of Environment and Forests (MoEF). Currently, Refex Industries Limited is the largest supplier of ash to Ambuja Cement, Shree Cement, Ultratech Cement, and Adhiraj Cement in Chhattisgarh and Maharashtra. The Company is identified as the single largest organised ash handler in India with annual disposal of 36,63,359 MTs of ash, bringing in a revenue of ₹ 74.8 Crore in the 2020-21 fiscal.

Given the boost in infrastructure in both public and private domains across India, there is a huge demand for fly ash from cement companies. The Company's close-ties with cement companies and power plants ensure securing multitude of contracts in the ash management space. The Company strategically chooses which of these power plants to work with, based on the abundance and availability of abandoned mines in the vicinity. The Company is in the process of setting up material unloading facilities, the destination, and also, transportation through rail racks on a regular basis, which would significantly bring down our expenditure. The Company is currently exploring advancements in fly ash-based technologies and alternate avenues in the utilisation of fly ash.

Solar Business

In view of meeting the energy needs of future, which would be clean, environment-friendly and sustainable, the Company entered a power-purchase agreement with NTPC Vidyut Vyapar Nigam Limited. Dating October, 2010, the collaboration will be with regards to the power to be generated at Barmer District, Rajasthan. The Company has set up a 5MW solar power plant in the leased land taken from the Government of Rajasthan, while entering into a Solar Energy Equipment Operation Lease Agreement with Essel Mining Limited. The solar operations generated a revenue of ₹ 12.3 Crore revenue in the 2020-21 fiscal.

With the Indian government promoting aggressive solar energy usage, the Company is uniquely positioned to convert the opportunity into a sustainable competitive advantage in the near future. The Company plans to install and acquire multiple solar power plants to add to the portfolio and provide round-the-clock power to consumers, inclusive of solar and thermal power.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Business Risks

Refex Industries Limited, in the normal course of its business, envisages the materialisation of the following risks and proposes the following mitigation strategies for the same:

Risks	Mitigation Strategy
Risk of business disruptions due to impending waves of the COVID-19 pandemic	The Ash Disposal vertical falls under the 'Essential services' category and isn't affected by mobility restrictions at the behest of the pandemic. The Company faced multiple disruptions due to staff contracting COVID-19. As a mitigation strategy, we realised that the only way to contain internal fall-outs was to vaccinate all our staff and their families. Refex was amongst the first organisations to ensure over 90 percent vaccination of all our staff and their families. We are keenly following Government directives regarding the pandemic and ensure compliance of the same too.
Risk of slow-down in allied industries such as automobiles and Fast-Moving Consumer Durables (FMCD) due to business and economic cycles and repercussions thereof on the Company's business	While such slowdowns have impacted the Refrigeration Gases' business, we are hopeful the rebound will be much quicker. Also, the revenge buying patterns being noticed will push up demand further. At our end, we have ensured, we do not face supply disruptions and are amply prepared to handle the increased demand scenario.
Risk of non-compliance or delay in compliance with mandatory Government requirement of licenses with respect to refrigerant gas' division	The Company ensures timely compliance with all the regulatory requirements. We have enabled all our Staff to Work-from-home, with all implements and tools to be able to perform their duties. All compliance activities, license renewals, inspections etc., work as mandated. We are, furthermore, engaging in pro-active discussions with our vendors, inspection agencies, and other stakeholders to schedule and conduct their inspections, in order to meet compliance obligations.
Risk of departure of Key Managerial Personnel (KMP)	We have implemented a unique role-rotation policy, where all the key managerial personnel are involved in management of critical business and management functions. We have ensured all staff and their families are vaccinated. We are at the 90 percent mark currently and hope to achieve 100 percent vaccination status for Staff and their immediate families shortly. We have initiated a Directors and Officers (D&O) Liability insurance for KMPs to handle negative obligations in a non-impacting manner. We are exploring the modalities involved in implementing an Employee Stock Ownership Plan (ESOP) scheme, to ensure continuity of our KMPs. Furthermore, we are actively engaged in broad basing and augmenting our leadership teams to bring the best potential out from our people and lead the business onwards.

Internal Control System

Refex's stringent internal control systems and procedures are well-defined and commensurate with the size and nature of the business to provide reasonable assurance that all assets are safeguarded; transactions are authorised and reported properly. All applicable statutes, code of conduct, and corporate policies are duly complied with. The internal Audit Division reviews the adequacy and efficiency of the internal controls. The scope of the Audit activity is guided by the Annual Audit Committee of the Board. The Audit Committee reviews the reports of the Internal Auditors and provides guidance.

Human Resource Development

The Company provides a diverse and inclusive work environment. It is the policy, practice, and aim of the Company to provide employment opportunities to all qualified persons on an equal basis. The Company does not discriminate against any employee or applicant for employment on the basis of race, religion, disability, ethnicity, marital status or any other characteristic protected by law. The Company does not employ or engage child labour. Refex provides training, education, and promotion opportunities that permit development and career advancement to the Company's work force, and wellness programmes too, since we maintain that the employees are the backbone of any company. As concerned employers, we make sure all our workers are evaluated periodically. Policies on human rights including the code of Ethical Business Conduct, Anti-Sexual Harassment and Whistle-Blower Policies along with the group Business Responsibility Policy cover all aspects on human rights for us as employers and also extend to all stakeholders of the Company. Refex follows an extensive performance management system to review the performance of its employees, senior management, and provide rewards on the basis of meritocracy.

Financial Performance

An overview of the financial performance vis-a-vis the previous year is given separately in the Directors Report.

Segment-wise Performance

The respective segments' quantitative performance vis-a-vis the previous year are furnished hereunder:

(₹ In Lakhs)

Particulars	Year Ended March 2021	Year Ended March 2020
Coal Trading	11,57,546 MT	7,78,878 MT
Solar Power: Generation & Related Activities	83,41,950 U	84,17,700 U +13,22,560 WP
Refrigerant Gases	5,65,402 kgs	5,33,377 kgs
Ash Handling	36,53,369 MT	17,15,360 MT

The following are some of the most significant changes in the key financial ratios of the Company in 2020-21:

Sr. No.	Ratios	2020-21	2019-20	Deviation	Explanation
1	Current Ratio (times)	1.32	2.15	-38.35 percent	A 38 percent+ negative deviation in the current ratio is due to higher liquidity in the preceding financial year in comparison to the liquidity crunch faced in the current financial year because of COVID.
2	Debt Equity Ratio	NA as debt is negligible	NA as debt is negligible	-	No material deviation
3	Net Profit Margin (percent)	6.43 percent	4.97 percent	29.30 percent	Net Profit Margin has improved during the year. This can be attributed to a change in the product mix of Sales. Higher sales/revenue has been generated during the current period from items, whose margins were higher.
4	Return on Net worth (percent)	29.34 percent	43.63 percent	-32.75 percent	Decrease in Return on Net worth is mainly due to increase in capital base because of Rights Issue. The money raised in Rights Issue ₹ 2487.08 Lakhs constitutes 33% of FY 2019-20 net worth.
5	Debtors' Turnover (days)	47.66	44.13	8.01 percent	No material deviation
6	Creditors' turnover (days)	48.82	46.98	3.90 percent	No material deviation
7	Inventory Turnover Ratio (days)	3.00	3.53	-14.85 percent	No material deviation
8	EBITDA (₹)	6,766.99	4,552.82		
9	EBITDA percent	10.70 percent	6.89 percent	55.23 percent	55 percent increase in EBITDA can be attributed to the reclassification of Lease items (shown under other expenses in the previous years) to Depreciation and Finance Cost as per Indian Accounting Standard (IND-AS.)
10	EPS (₹)	21.73	21.37	1.69 percent	No material deviation

Cautionary Statement

The above statement is as perceived by the Directors based on the current scenario and the input available. Unforeseen external developments and force majeure conditions may have an impact on the above perception.

FINANCIAL STATEMENTS: 51 - 137

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s.Refex Industries Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of Refex Industries Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit and loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

INDEPENDENT AUDITOR'S REPORT (Contd.)

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as mentioned in Note No: 28

   ii. The Company had made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any long-term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

B. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For M.Krishnakumar & Associates,
Chartered Accountants
Firm Regn.No.006853S

Sd/-
M. Krishna Kumar B.Sc FCA
Proprietor
M. No. 203929
UDIN: 21203929AAAADT4983

Place: Chennai
Date: June 30, 2021

ANNEXURE
TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended March 31, 2021, we report that:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties are held in the name of the company.

ii. The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stock and book records such were not material.

iii. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') except for loans granted during the year for business purposes. The year-end balance of which is Nil. In our opinion the grant of such loans is not prejudicial to the interest of the company.

(b) In our opinion and according to the information and explanations given to us, the terms of repayment of the loan and payment of interest have not been stipulated; however, they are repayable on the mutual agreement of both the parties involved.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of the Act to the extent the loan which was granted and repaid during the year.

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the loans and investments made.

v. The Company has not accepted any deposits from the public.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the goods manufactured and services rendered by the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, Goods and Services Tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, Goods and Services tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the particulars of due in respect of income tax, goods and service tax, sales tax, customs duty, excise duty, VAT and cess, which have not been deposited on account of a dispute, are as follows:

S. No	Particulars	Amount (In ₹)	Details
1.	A.Y.2011-12	5,81,45,540/-	Under Appeal with the Hon'ble Commissioner of Income Tax (Appeals), Chennai

(viii) In our opinion and according to the information and explanations provided to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations provided by the management, the Company has utilized the monies raised by way of Rights Issue of Equity Shares for the purposes for which they were raised.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

ANNEXURE
TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act1934.

For M.Krishnakumar & Associates,
Chartered Accountants
Firm Regn.No.006853S

Sd/-
M. Krishna Kumar B.Sc FCA
Proprietor
M. No. 203929
UDIN: 21203929AAAADT4983

Place: Chennai
Date: June 30, 2021

ANNEXURE - A

TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Refex Industries Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone IND AS Financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

"ANNEXURE – A"
TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF REFEX INDUSTRIES LIMITED (Contd.)

Opinion

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

For M.Krishnakumar & Associates,
Chartered Accountants
Firm Regn.No.006853S

Sd/-
M. Krishna Kumar B.Sc FCA
Proprietor
M. No. 203929
UDIN: 21203929AAAADT4983

Place: Chennai
Date: June 30, 2021

refex INDUSTRIES

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2021

Amount in Lakhs

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1	1,529.77	1,491.75
(b) Right of use assets	2	7,148.55	701.99
(c) Intangible			-
(d) Capital Work in Progress			-
(e) Non-current financial assets			
(i) Investments	3	7,405	5.00
(ii) Trade receivables			
(iii) Other non current financial assets	4	700.00	700.00
(f) Deferred Tax Assets	5	264.50	183.57
(g) Other Non current assets	6	-	-
Current assets			
(a) Inventories	7	548.64	318.25
(b) Financial Assets			
(i) Trade receivables	8	9,295.79	7,227.27
(ii) Cash and cash equivalents	9	1,724.45	2,095.17
(iii) Bank Balances other than (ii) above		-	-
(iv) Other current financial assets	10	5043.03	270.85
(c) Current Tax Assets (Net)	11	-	-
(d) Other current assets	12	480.08	803.04
Total Assets		**34,139.82**	**13,796.88**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	2,100.20	1,547.52
(b) Other Equity	14	11,856.81	6,038.01
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Long term Borrowings	15	8.98	-
(ii) Lease Liability	2	6,318.13	613.96
(b) Deferred Tax Liabilities		-	-
(c) Long Term provisions	16	948.54	608.79
Current liabilities			
(a) Financial Liabilities			
(i) Short term Borrowings	15	1.98	171.90
(ii) Lease Liability	2	1,086.26	116.22
(iii) Trade payables	17	10,038.35	4,120.23
(iv) Other financial liabilities	18	36.00	55.48
(b) Other current liabilities	19	1,744.55	524.77
Total Equity and Liabilities		**34,139.82**	**13,796.88**
The accompanying notes form an integral part of these financial statements	**28-38**		

Notes 1 to 38 forms part of the Financials

As per our report of even date attached

For and On behalf of the Board of Directors

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929

Place: Chennai
Date: June 30, 2021

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Jamuna Ravikumar
Director
(DIN:08009308)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
S.Gopalakrishnan
Company Secretary

Sd/-
U. Lalitha
Chief Financial Officer

STATEMENT OF STANDALONE PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

Amount in Lakhs

	Particulars	Note No	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Income				
I	Revenue from operations	20	63,265.88	66,074.43
II	Other income	21	444.37	479.09
III	**Total Income (I+II)**		**63,710.25**	**66,553.52**
IV	**Expenses**			
	Cost of material consumed	22	20,862.53	43,010.87
	Changes in inventories of finished goods and stock-in-trade		(230.40)	440.44
	Purchase of stock in trade	23	32,065.85	12,293.90
	Employee benefits expenses	24	602.81	312.95
	Finance costs	25	897.03	90.57
	Depreciation and Amortisation	26	529.05	139.32
	Other Expenses	27	3,197.59	4,881.35
	Total expenses (IV)		**57,924.46**	**61,169.41**
V	**Profit/(loss) before exceptional items and tax**		**5,785.79**	**5,384.11**
VI	Exceptional items		-	(581.46)
VII	**Profit/(loss) before tax**		**5,785.79**	**4,802.66**
VIII	**Tax expense**			
	- Current Tax		1,772.38	767.56
	Less: MAT Entitlement Credit		-	646.44
	- Deferred Tax		(80.93)	75.42
IX	**Profit/(loss) for the period**		**4,094.33**	**3,313.25**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to profit and loss			
	Remeasurements of defined benefit plan actuarial gains/ (losses)		0.11	(5.19)
			0.11	**(5.19)**
XI	**Total Comprehensive Income for the period (Comprising ……profit and other comprehensive income for the period)**		**4,094.43**	**3,308.05**
XII	**Earnings per equity share**			
	(1) Basic		21.74	21.38
	(2) Diluted		21.74	21.38
The accompanying notes form an integral part of these financial statements		**28-38**		

Notes 1 to 38 forms part of the Financials

As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929

Place: Chennai
Date: June 30, 2021

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Jamuna Ravikumar
Director
(DIN:08009308)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
S.Gopalakrishnan
Company Secretary

Sd/-
U. Lalitha
Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2021

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Cash flows from operating activities		
Profit Before Taxes	**5,785.79**	**4,802.66**
Add : Non cash and Non operating items debited to Profit & loss account :		
Depreciation	529.05	139.32
Finance Cost	897.03	90.57
Provision for Tax		
Bad Debts	86.16	2,657.93
Loss/ (Profit) on sale of fixed assets	-	(19.27)
Provision for contingent liability	761.16	581.46
Provision for ECL	59.26	129.11
Inventory Write off	39.09	-
Less: Non cash and non operating income credited to Profit & loss account :		
Interest received	399.47	479.09
Other non cash income	33.14	49.87
Operating cash flow before working capital changes	**7,724.94**	**7,852.81**
Changes in		
Decrease/(Increase) In Trade Receivables	(2,213.93)	(1,264.63)
Decrease/(Increase) In Other current Financial Asset(s)	(112.49)	(112.74)
Decrease/(Increase) In Other current Asset(s)	322.96	1,944.20
Decrease/(Increase) In Other non-current financial assets	-	1.49
Decrease/(Increase) In Inventories	(269.49)	440.44
Decrease/(Increase) In Other non-current assets	146.72	(181.31)
(Decrease)/Increase In Long term Provisions	339.75	710.81
(Decrease)/Increase In Trade Payables current	5,951.26	(5,997.66)
(Decrease)/Increase In other current liabilities	458.63	(973.49)
(Decrease)/Increase In Other financial liabilities	(19.48)	9.69
Income taxes paid		(1,241.03)
Cash generated from / (used in) operations	**12,328.85**	**1,188.58**
Cash flows from investing activities		
Purchase of fixed assets	(599.85)	(22.71)
Proceeds from sale of fixed assets	32.77	-
Purchase of investments	(7,400.00)	-
Loans given to third parties	(4,659.69)	-
Interest received	399.47	479.09
Net cash generated from/(used in) investing activities [B]	**(12,227.30)**	**456.38**

STANDALONE STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Amount in Lakhs

Particulars	**For Year Ended March 31, 2021**	**For Year Ended March 31, 2020**
Cash flows from financing activities		
Cash proceeds from the issue of shares	795.72	-
Proceeds from / (repayment of) long term and short term borrowings	(160.93)	153.97
Dividend paid (including dividend distribution tax)	(210.02)	-
Interest payment of Lease Liability	(881.85)	-
Interest paid	(15.19)	(90.57)
Net cash used in financing activities	**(472.27)**	**63.41**
Increase in cash and cash equivalents	**(370.72)**	**1,708.36**
Cash and cash equivalents at the beginning of the year	**2,095.17**	**386.80**
Cash and cash equivalents at the end of the year	**1,724.45**	**2,095.17**
Components of cash and cash equivalents (refer note 21)		
Cash on hand	1.74	9.96
Balances with banks	1,722.71	2,085.21
Total cash and cash equivalents	**1,724.45**	**2,095.17**

As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929

Place: Chennai
Date: June 30, 2021

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Jamuna Ravikumar
Director
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Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
S.Gopalakrishnan
Company Secretary

Sd/-
U. Lalitha
Chief Financial Officer

![refex INDUSTRIES]

STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2021

Amount in Lakhs

Particulars	For the year ended March 31, 2021					
	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2020	422.10	2,324.12	-	3,297.06	(5.27)	**6,038.01**
Movement to Reserves	-	1,934.40	-	4,094.33		**6,028.72**
Dividend paid during the year				(210.02)		**(210.02)**
Total Comprehensive Income for the Year	-	-	-			**-**
Other Comprehensive Income for the Year	-	-	-		0.11	**0.11**
Balance as at March 31, 2021	**422.10**	**4,258.52**	**-**	**7,181.37**	**(5.16)**	**11,856.81**

Amount in Lakhs

Particulars	For the year ended March 31, 2020					
	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2019	422.10	2,324.12	-	(16.19)	(0.07)	**2,729.96**
Movement to Reserves	-		-	3,313.25		**3,313.25**
Total Comprehensive Income for the Year	-	-	-			**-**
Other Comprehensive Income for the Year	-	-	-		(5.19)	**(5.19)**
Balance as at March 31, 2020	**422.10**	**2,324.12**	**-**	**3,297.06**	**(5.27)**	**6,038.01**

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

A. CORPORATE INFORMATION:

Refex Industries Limited (Refex), From realising the commercial potential of HFC gases and diversifying into refrigerant gases, Refex Industries Limited (Refex) has consistently delivered out-of-the-box innovation coupled with positive financial sustainability, at every step of the way. With its inception in the year 2002, Refex Industries successfully broke the monopoly that existed in the controlled refrigerant gas market. After its well-established leadership in refrigerant gases, Refex now brings its delivery expertise in offering services like coal trading, coal yard management and coal ash handling to thermal power plants.

Refrigerant Gas:

Refex Industries Limited (REFEX) is a specialist manufacturer and re-filler of Refrigerant gases, particularly, environmentally acceptable gases that are replacements for Chloro-Fluoro-Carbons (CFC's). These are used primarily as refrigerants, foam blowing agents and aerosol propellants. It exercises superior quality control and efficiency with the help of advanced technology, Refex has been committed to being an exemplary player in terms of safety, protection of health and environment, and sustainable development.

Handling and Disposal of Fly Ash:

Ash is the by-product from the burning of coal which is the fuel to the thermal power plants. 30-45% of the burnt coal is ash. This ash is full of heavy metals and toxins which if not handled properly could pollute air, land and water bodies.

During the running of a power plant, ash is continuously produced and stored in silos which have to be continuously evacuated. The fly ash from the silos is a raw material required for the production of PPC cement, manufacturing of bricks, concreting of infrastructure projects like roads, bridges etc. This fly ash from the silos is transported in closed bulkers.

The excess undisposed ash from the silos is then sent to the ash dyke from where it is evacuated by filling in trucks for mine reclamation, filling of low lying areas, embankments etc. as per the guidelines of Ministry of Mines and Ministry of Environment and Forests (MoEF).

Round the clock services for coal yard management, shifting of uncrushed coal and Housekeeping Works:

With immense experience in handling ash in large number of trucks and bulkers, company have ventured into providing coal yard management services.

Uncrushed coal from trucks is first stored in the coal yard in the form of heaps. This coal is then transported and fed into the track hoppers at the Coal Handling Plant area. The un-sized coal which doesn't pass through the grizzly is broken to smaller sizes before it goes through. These services are provided round the clock to ensure sufficient supply of coal to run the power plant uninterruptedly.

The Company also provide housekeeping services in the coal handling plant (CHP) areas like in the conveyor belt surrounding areas, cable trays, trenches, drains, sump pit where spilled coal is to be collected and shifted manually with adequate manpower to ensure the smooth functioning of the equipment.

Coal Trading:

The Company source quality coal from domestic and international players and offer at competent prices to the power plants.

With a boost in infrastructure in India, Refex foresees a tremendous growth in all the business segments.

B. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of financial statements

- **Statement of Compliance**

  The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

- **Preparation and compliance with Indian Accounting Standards (IND AS)**

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

  Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

  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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Standalone financial statements is determined on such a basis, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

- **Historical Cost convention**

The financial statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

- **Current / Non-Current classification**

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

- **Revenue recognition**

Revenue from Sales of goods and Electricity

The company manufactures and sells a range of refrigerant gases and generates electricity. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. In case of electricity, sales are recognised when power generation is passed on to the electricity grid.

Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customers has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the customer has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as the sales are made with the credit term, consistent with market practice.

A receivable is recognised when the goods/ electricity are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from sale of services

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The proportion of service rendered is determined by cost involved for the project as against total cost. Any promise made in the contract, which are identified distinct is accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit and loss in the period in which the circumstances that give rise to the revision become known by management. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Interest income:

Interest income from, if any, non-current financial assets are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Interest income from fixed deposits in banks is recognised on time proportion basis, determined by the amount outstanding and the rate applicable.

Fair value gains on current investments carried at fair value are included in Other income.

Other items of income are recognised as and when the right to receive arises.

- **Property Plant and Equipment**
- **Tangible Assets**

Freehold land is carried as historical cost. All other items of property plant and equipment are stated at historical cost of acquisition less accumulated depreciation and amortisation and impairment. Historical cost includes purchase price, taxes and duties (Net of tax credits), labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use.

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

Depreciation is recognised using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each year, with the effect of any changes in estimate accounted for on a prospective basis. The useful lives of assets are adopted to as specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

On transition to Ind AS, Group has elected to continue carrying value of all its property plant and equipment recognised as at April 1, 2017 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and Equipment.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

- **Intangible assets**

Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

- **Other intangible assets**

Specialised software is amortised over a period of three to six years on straight line.

Intangible assets acquired are measured at cost less accumulated amortisation and impairment losses.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods to allocate the assets' revised carrying amount over its remaining useful life.

- **Impairment of assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

- **Capital Work in Progress**

  The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

  Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets

- **Depreciation and amortisation**

  Depreciation

  The depreciable amount of an item of PPE is allocated on a straight-line basis over its useful life.

  If part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortisation of intangible assets. An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

  Depreciation is charged on pro-rata basis from the date of addition / till the date of disposal. Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit and loss within other income.

  The residual values are not more than 5% of original cost of the asset. The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

- **Borrowing costs**

  The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period to get ready for its intended use or sale.

  To the extent the Company borrows generally and uses them for the purpose of obtaining a qualifying asset, amount of borrowing cost eligible for capitalisation is computed by applying a capitalisation rate to the expenditure incurred. The capitalisation rate is determined based on the weighted average of borrowing costs, other than borrowings made specifically towards purchase of a qualifying asset.

- **Foreign currency translation**

  a. Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

  b. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.

  c. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

- **Employee benefits**

  Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

- **Short Term obligations**

  All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

  The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

  The cost of short-term compensated absences is accounted as under:

  (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

  (b) in case of non-accumulating compensated absences, when the absences occur.

- **Post-employment obligation**

  The company operates the following post-employment benefit schemes.

  Defined benefit plans such as gratuity for its eligible employees and defined contribution plans such as provident fund.

  Defined Benefit Plan (Gratuity)

  The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

  The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

  The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of assets. This cost is included in employee benefit expense in the statement of profit and loss.

  Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

  Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

  Defined Contribution Plan (Provident Fund)

  The State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

  Other long-term employee benefits

  The obligation for other long-term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned above.

- **Taxes on Income**

  Income tax expense represents the sum of the current tax and deferred tax.

  Current tax

  The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to settle the liability on a net basis or simultaneously.

  Deferred tax

  Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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 profits will be available to allow all or part of the 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 assets to be recovered.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognised as an asset based on its recoverability in the future.

- **Provisions and contingent liabilities**
- **Provisions**

  A provision is recorded when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

- **Contingent Liabilities**

  Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

- **Leases**

  The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has the right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of the right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

be readily determined, the Company uses an incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

- **Cash and Cash equivalents**

  Cash and cash equivalents include cash in hand, Balances in Bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- **Financial assets**

- **Classification**

  The Company classifies its financial assets in the following measurement categories:

  (i) Those measured subsequently at fair value through other comprehensive income (in case of investments in equity instruments) through profit and loss (in case of investments in mutual funds)

  (ii) Those measured at amortised cost

  The classification is based on the Company's business model for managing the financial assets and the contractual terms of the cash flow for assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income.

- **Measurement**

- ***Initial Measurement***

  The Company measures a financial asset at its fair value plus cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit and loss.

- **Subsequent measurement**

Investments

Fair value through Profit and loss

Assets that do not meet the criteria for amortised cost or Fair Value Through Other Comprehensive Income (FVOCI) are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss and is not part of a hedging relationship is recognised in profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Other financial assets**

  After Initial Measurement, financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium and fees or cost that are an integral part of EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

- **Impairment of financial assets**

  The Company assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk.

  For trade receivables (If any), the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

  The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition

- **De recognition of financial assets**

  A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

- **Financial Liabilities**

- **Classification**

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

- **Initial recognition and measurement**

  The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Loans and borrowings**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

  Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest-bearing loans and borrowings.

- **Derecognition**

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

- **Offsetting of financial instruments**

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

- **Government grants**

  Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

- **Dividend to Shareholders**

  Final dividend distributed to equity shareholders is recognised in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognised when approved by the Board of Directors at the Board Meeting. Dividend distributed is recognised in the Statement of Changes in Equity.

- **Earnings per Share**

  Basic earnings per share is calculated by dividing the net profit and loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

- **Derivative financial instruments**

  The Company uses derivative financial instruments, such as forward contract to manage its exposure to foreign exchange risks. Any derivative that is either not designated as a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit and loss. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit and loss and the resulting exchange gains or losses/ fair value changes are included in Statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

- **Segment Information**

  Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors has been identified as being the CODM.

- **Prior Period**

  Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that led to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts.

- **Cash flow statement**

  Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

  Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

- **Critical Estimates and Judgements**

  The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date and reported revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

  This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which may be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed in about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation of each affected line item in the financial statements.

  The areas involving critical estimates or judgments are:

  i. Estimation of current tax expense and payable – Note 5 in notes to accounts

  ii. Estimation of defined benefit obligation – Note 33 in notes to accounts

  iii. Estimation of useful life of Property, Plant and Equipment and Intangibles.

1. PROPERTY PLANT AND EQUIPMENTS

Amount in Lakhs

Description	Land	Building	Plant and Machinery - Cylinders	Plant and Machinery - Others	Electrical Installation	Furniture and Fixtures	Office Equipment	Vehicles	Total
As at March 31, 2019 (At Cost)	**900.52**	**203.94**	**146.58**	**199.21**	**91.63**	**29.32**	**18.93**	**74.22**	**1,664.35**
Additions during the year	-	56.10	31.42	7.19	11.84	2.23	1.91	8.32	119.00
Deletions during the year						(19.95)	(8.99)		(28.95)
As at March 31, 2020 (At Cost)	**900.52**	**260.04**	**178.00**	**206.40**	**103.46**	**11.60**	**11.84**	**82.54**	**1,754.41**
Additions during the year	-	-	75.13	28.90	-	-	2.52	32.87	139.42
Deletions during the year	-	-	(32.33)	(0.44)	-	-	-	-	(32.77)
As at March 31, 2021 (At Cost)	**900.52**	**260.04**	**220.81**	**234.85**	**103.46**	**11.60**	**14.37**	**115.41**	**1,861.05**
Depreciation and amortisation									
As at March 31, 2019	**-**	**27.43**	**59.46**	**17.98**	**35.07**	**8.71**	**6.72**	**23.42**	**178.78**
Charge for the year	-	10.14	26.01	23.33	13.07	0.38	1.41	9.53	83.87
Deletions during the year									-
As at March 31, 2020	**-**	**37.57**	**85.47**	**41.31**	**48.13**	**9.09**	**8.13**	**32.95**	**262.65**
Charge for the year	-	10.35	9.90	26.72	13.07	0.66	1.53	10.60	72.84
Deletions during the year	-	-	(4.22)	-	-	-	-	-	(4.22)
As at March 31, 2021	**-**	**47.92**	**91.15**	**68.03**	**61.20**	**9.75**	**9.66**	**43.56**	**331.26**
Net Book Value									
As at March 31, 2021	**900.52**	**212.12**	**129.66**	**166.82**	**42.27**	**1.84**	**4.70**	**71.85**	**1,529.77**
As at March 31, 2020	**900.52**	**222.47**	**92.53**	**165.09**	**55.33**	**2.51**	**3.72**	**49.59**	**1,491.75**
As at March 31, 2019	900.52	176.51	87.12	181.23	56.56	20.61	12.21	50.80	1,485.57

Regrouping of asset has been made by the Management depending on the nature of the particular assets and appropriate treatment for the same.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

2. RIGHT OF USE (ROU) ASSET

Amount in Lakhs

Description	Land	Building/ Renting of Space	Plant & Machinery*	Total
Balance as at April 1, 2020	**654.65**	**47.34**	**-**	**701.99**
Additions during the year	32.03		6,888.35	6,920.38
Deletions during the year	-	18.70	-	18.70
Depreciation	41.62	19.87	393.62	455.11
Balance as at March 31, 2021	**645.06**	**8.77**	**6,494.73**	**7,148.55**

The movement in lease liabilities during the year ended March 31, 2021 is as follows :

Amount in Lakhs

Description	Solar Plant with Land	Building/ Renting of Space	Plant & Machinery*	Total
Balance as at April 1, 2020	**677.02**	**53.16**	**-**	**730.18**
Additions during the year	33.13	-	6,888.35	6,921.47
Finance Cost accrued during the Year	73.99	5.93	806.00	885.92
Deletions during the year	-	22.78	-	22.78
Repayment of Lease Laibility	93.58	25.50	991.33	1,110.41
Balance as at March 31, 2021	**690.55**	**10.81**	**6,703.03**	**7,404.39**

*The Company has newly capitalized Plant & Machinery taken on lease as per the movable properties agreement.

The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows

Amount in Lakhs

Particulars	March 31, 2021
Not Later than one year	1,086.26
Later than one year and not later than Five Years	5,271.09
Later Than Five Years	9,475.37
Total	**15,832.72**

3. NON CURRENT INVESTMENTS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in Subsidary		
Unquoted carried at cost		
50,000 Equity Shares of Vituza Solar Energy Ltd of ₹ 10/- each.	5.00	5.00
Investments in Alternate Investment Fund		
Units of RKG Fund I	7,400.00	-
Total Aggregate Book Value of unqouted Investments	**7,405.00**	**5.00**

4. OTHER NON CURRENT FINANCIAL ASSETS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
- Advances and Deposits*	0.00	-
Less: Provision for expected credit loss under Ind AS 109	-	-
- Security deposit given to Related Party	700.00	700.00
Total	**700.00**	**700.00**

***All non current advances and deposits of last year have been reclassified to short term deposits under other current financial assets (Note no.10)**

5. DEFERRED TAX ASSET(S)/ (LIABILITIES)

Tax recognised in Statement of profit and loss

Amount in Lakhs

Particulars	For the year Ended March 31, 2021	For the year Ended March 31, 2020
Current income tax		
Current year	1,772.38	767.56
Less: MAT Entitlement Credit	-	646.44
Sub Total (A)	**1,772.38**	**1,413.99**
Deferred tax expense		
Origination and reversal of temporary differences	(80.93)	75.42
Sub Total (B)	**(80.93)**	**75.42**
Total (A+B)	**1,691.46**	**1,489.41**

Reconciliation of effective tax rates

Amount in Lakhs

Particulars	For the year Ended March 31, 2021	For the year Ended March 31, 2020
Profit before tax	5,785.79	4,802.66
Enacted tax Rate (under Normal Provisions)*	25.17%	29.12%
Computed Expected Tax Expenses - Normal Provision	**1,456.17**	**1,398.53**

*The Company has opted for Section115BAA in the current year.

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Property Plant and Equipment	(48.98)	(31.30)
Carry Forward Losses		-
Leave Encashment Provision	2.10	0.97
Grat. Provision	8.06	6.99
Provision for Bad and Doubtful debts under ECL	74.26	37.60
MAT Entitlement Credit		-
Provision for ascertained Contingent Liability	229.06	169.32
Net Deferred Tax Assets/ (Liabilities)	**264.50**	**183.57**

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Movement in deferred tax balances during the year ended March 31, 2021

Amount in Lakhs

Particulars	Balance As at March 31, 2020	Recognised in profit & loss	Recognised in OCI	Balance As at March 31, 2021
Property, Plant & Equipment	(31.30)	(17.68)	-	(48.98)
Carry Forward Losses	-	-	-	-
Leave Encashment	0.97	1.13	-	2.10
Grat. Provision	6.99	1.07	-	8.06
MAT Credit	-	-	-	-
ECL Provision	37.60	36.66	-	74.26
Provision for ascertained Contingent Liability	169.32	59.74	-	229.06
Total	**183.57**	**80.93**	**-**	**264.50**

6. OTHER NON CURRENT ASSETS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Government Authorities*		
Total	**-**	**-**

***All balances with government authorities of last year have been reclassified to other current assets (Note. No 12)**

7. INVENTORIES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials and Spares		
Stock of Refrigerant Gases	548.64	300.26
Coal	-	17.98
Total	**548.64**	**318.25**

8. TRADE RECEIVABLES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Unsecured - Considered good	9,590.82	7,463.04
Less:		
Impairment for Trade receivable under Expected Credit Loss model	(295.04)	(235.78)
Total	**9,295.79**	**7,227.27**

Note: Information with respect to ageing is provided in Note No:32

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

9. CASH AND CASH EQUIVALENTS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
i) Balances with banks		
* **Current Accounts**	1,654.34	1,579.75
* EEFC accounts		-
* Deposit Accounts	68.37	505.46
ii) Cash on hand	1.74	9.96
Total	**1,724.45**	**2,095.17**

10. OTHER CURRENT FINANCIAL ASSETS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
i) Unsecured, considered good;		
- Loans and advances to Employees	1.12	1.18
- Loans and advances to Wholly owned subsidiary	0.87	0.55
- Interest receivable from Related Parties	327.05	209.57
- Security deposit given Related Party*	-	-
- Loans and advances to Related Parties measured at amortised cost	4,659.69	-
- Short Term deposits	54.30	59.54
Total	**5,043.03**	**270.85**

*** An Amount relating to Security Deposit given to related party during the last FY has been reclassified to other non current financial asset (Note.no 4)**

11. CURRENT TAX ASSET

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Withholding Taxes	588.07	1,296.32
Less: Adjusted against current tax liability	(588.07)	(1,296.32)
Total	**-**	**-**

12. OTHER CURRENT ASSETS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good		
Prepaid Expenses	20.33	6.27
Advance to Suppliers	104.94	364.20
Balances with Government Authorities	354.81	432.57
Total	**480.08**	**803.04**

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

13. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised Share Capital		
(i) Equity Shares (3,50,00,000 Nos of ₹ 10 each)	35,00,00,000	35,00,00,000
(ii) Preference Shares (5,00,000 Nos of ₹ 100 each)	5,00,00,000	5,00,00,000
Total	**40,00,00,000**	**40,00,00,000**
Issued		
(i) Equity Shares (2,10,02,024 Nos of ₹ 10 each)	21,00,20,240	21,00,20,240
Subscribed And Paid Up		
(i) Equity Shares (2,10,02,024 Nos of ₹ 10 each)	21,00,20,240	15,47,51,760
Total	**21,00,20,240**	**15,47,51,760**

There has been change in Paid up Equity Share Capital during the year

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

Details of Shareholders holding more than 5 percent shares in the Company

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos	% of Holding	Nos	% of Holding
Sherisha Technologies Private Limited	46,09,003	21.95%	20,83,411	13.46%
T.Anil Jain	48,24,815	22.97%	25,13,533	16.24%
Total	**94,33,818**	**44.92%**	**45,96,944.00**	**29.71%**

14. OTHER EQUITY

Amount in Lakhs

Particulars	For the year ended March 31, 2021					
	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2020	422.10	2,324.12	-	3,297.06	(5.27)	**6,038.01**
Movement to Reserves	-	1,934.40	-	4,094.33		**6,028.72**
Dividend paid during the year				(210.02)		**(210.02)**
Total Comprehensive Income for the Year	-	-	-			**-**
Other Comprehensive Income for the Year	-	-	-		0.11	**0.11**
Balance as at March 31, 2021	**422.10**	**4,258.52**	**-**	**7,181.36**	**(5.16)**	**11,856.81**

Amount in Lakhs

Particulars	For the year ended March 31, 2020					
	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2019	422.10	2,324.12	-	(16.19)	(0.07)	**2,729.96**
Movement to Reserves	-		-	3,313.25		**3,313.25**
Total Comprehensive Income for the Year	-	-	-			**-**
Other Comprehensive Income for the Year	-	-	-		(5.19)	**(5.19)**
Balance as at March 31, 2020	**422.10**	**2,324.12**	**-**	**3,297.06**	**(5.27)**	**6,038.01**

15. BORROWINGS - SHORT TERM/ LONG TERM

Amount in Lakhs

Borrowings	Short Term		Long Term	
Particulars	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**
(i) Secured				
- Vehicle Loan (See Note i)	1.98	12.75	8.98	-
(ii) Unsecured				
- Inter Corporate Deposits at Amortised Cost	-	150.00	-	-
- Term Loan (See Note ii)	-	9.15	-	-
Total	**1.98**	**171.90**	**8.98**	**-**

Notes:-

i. Vehicle loans include Car Loan taken from Kotak Prime during the Financial year 2020-21 and repayable in 60 Months.

ii. Term loan from banks have been fully repaid during the year

16. LONG TERM PROVISIONS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits:-		
- Gratuity	30.50	24.01
- Leave Encashment	8.00	3.33
Provision for Contingent Liability	581.46	581.46
Provision for Current Contingency	328.58	-
Total	**948.54**	**608.79**

Provision for contingent Liability is towards disputed Income Tax Demand.

Provision for Taxation has been regrouped under Other current liabilities (Note no.19)

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

17. TRADE PAYABLES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables (Refer Note 30)		
- Dues to Micro and Small Enterprises	376.43	301.59
- Others Trade Payables	9,661.93	3,818.65
Total	**10,038.35**	**4,120.23**

Note:

No interest due for these outstandings under MSME Act, 2006.

18. OTHER FINANCIAL LIABILITIES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of long term debt	-	-
Unclaimed Dividends	-	-
Payable to Employees	26.56	8.33
Cylinder Deposit	9.45	47.16
Total	**36.00**	**55.48**

19. OTHER CURRENT LIABILITIES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Liabilities	302.97	395.13
Advance from customers	1.13	-
Other current liabilities	251.77	11.97
Directors Remuneration Payable-AnilJain	2.27	-
Provision for Taxation (Net)	1,184.32	117.67
Provision for Employee Benefit - Short Term	2.10	-
Total	**1,744.55**	**524.77**

20. REVENUE FROM OPERATIONS

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Revenue from Refrigerant Gases	1,719.87	2,010.81
Revenue from Ash and Coal Handling	51,574.02	58,905.59
Revenue from Solar Segment	1,231.54	1,485.27
Revenue from Service Segment	8,740.45	3,672.77
Total	**63,265.88**	**66,074.43**

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

21. OTHER INCOME

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Interest from Inter-Company Deposits	399.47	432.43
Interest from Fixed Deposits	10.29	4.49
Foreign Exchange Flucuation - Gain	10.38	21.67
Miscellaneous income	0.22	1.22
Write Back	22.54	-
Handling charges - income	1.48	-
Profit/Loss on Sale of Fixed Assets - Ho	-	19.27
Total	**444.37**	**479.09**

22. COST OF MATERIALS CONSUMED*

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Opening Balance		
Opening Raw Materials and Components	318.25	758.69
Add:		
Cost of materials Consumed	20,842.82	42,995.39
Freight Inward	6.75	3.92
Consumption of Stores and Spares	12.96	11.56
Less: Closing Stock		
Closing Raw Materials and Components	(548.64)	(318.25)
Total	**20,632.13**	**43,451.31**

*The Cost of Material consumed represents cost of services & products

23. PURCHASE OF STOCK IN TRADE

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Solar Accessories	-	-
Service Purchase*	-	12,293.90
Purchase Coal	32,065.85	-
Total	**32,065.85**	**12,293.90**

*The above amount includes services bought for all the Business Segments.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

24. EMPLOYEE BENEFITS EXPENSE

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Salaries, and Bonus etc.*	442.04	241.19
Contribution to Provident and Other Funds	21.78	13.38
Staff Welfare Expenses	54.99	22.38
Directors Remuneration	84.00	36.00
Total	**602.81**	**312.95**

*The above amount also include the payment to contractors

25. FINANCE COST

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Interest cost on financial liabilities measured at amortised cost	892.80	86.81
Other Charges	4.23	3.76
Total	**897.03**	**90.57**

The above includes Interest on Lease Liability of ₹ 885.92 Lakhs.

26. DEPRECIATION AND AMORTISATION

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Depreciation / Amortisation for the year		
- Tangible Assets & Intangible assets	529.05	139.32
Total	**529.05**	**139.32**

The above includes Depreciation on account of IND AS - Leases Application to the tune of ₹ 456.20 Lakhs.

27. OTHER EXPENSES

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Advertisement and Publicity	98.15	33.40
Annual General Meeting Expenses	0.34	0.11
Audit fees	6.35	6.24
Bad Debts	86.16	2,657.93
Communication	3.78	5.31
Director Sitting Fees	1.60	0.90
CSR Expenses	224.03	190.79

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Food , Accommodation & Travelling Expenses	748.03	212.49
General Expenses	0.74	3.10
Insurance	13.25	10.89
Legal, Professional & Expert Engagement Fees	125.31	93.24
Inventory Write off	39.09	-
Manpower Services	104.67	-
Machine Hiring Charges	19.98	-
Power and fuel	457.01	51.53
Printing and stationery	15.06	7.84
Rates and taxes	130.28	65.00
Rent including lease rentals	101.00	1,200.48
Repairs and maintenances	59.28	67.46
Security Charges	9.12	5.49
Selling and Distribution Expenses	50.24	93.90
Provision for Probable Liability	761.16	-
Provision for Bad and Doubtful Debts as per ECL	59.26	129.11
Transportation, Handling and Carriage expenses	83.73	46.14
Total	**3,197.59**	**4,881.35**

Payment made to Auditors

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Payment made to statutory auditors :		
i. As auditors	6.00	6.00
ii. For taxation matters	-	-
iii. For other services	-	-
iv. For reimbursement of expenses		
Total	**6.00**	**6.00**

28. LITIGATIONS INVOLVING OUR COMPANY:

Our Company is involved in certain legal proceedings, which are pending at varying levels of adjudication at different forum. The outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company. We cannot assure you that these legal proceedings will be decided in favour of our Company, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

A. LITIGATIONS INVOLVING OUR COMPANY

1. AGAINST OUR COMPANY

(a) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

i. M/s Hindustan Fluoro Carbon Limited (the "Petitioner") has filed a writ petition (19504/2009) before the Hon'ble High Court of Andhra Pradesh at Hyderabad (the ***"Court"***) under Article 226 of Constitution of India in the year 2009 against State Bank of India, Chennai and Ors. (collectively, the ***"Respondents"***). Our Company is one of the Respondents in the matter. Petitioner has filed the writ before the Court in the nature of Mandamus to declare the act of State Bank of India, one of the Respondents, rejecting Petitioner's letter of credit issued by SBI-Commercial Branch Chennai, as illegal and consequentially seeking an order directing State Bank of India to honor its commitment to realise the payment of ₹ 132.06 Lakhs along with interest on the same to the Petitioner towards goods supplied by the Petitioner to our Company. Our Company has filed counter reply with the Hon'ble High Court in the year 2016 to dismiss the writ petition. Presently, the matter is pending before the Hon'ble High Court.

ii. A vendor namely "Kolane Refrigerants" has filed a Criminal Complaint against the Company & its then Directors [File No.28/1] before the Chief Judicial Magistrate Pulwama, Jammu & Kashmir ("CJM"), alleging criminal charges of cheating to the extent of ₹ 22,00,000, against Company for invoking Letter of Credit towards import of refrigerant gas consignment. The CJM admitted the complaint and thereafter, the complaint got dismissed for non-prosecution a couple of occasions in 2008 and 2013 and was later restored. The matter is presently pending for appearance of the Company and its Directors and shall come up for hearing in due course.

(b) Litigation involving material violations of statutory regulations which are currently pending or have arisen in the preceding last ten years:

Income tax department has filed an appeal before the Hon'ble High Court of Madras at Chennai (the "Court") as aggrieved by an order of Hon'ble Income Tax Appellate Tribunal (ITAT), Chennai under Section 143(1) of Income Tax Act 1961 which was passed in favour of our Company. This matter relates to the tax demand to the tune of ₹ 170.61 Lakhs for the assessment year 2009-10 which was raised by an assessing officer by way of issue of an assessment order dated October 16, 2014 under Section 40 (a) (ia) of Income Tax Act, 1961. The matter is pending and shall come up for hearing in due course.

2. FILED BY OUR COMPANY

(a) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

i. Our Company has filed an execution petition in the original suit (60/2014) before the Hon'ble District Munsiff Judge at Chengalpet (the ***"Court"***) under Order XXI read with Rule 11 (2) of Civil Procedure Code, 1908 for execution of judgement and decree obtained by our Company in Original Suit (60/2014) (the "Suit") against V.Veera alias Veerapathiran (the ***"Defendant"***) before Court seeking permanent injunction and removal of the construction undertaken by the Defendant over the immovable property located at No. 114 Thandalam Village, Now Thirupporur Taluk, Kancheepuram District admeasuring 0.33 Hectares which is disputed in Suit. The said matter is pending.

ii. Our Company has filed a commercial suit (747/2012) before the Hon'ble High Court of Madras at Chennai under Order XVII read with Rule 1 of Civil Procedure Code, 1908 against United India Assurance Co. (the "Defendant") for recovery of insurance claim rejected by the Defendant, to the tune of ₹ 484.93 Lakhs for the loss caused to our Company because of leakage of stored gas which was insured by standard fire and special peril policy availed from the Defendant. The matter is pending before the court will shall come up for hearing in due course.

iii. Our Company (the "Petitioner") had filed a writ petition (20939/2017) before the Hon'ble High Court of Madras at Chennai (the ***"Court"***) under Article 226 of Constitution of India against The Chief Commissioner of Customs and Deputy Commissioner of Customs, Chennai (collectively, the ***"Respondents"***) to challenge the act of detention without any authority but with an oral intimation, of two containers of refrigerant gas namely R-142B in 2 ISO tanks by the Deputy Commissioner of Customs which were imported from China in the year 2014 by Petitioner. The matter was heard and the Hon'ble Court directed the Petitioner to deposit sum of₹ 28.94 Lakhs for the release of said containers by Respondents and directed to appear before the Respondents. Pursuant to the Hon'ble High Court's direction, the Company made its written submissions (owing to covid-19 lockdown restrictions the Company could not make physical appearance) to the Office of the Commissioner of Customs (Chennai-II) following which the Commissioner had passed an adverse order dated May 25, 2021. The Commissioner had vide the impugned order imposed fine of ₹ 250,000 for present consignment and ₹ 260,00,00 for the past consignment and penalty of ₹ 100,000 for present consignments and 600,000 for past consignment under the relevant provisions of Customs Act, 1962. The company is in the process of preferring an appeal against the said order passed by the Office of the Commissioner of Customs (Chennai-II).

iv. We have filed an appeal against the order of the Ld. Additional Commissioner of Customs (Gr.4) in Order No 78192/2020 dated December 18, 2020 submitting that the impugned goods are not covered under the Gas Cylinder Rules, 2016 ("GCR") and that there is no requirement for us to obtain the PESO license for import of the same and further that no penalty can be imposed under Section 112(a) of Customs Act, 1962. By the impugned order, Ld. Additional Commissioner of Customs ordered for confiscation of goods viz. Empty tin cans imported by the Company valued at ₹ 13,81,666/- under Section 111(d) of Customs Act, 1962 besides imposing a penalty of ₹ 50,000 under section 112(a) of the Act. The appeal is yet to be listed and we are in the process of trying to get the same listed at the earliest. We have currently gone on appeal to CESTAT and the matter is yet to be listed.

v. Our Company has filed a suit (105/2011) (the ***"Suit"***) before the Hon'ble District Munsiff Court at Chengalpet (the "Court") under Order XVIII read with Rule 1 of Civil Procedure Code, 1908 against Mr. Dhanpal (the "Defendent") seeking permanent injunction against the Respondent from encroachment and removal of the construction undertaken by the Defendant over the immovable property located at No. 114 Thandalam Village, Now Thirupporur Taluk, Kancheepuram District admeasuring 0.33 Hectares which is disputed in Suit. The Hon'ble Court passed a judgement and decree in favour of our Company and we are in process of filing the execution petition under Order XXI read with Rule 11(2) of C.P.C for execution of judgment and decree obtained in the Suit.

vi. Our Company has filed a Commercial Summary Civil suit [C.S.No.658/2019] (the ***"Suit"***) before the Hon'ble High Court, Madras (the "Court") under Order VII Rule 1 CPC read with section 2 (1)(c)(i) of the Commercial Court, Commercial Division, Commercial Appellate Division of the High Court Act, 2015 against ICICI Bank Ltd, T.Nagar Branch, Chennai (**"the Defendant"**) for recovery of ₹ 1,74,72,785/- being the loss and damages cost due to ICICI's negligence in respect of export of consignments to an importer in Kenya, ICICI being the escrow agent had negligently released original delivery documents before receiving payments and hence the commercial suit has been filed. Notice has been ordered to be served and returned by August 3, 2021.

(b) Litigation involving issues of moral turpitude or criminal liability, which are currently pending or have arisen in the preceding last ten years:

i. Our Company has filed a criminal complaint (7463/2017) before the Hon'ble Metropolitan Magistrate Court, Saidapet, Chennai under Section 138 of the Negotiable Instruments Act, 1938 against Mr. Rajendar Malu, proprietor of M/s Premier Electric & Refrigeration C. (the "Accused") for dishonor of Cheque issued towards outstanding dues to the tune of ₹ 4.75 Lakhs in respect of supply of goods to accused by our company. The parties are exploring the possibility of settlement of present dispute. The Company will withdraw the case in the event, the dispute is mutually and amicably settled. Presently, the said litigation is pending and shall come up for hearing in due course.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(c) Litigation involving material violations of statutory regulations which are currently pending or have arisen in the preceding last ten years:

i. Our Company has filed an appeal before the Hon'ble Income Tax Appellate Tribunal (the "ITAT") as aggrieved by an order of CIT (Appeals) under Section 260A of Income Tax Act. This matter relates to the tax demand to the tune of ₹ 581.45 Lakhs for the assessment year 2011-12 which was raised by an assessing officer by way of issue of an assessment order dated June 27, 2014 under Section 143(3) read with Section 263 of Income Tax Act, 1961. The matter is pending before the ITAT and shall come up for hearing in due course.

29. ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Amount in Lakhs

S. No	Particulars	As at March 31, 2021	As at March 31, 2020
A	**Expenditure in Foreign currency on:**		
	(i) Salary and allowance		-
	(ii) Tours and Travels		0.38
	(iii) Import of Materials/ Equipment (CIF Value)		
	a. Refrigerant Gases	1,149.31	1,076.09
	b. Capital goods		-
	c. Components and spares	2.40	2.46
	d. Finished goods/Semi Finished goods		-
	e. Raw Materials		-
	f. Others	7.17	13.81
B	**Earnings in Foreign Exchange**	**-**	**283.35**

30. INFORMATION IN RESPECT OF MICRO, SMALL AND MEDIUM ENTERPRISES AS AT MARCH 31, 2021:

Amount in Lakhs

S. No	Particulars	As at March 31, 2021	As at March 31, 2020
1	Amount remaining unpaid to any supplier:		
	a) Principal Amount	376.43	301.59
	b) Interest due thereon	-	-
2	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day;	Nil	Nil
3	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
4	Amount of interest accrued and remaining unpaid	Nil	Nil
5	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

Disclosure requirements of Indian Accounting Standards

31. DISCLOSURES IN RESPECT OF IND AS 107 - FINANCIAL INSTRUMENTS

a. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

(Amount as of March 31, 2021)

Amount in Lakhs

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit and loss	Financial assets/ liabilities at fair value through OCI
Assets:			
Non-Current Investment	7,405.00	-	-
Other Long Term Financial Assets	700.00	-	-
Current Trade Receivables	9,295.79	-	-
Cash & Cash Equivalents	1,724.45	-	-
Other Bank Balances	-	-	-
Other Financial Assets	5,043.03	-	-
Liabilities:			
Long term Borrowings	8.98	-	-
Lease Liability	7,404.39	-	-
Other Non- Current financial liabilities		-	-
Short term Borrowings	1.98	-	-
Trade Payables	10,038.35	-	-
Other Current financial liabilities	36.00	-	-

(Amount as of March 31, 2020)

Amount in Lakhs

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit and loss	Financial assets/ liabilities at fair value through OCI
Assets:			
Non-Current Investment	5.00	-	-
Other Long Term Financial Assets	700.00	-	-
Current Trade Receivables	7227.27	-	-
Cash & Cash Equivalents	2,095.17	-	-
Other Bank Balances	-	-	-
Other Financial Assets	270.85	-	-
Liabilities:			
Long term Borrowings	-	-	-
Lease Liability	730.18		
Other Non- Current financial liabilities	-	-	-
Short term Borrowings	171.90	-	-
Trade Payables	4120.23	-	-
Other Current financial liabilities	55.48	-	-

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

b. Fair Value Hierarchy

- **Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

c. Valuation Technique used to determine Fair Value:

The carrying amount of current financial assets and current trade and other financial liabilities measured at amortised cost are considered to be the same as their fair values, due to their short term nature. The carrying amount of Security Deposit measured at amortised cost is considered to be the same as its fair value due to its insignificant value. The carrying value of Rupee Term Loan and Term loan from related parties' approximate fair value as the instruments are at prevailing market rate.

32. FINANCIAL RISK MANAGEMENT

The Company's activities expose to limited financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument.

The company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), Interest rate risk and the market value of its investments.

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. It principally arises from the Company's Trade Receivables, Retention Receivables, Advances and deposit(s) made

Trade receivables

The company has outstanding trade receivables amounting to ₹ 92,95,78,589.66 as at March 31, 2021 & ₹ 72,27,26,787.61 as at March 31, 2020 respectively. Trade receivables are typically unsecured, except for security deposits received from the new dealers and are derived from revenue earned from customers. Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Default on account of Trade Receivables happens when the counterparty fails to make contractual payment when they fall due.

Further for amounts overdue are constantly monitored by the management and provision towards expected credit loss are made in the books. Management estimated of expected credit loss for the Trade Receivables are provided below with the classification on debtors.

Particulars	Overdue period							
	0-30days	30-60days	60-90 days	90-120 days	120-180 days	180-360 days	360 days– 3 Years	> 3 Years
Trade Receivables	3.00%	3.00%	3.00%	5.00%	10.00%	10.00%	100%	100.00%

The above % has been arrived by taking a simple average of 3 Variants as prescribed by the standard. The 3 variants are arrived on by the management on the basis of Conservative, Moderate and aggressive estimates.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Credit risk exposure:

An analysis of age of trade receivables at reporting date is summarised as follows:

Amount in Lakhs

Particulars	**March 31, 2021**	
	Net outstanding	**Impairment**
0 to 30 days	3,701.92	111.06
30 to 60 days	787.90	23.64
60 to 90 Days	415.44	12.46
90 to 120 days	6.53	0.33
120 to 180 days	70.84	7.08
180 to 360 days	11.78	1.18
More than 360 days	139.29	139.29
No credit loss expected	4,457.12	-
Total	**9,590.82**	**295.04**

Movement in Provision for Doubtful Debts	**Amount**
As at March 31, 2020	235.78
Charge for the year ended March 31, 2021	59.26
Reversal of Excess Provision	-
As at March 31, 2021	**295.04**

Trade receivables are impaired in the year when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations, Term loan from Banks, and Contribution in the form of share capital.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues, repayment of loans and retention & deposits arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short-term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals. Our non-current liabilities include Long term secured loan from Banks, Lease liability and other long term provisions.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

The table include both principal cash flows.

(Amount as of March 31, 2021)

Amount in Lakhs

Particulars	**1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Vehicle Loans	1.98	6.98	2.00	-	10.96

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

(Amount as of March 31, 2020)

Amount in Lakhs

Particulars	1 year	1-3 years	3-5 years	More than 5 years	Total
Term Loan from Banks	9.15	-	-	-	9.15
Vehicle Loans	12.75	-	-	-	12.75
Inter Corporate Deposits	150.00	-			150.00

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates does not have material impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks and the impact of which is found to be immaterial.

Interest Rate Risk

At the reporting date the interest rate profile of the company's interest – bearing financial instruments as follows, all being fixed rate of borrowing, the company is not assuming any risk on interest increase.

Particulars	As at March 31, 2021	As at March 31, 2020
Financial Liabilities		
- Term Loan from Bank – Unsecured	-	16.5%
- Vehicle Loan from Bank - Secured	8.00%	9.50%
- Vehicle Loan from Bank	-	10.50%
- Vehicle Loan from Financial Institutions	-	8.40%
- Inter – Corporate Deposits	-	7%

The period end balances are not necessarily representative of the average debt outstanding during the period.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets or by adequate funding by the shareholders to absorb the losses of the Company.

The Company's capital comprises equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximise shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The total share capital as on March 31, 2021 is ₹ 21,00,20,240 (Previous Year: ₹ 15,47,51,760).

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Total Debt	10.98	171.90
Less : Cash and cash equivalent	1,724.45	2,095.17
Net Debt	-	-
Total Equity	13,957.02	7,585.53
Net debt to equity ratio	NA	NA

33. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD (IND AS)-19 "EMPLOYEE BENEFITS"

a. General description of various defined employee's benefits schemes are as under:

a) Provident Fund:

The company's Provident Fund is managed by Regional Provident Fund Commissioner. The company pays fixed contribution to provident fund at pre-determined rate.

b) Gratuity:

Gratuity is a defined benefit plan, provided in respect of past services based on the actuarial valuation carried out by LIC of India and corresponding contribution to the fund is expensed in the year of such contribution.

The scheme is funded by the company and the liability is recognised on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

b. The summarised position of various defined benefits recognised in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

(Actuarial Valuation)

Movement in defined benefit obligation:

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation -Beginning of the year	24.00	16.68
Current service cost	6.48	3.95
Interest Cost	1.64	1.30
Benefits Paid		-
Re-measurements - actuarial loss/(gain)	(0.11)	(5.19)
Past service cost/ others	-	7.26
Defined benefit obligation – End of the year	32.02	24.00

Amount Recognised in Statement of Profit and Loss

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Current service cost	6.48	3.95
Past service cost	-	-
Loss/Gain on settlement	-	-
Net Interest cost/(income) on Net Defined Benefit Liability/(assets) (B)	1.64	1.30
Cost Recognised in P&L	**8.12**	**5.25**

Amount recognised in Other Comprehensive Income (OCI)

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Actuarial (gain)/loss due to assumption changes	-	-
- change in financial assumptions	0.68	(3.93)
- experience variance (i.e. Actual experience Vs assumptions)	(0.79)	(1.26)
Actuarial (gain)/loss recognised in OCI	**(0.11)**	**(5.19)**

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
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Sensitivity Analysis

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation (base)	32.02	24.00

Amount in Lakhs

Assumption	Change in Assumption	March 31, 2021	March 31, 2020
Discount Rate	+1.0%	27.61	20.80
	-1.0%	37.46	27.92
Salary growth Rate	+1.0%	37.34	27.84
	-1.0%	27.61	20.81
Attrition Rate	+50%	31.60	23.70
	-50%	32.48	24.33
Mortality Rate	+10%	32.01	24.00
	-10%	32.03	24.01

Actuarial Assumption

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.85%	6.85%
Rate of salary increase	10% p.a for first 3 years and 7.5% p.a thereafter	10% p.a for first 3 years and 7.5% p.a thereafter
Retirement Age	58 Years	58 Years
Average Future Service	18.74	18.09

Leave encashment

Movement in defined benefit obligation:

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Present value of obligation	8.35	3.33
Fair value of plan assets	-	-
Surplus/ (Deficit)	(8.35)	(3.33)
Effects of asset ceiling, if any	-	-
Net asset/(liability)	(8.35)	(3.33)

Amount Recognised in Statement of Profit and Loss

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Present value of obligation as at the beginning	3.33	2.08
Present value of obligation as the end	8.35	3.33
Benefit payment	-	0.39
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Cost Recognised in P&L	**5.02**	**1.63**

Sensitivity analysis

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation (base)	(8.35)	(3.33)

Amount in Lakhs

Assumption	Change in Assumption	March 31, 2021	March 31, 2020
Discount Rate	+1.0%	7.08	2.90
	-1.0%	9.94	3.84
Salary growth Rate	+1.0%	9.91	3.83
	-1.0%	7.08	2.90
Attrition Rate	+50%	8.26	3.30
	-50%	8.45	3.35
Mortality Rate	+10%	8.35	3.33
	-10%	8.35	3.33

Actuarial Assumption

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Discount rate	**6.85%**	**6.85%**
Rate of salary increase	10% p.a for first 3 years and 7.5% p.a thereafter	10% p.a for first 3 years and 7.5% p.a thereafter
Retirement Age	58 Years	58 Years
Average Future Service	18.74	18.09

34. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD (IND AS)-108: "OPERATING SEGMENTS"

The Company has derived revenue from 2 customers which amounts to more than 10 per cent of Company's revenue constituting 61.78% of the total revenue generated and pertains to coal and ash handling segment.

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Segment Revenue (Net Sales/Income)		
Coal & Ash Handling Business	51,574.02	58,905.59
Solar Power - Generation and Related Activities	1,231.54	1,485.27
Refrigerant Gas- Manufacturing(Refilling) and Sales	1,719.87	2,010.81
Sale Of Service	8,740.45	3,672.76
Total	**63,265.88**	**66,074.43**
Segment Results		
(Profit /Loss before Interest and Tax)		
Coal & Ash Handling Business	4,889.88	4,012.95
Solar Power - Generation and Related Activities	526.15	-129.71
Refrigerant Gas- Manufacturing-Refilling &Sales	61.03	-159.98
Sale Of Service	2,905.09	1,825.93
Minerals Trading	-	-
Corporate	-2,143.70	-1,135.05
Total	**6,238.45**	**4,414.14**

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Finance Cost	897.03	90.57
Other Income	444.37	479.09
Profit /Loss before Tax	**5,785.79**	**4,802.66**
Segment Assets		
Coal & Ash Handling Business	9,171.46	1,378.89
Solar Power - Generation and Related Activities	7,263.93	833.17
Refrigerant Gas- Manufacturing-Refilling & Sales	2,729.25	2,836.26
Sale Of Service	1,750.61	-
Corporate	13,224.57	8748.56
Total- Segment Assets	**34,139.82**	**13796.88**
Segment Liabilities		
Coal & Ash Handling Business	9,564.62	2,495.59
Solar Power - Generation and Related Activities	7,697.13	994.71
Refrigerant Gas- Manufacturing-Refilling & Sales	254.18	215.10
Sale Of Service	3,513.08	1,107.91
Corporate	13,110.81	8983.57
Total-Segment Liabilities	**34,139.82**	**13796.88**

35. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD (IND AS)-37 "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS"

These provisions are expected to be settled in the next financial year. Management estimates the provision based on historical information and any recent trends that may suggest future claims could differ from historical amounts.

Amount in Lakhs

Particulars	Opening balance as on April 01, 2020	Additions/ Transfers during the year	Utilisation during the year	Reversal during the year / Transfers during the years	Closing balance as on March 31, 2021
Short term Provision for tax (Net)	117.67	1184.32	-	117.67	1184.32
Provision for ECL	235.78	59.26	-	-	295.04
Provision for Contingent Liability	581.46	-	-	-	581.46
Provision for current contingency	-	761.15	-	432.57	328.58

Contingent Liabilities:

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Corporate Guarantee to Group Co.	3,748.00	3,748.00
Other Guarantees	7,350.00	7,800.00
Claims against the company not acknowledged as debts		
In respect of :		
a) Income tax	170.61	170.61
b) Civil	22.00	132.06
c) Customs & Central Excise	36.00	35.50

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

36. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD 24 "RELATED PARTIES DISCLOSURES"

a) The names of Related Parties of the Company are as under.

(i) Key Managerial Personnels (KMPs)

Mr. Aniljain - Managing Director

S. GopalKrishnan- Company Secretary

U. Lalitha - Chief Financial Officer

(ii) Firms/Companies in which Key Managerial Personnel are interested

Refex Energy Limited

Refex Solar Power Pvt Ltd

Sherisha Technologies Pvt Ltd

Broil Solar Energy Pvt Ltd

SEI CleanTech Pvt Ltd

Ishaan Solar Power Pvt Ltd

SEI Tejas Pvt Ltd

SunEdison Infrastructure Ltd

SunEdison Energy India Pvt Ltd

b) Transactions during the Year ended March 31 2021

Amount in Lakhs

Name of Related Party	Nature of Transaction	2020-21	2019-20
Aniljain - Managing Director	Director Remuneration	84.00	36.00
	Rental Expenses	25.15	19.95
	Dividend	48.25	-
	Rights Issue	1,040.08	-
	Other reimbursements	2.39	-
U.Lalitha - Chief Financial Officer	Salary & Allowances	15.46	13.88
S.GopalKrishnan- Company Secretary	Salary & Allowances	3.96	3.96
Entities in which Key Management personnel are interested			
Broil Solar Energy Pvt Ltd	Reimbursement	-	2.32
Ishaan Solar Power Pvt Ltd	Amount received	-	16.68
Refex Energy Limited	Reimbursement	-	0.35
	Sales	-	226.82
	Purchase	886.06	1622.43
Refex Solar Power Pvt Ltd	Interest Income	-	50.78
	Purchase	425.98	305.51
	Reimbursement	4.15	3.72
SEI CleanTech Pvt Ltd	Reimbursement	-	0.13
Sei Tejas Pvt Ltd	Sales	12.16	33.71
SunEdison Energy India Pvt Ltd	Sales	1.32	0.20
SunEdison Infrastructure Ltd	Reimbursement	-	0.55
	Sales	11.36	48.12
	Purchase service	38.33	-
Sherisha Technologies Pvt Ltd	Interest Income on Advance	327.05	391.82
	Reimbursement received	6.39	
	Dividend	46.09	
	Rental Charges	8.17	10.33
	Rights Issue	1,136.52	-
	Purchase & Reimbursement	2,549.51	1,177.30
	Loan/Advance	4,659.69	3,265.14

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Amount in Lakhs

Name of Related Party	Nature of Transaction	2020-21	2019-20
Relatives of KMP	Dividend	10.16	-
	Rights Issue	119.45	-

C) Cumulative Balances Outstanding during the Year ended March 31, 2021

Amount in Lakhs

Name of Related Party	Group Classification	2020-21	2019-20
Anil Jain	Rent and Remuneration payable	3.10	-
Refex Energy Limited	Trade Payable	419.97	0.27
Refex Solar Power Pvt Ltd	Interest Receivable	-	45.70
SEI Cleantech Pvt Ltd	Reimbursement Outstanding	-	0.14
Ishan Solar Power Pvt Ltd	Trade Receivable	0.01	10.01
SEI Tejas Pvt Ltd	Trade Receivable	18.62	6.42
SunEdison Infrastructure Ltd	Trade Receivable	22.30	21.44
Sherisha Technologies Pvt Ltd	Advances	700.00	700.00
	Rental Deposit	7.00	7.00
	Interest Receivable	327.05	163.87
	Inter Corporate Deposit	4,659.69	

37. COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of inventories, receivables and intangibles (including goodwill). In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations

38. PREVIOUS YEARS FIGURES HAVE BEEN REGROUPED/ RECLASSIFIED WHEREVER NECESSARY TO CONFIRM TO THE CURRENT YEAR'S PRESENTATION

Signature to Notes 1 to 38

Notes 1 to 38 forms part of the Financials
As per our report of even date attached

For and On behalf of the Board of Directors

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
Jamuna Ravikumar
Director
(DIN:08009308)

Sd/-
U.Lalitha
Chief Financial Officer

Sd/-
S.Gopalkrishnan
Company Secretary

Place: Chennai
Date: June 30, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s.Refex Industries Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated financial statements of Refex Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group), which comprise the Consolidated balance sheet as at March 31, 2021, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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

Our Opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done on the reports of the other auditors and financial statements and other financial information certified by the Management.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law relating to preparations of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated statement of Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Holding company as on March 31, 2021 taken on record by the Board of Directors of the Holding company and the report of the statutory Auditors of its subsidiaries incorporated in India, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The holding company had disclosed the impact of pending litigations as at March 31, 2021 on its consolidated financial position in its consolidated financial statements as mentioned in Note 28.

(ii) The holding Company had made provisions as required under the applicable law or accounting standards, for material foreseeable losses, if any long-term contracts including derivate contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the holding Company.

For M.Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number:006853S

Sd/-
M. Krishna Kumar B.Sc. FCA
Proprietor
Membership No. 203929
UDIN: 21203929AAAADU3582

Place: Chennai
Date: June 30, 2021

"ANNEXURE – A"

TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF REFEX INDUSTRIES LIMITED

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

We have audited the internal financial controls over financial reporting of Refex Industries Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated IND AS Financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

"ANNEXURE – A"
TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF REFEX INDUSTRIES LIMITED (Contd.)

Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India.

For M.Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number:006853S

Sd/-
M. Krishna Kumar B.Sc. FCA
Proprietor
Membership No. 203929
UDIN: 21203929AAAADU3582

Place: Chennai
Date: June 30, 2021

CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2021

Amount in Lakhs

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1	1,529.77	1,491.75
(b) Right of use assets	2	7,148.55	701.99
(c) Intangible			-
(d) Capital Work in Progress			-
(e) Non-current financial assets			
(i) Investments	3	7,400.00	-
(ii) Trade receivables			
(iii) Other non current financial assets	4	700.00	700.00
(f) Deferred Tax Assets	5	264.50	183.57
(g) Other Non current assets	6	-	-
Current assets			
(a) Inventories	7	548.64	318.25
(b) Financial Assets			
(i) Trade receivables	8	9,295.79	7,227.27
(ii) Cash and cash equivalents	9	1,724.58	2,095.60
(iii) Bank Balances other than (ii) above		-	-
(iv) Other current financial assets	10	5042.17	270.29
(c) Current Tax Assets (Net)	11	-	-
(d) Other current assets	12	480.08	803.04
Total Assets		**34,134.09**	**13,791.77**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	2,100.20	1,547.52
(b) Other Equity	14	11,851.08	6,032.79
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Long term Borrowings	15	8.98	-
(ii) Lease Liability	2	6,318.13	613.96
(b) Deferred Tax Liabilities		-	-
(c) Long Term provisions	16	948.54	608.79
Current liabilities			
(a) Financial Liabilities			
(i) Short term Borrowings	15	1.98	171.90
(ii) Lease Liability	2	1,086.26	116.22
(iii) Trade payables	17	10,038.35	4,120.23
(iv) Other financial liabilities	18	36.00	55.48
(b) Other current liabilities	19	1,744.55	524.87
Total Equity and Liabilities		**34,134.09**	**13,791.77**
The accompanying notes form an integral part of these financial statements	**28-38**		

Notes 1 to 38 forms part of the Financials

As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929

Place: Chennai
Date: June 30, 2021

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Jamuna Ravikumar
Director
(DIN:08009308)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
S.Gopalakrishnan
Company Secretary

Sd/-
U. Lalitha
Chief Financial Officer

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

Amount in Lakhs

Particulars		Note No	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Income				
I	Revenue from operations	20	63,265.88	66,074.43
II	Other income	21	444.37	479.09
III	**Total Income (I+II)**		**63,710.25**	**66,553.52**
IV	**Expenses**			
	Cost of material consumed	22	20,862.53	43,010.87
	Changes in inventories of finished goods and stock-in-trade		(230.40)	440.44
	Purchase of stock in trade	23	32,065.85	12,293.90
	Employee benefits expenses	24	602.81	312.95
	Finance costs	25	897.03	90.58
	Depreciation and Amortisation	26	529.05	139.32
	Other Expenses	27	3,198.11	4,881.98
	Total expenses (IV)		**57,924.98**	**61,170.04**
V	**Profit/(loss) before exceptional items and tax**		**5,785.27**	**5,383.48**
VI	Exceptional items		-	(581.46)
VII	**Profit/(loss) before tax**		**5,785.27**	**4,802.02**
VIII	**Tax expense**			
	- Current Tax		1,772.38	767.56
	Less: MAT Entitlement Credit		-	646.44
	- Deferred Tax		(80.93)	75.42
IX	**Profit/(loss) for the period**		**4,093.81**	**3,312.61**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to profit and loss			
	Remeasurements of defined benefit plan actuarial gains/ (losses)		0.11	(5.19)
			0.11	**(5.19)**
XI	**Total Comprehensive Income for the period (Comprising ……profit and other comprehensive income for the period)**		**4,093.92**	**3,307.42**
XII	**Earnings per equity share**			
	(1) Basic		21.73	21.37
	(2) Diluted		21.73	21.37
The accompanying notes form an integral part of these financial statements		**28-38**		

Notes 1 to 38 forms part of the Financials

As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929

Place: Chennai
Date: June 30, 2021

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Jamuna Ravikumar
Director
(DIN:08009308)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
S.Gopalakrishnan
Company Secretary

Sd/-
U. Lalitha
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2021

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Cash flows from operating activities		
Profit Before Taxes	**5,785.27**	**4,802.66**
Add : Non cash and Non operating items debited to Profit & loss account :		
Depreciation	529.05	139.32
Finance Cost	897.03	90.57
Provision for Tax		
Bad Debts	86.16	2,657.93
Loss/ (Profit) on sale of fixed assets	-	(19.27)
Dividend Paid	-	-
Provision for contingent liability	761.16	581.46
Provision for ECL	59.26	129.11
Inventory Write off	39.09	-
Less: Non cash and non operating income credited to Profit & loss account :		
Interest received	399.47	479.09
Other non cash income	33.14	49.87
Operating cash flow before working capital changes	**7,724.42**	**7,852.81**
Changes in		
Decrease/(Increase) In Trade Receivables	(2,213.93)	(1,264.63)
Decrease/(Increase) In Other current Financial Asset(s)	(112.18)	(112.74)
Decrease/(Increase) In Other current Asset(s)	322.96	1,944.20
Decrease/(Increase) In Other non-current financial assets	-	1.49
Decrease/(Increase) In Inventories	(269.49)	440.44
Decrease/(Increase) In Other non-current assets	146.72	(181.31)
(Decrease)/Increase In Long term Provisions	339.75	710.81
(Decrease)/Increase In Trade Payables current	5,951.26	(5,997.66)
(Decrease)/Increase In other current liabilities	458.53	(973.49)
(Decrease)/Increase In Other financial liabilities	(19.48)	9.69
Income taxes paid	-	(1,241.03)
Cash generated from / (used in) operations	**12,328.55**	**1,188.58**
Cash flows from investing activities		
Purchase of fixed assets	(599.85)	(22.71)
Proceeds from sale of fixed assets	32.77	-
Purchase of investments	(7,400.00)	-
Loans given to third parties	(4659.69)	-
Interest received	399.47	479.09
Net cash generated from/(used in) investing activities [B]	**(12,227.30)**	**456.38**

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Amount in Lakhs

Particulars	**For Year Ended March 31, 2021**	**For Year Ended March 31, 2020**
Cash flows from financing activities		
Cash proceeds from the issue of shares	795.72	-
Proceeds from / (repayment of) long term and short term borrowings	(160.93)	153.97
Dividend paid (including dividend distribution tax)	(210.02)	-
Interest payment of Lease Liability	(881.85)	-
Interest paid	(15.19)	(90.57)
Net cash used in financing activities	**(472.27)**	**63.41**
Increase in cash and cash equivalents	**(371.02)**	**1,708.36**
Cash and cash equivalents at the beginning of the year	**2,095.60**	**386.80**
Cash and cash equivalents at the end of the year	**1,724.58**	**2,095.60**
Components of cash and cash equivalents		
Cash on hand	1.84	9.96
Balances with banks	1,722.75	2,085.21
Total cash and cash equivalents	**1,724.58**	**2,095.60**

As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929

Place: Chennai
Date: June 30, 2021

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Jamuna Ravikumar
Director
(DIN:08009308)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
S.Gopalakrishnan
Company Secretary

Sd/-
U. Lalitha
Chief Financial Officer

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021

A. CORPORATE INFORMATION:

Refex Industries Limited (Refex), From realising the commercial potential of HFC gases and diversifying into refrigerant gases, Refex Industries Limited (Refex) has consistently delivered out-of-the-box innovation coupled with positive financial sustainability, at every step of the way. With its inception in the year 2002, Refex Industries successfully broke the monopoly that existed in the controlled refrigerant gas market. After its well-established leadership in refrigerant gases, Refex now brings its delivery expertise in offering services like coal trading, coal yard management and coal ash handling to thermal power plants.

Refrigerant Gas:

Refex Industries Limited (REFEX) is a specialist manufacturer and re-filler of Refrigerant gases, particularly, environmentally acceptable gases that are replacements for Chloro-Fluoro-Carbons (CFC's). These are used primarily as refrigerants, foam blowing agents and aerosol propellants. It exercises superior quality control and efficiency with the help of advanced technology. Refex has been committed to being an exemplary player in terms of safety, protection of health and environment, and sustainable development.

Handling and Disposal of Fly Ash:

Ash is the by-product from the burning of coal which is the fuel to the thermal power plants. 30-45 Percent of the burnt coal is ash. This ash is full of heavy metals and toxins which if not handled properly could pollute air, land and water bodies.

During the running of a power plant ash is continuously produced and stored in silos which have to be continuously evacuated. The fly ash from the silos is a raw material required for the production of PPC cement, manufacturing of bricks, concreting of infrastructure projects like roads, bridges etc. This fly ash from the silos is transported in closed bulkers.

The excess undisposed ash from the silos is then sent to the ash dyke from where is it evacuated by filling in trucks for mine reclamation, filling of low lying areas, embankments etc. as per the guidelines of Ministry of Mines and Ministry of Environment and Forests (MoEF).

Round the clock services for coal yard management, shifting of uncrushed coal and Housekeeping Works:

With immense experience in handling ash in large number of trucks and bulkers, company have ventured into providing coal yard management services.

Uncrushed coal from trucks is first stored in the coal yard in the form of heaps. This coal is then transported and fed into the track hoppers at the Coal Handling Plant area. The un-sized coal which doesn't pass through the grizzly is broken to smaller sizes before it goes through. These services are provided round the clock to ensure sufficient supply of coal to run the power plant uninterruptedly.

The Company also provide housekeeping services in the coal handling plant (CHP) areas like in the conveyor belt surrounding areas, cable trays, trenches, drains, sump pit where spilled coal is to be collected and shifted manually with adequate manpower to ensure the smooth functioning of the equipment.

Coal Trading:

The Company source quality coal from domestic and international players and offer at competent prices to the power plants.

With a boost in infrastructure in India, Refex foresees a tremendous growth in all the business segments.

B. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of financial statements

- **Statement of Compliance**

  The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

- **Preparation and compliance with Indian Accounting Standards (IND AS)**

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

  Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

  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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Consolidated financial statements is determined on such a basis, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

- **Historical Cost convention**

  The financial statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

- **Current / Non-Current classification**

  The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

- **Revenue recognition**

  Revenue from Sales of goods and Electricity

  The company manufactures and sells a range of refrigerant gases and generates electricity. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. In case of electricity, sales are recognised when power generation is passed on to the electricity grid.

  Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customers has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the customer has objective evidence that all criteria for acceptance have been satisfied.

  Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

  No element of financing is deemed present as the sales are made with the credit term, consistent with market practice.

  A receivable is recognised when the goods/ electricity are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

  Revenue from sale of services

  Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The proportion of service rendered is determined by cost involved for the project as against total cost. Any promise made in the contract, which are identified distinct is accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

  Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit and loss in the period in which the circumstances that give rise to the revision become known by management. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Interest income:

Interest income from, if any, non-current financial assets are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Interest income from fixed deposits in banks is recognised on time proportion basis, determined by the amount outstanding and the rate applicable.

Fair value gains on current investments carried at fair value are included in Other income.

Other items of income are recognised as and when the right to receive arises.

- **Property Plant and Equipment**
- **Tangible Assets**

Freehold land is carried as historical cost. All other items of property plant and equipment are stated at historical cost of acquisition less accumulated depreciation and amortisation and impairment. Historical cost includes purchase price, taxes and duties (Net of tax credits), labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use.

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

Depreciation is recognised using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each year, with the effect of any changes in estimate accounted for on a prospective basis. The useful lives of assets are adopted to as specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5 Percent of the original cost of the asset.

On transition to Ind AS, Group has elected to continue carrying value of all its property plant and equipment recognised as at April 01, 2017 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and Equipment.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement or profit and loss.

- **Intangible assets**

Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

- **Other intangible assets**

Specialised software is amortised over a period of three to six years on straight line.
Intangible assets acquired are measured at cost less accumulated amortisation and impairment losses.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods to allocate the assets' revised carrying amount over its remaining useful life.

- **Impairment of assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

- **Capital Work in Progress**

  The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

  Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets

- **Depreciation and amortisation**

  Depreciation

  The depreciable amount of an item of PPE is allocated on a straight-line basis over its useful life as prescribed above.

  If part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortisation of intangible assets. An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

  Depreciation is charged on pro-rata basis from the date of addition / till the date of disposal. Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit and loss within other income.

  The residual values are not more than 5 Percent of original cost of the asset. The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

- **Borrowing costs**

  The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period to get ready for its intended use or sale.

  To the extent the Company borrows generally and uses them for the purpose of obtaining a qualifying asset, amount of borrowing cost eligible for capitalisation is computed by applying a capitalisation rate to the expenditure incurred. The capitalisation rate is determined based on the weighted average of borrowing costs, other than borrowings made specifically towards purchase of a qualifying asset.

- **Foreign currency translation**

  a. Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

  b. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.

  c. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

- **Employee benefits**

  Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

- **Short Term obligations**

  All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

  The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

  The cost of short-term compensated absences is accounted as under:

  (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

  (b) in case of non-accumulating compensated absences, when the absences occur.

- **Post-employment obligation**

  The company operates the following post-employment benefit schemes.

  Defined benefit plans such as gratuity for its eligible employees and defined contribution plans such as provident fund.

  Defined Benefit Plan (Gratuity)

  The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

  The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

  The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of assets. This cost is included in employee benefit expense in the statement of profit and loss.

  Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

  Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

  Defined Contribution Plan (Provident Fund)

  The State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

  Other long-term employee benefits

  The obligation for other long-term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned above.

- **Taxes on Income**

  Income tax expense represents the sum of the current tax and deferred tax.

  Current tax

  The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to settle the liability on a net basis or simultaneously.

  Deferred tax

  Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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 profits will be available to allow all or part of the 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 assets to be recovered.

Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognised as an asset based on its recoverability in the future.

- **Provisions and contingent liabilities**

- **Provisions**

  A provision is recorded when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

- **Contingent Liabilities**

  Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

- **Leases**

  The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has the right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of the right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses an incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

- **Cash and Cash equivalents**

  Cash and cash equivalents include cash in hand, Balances in Bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- **Financial assets**

- **Classification**

  The Company classifies its financial assets in the following measurement categories:

  (i) Those measured subsequently at fair value through other comprehensive income (in case of investments in equity instruments) through profit and loss (in case of investments in mutual funds)

  (ii) Those measured at amortised cost

  The classification is based on the Company's business model for managing the financial assets and the contractual terms of the cash flow for assets measured at fair value, gains and losses will either be recorded in profit and loss and other comprehensive income.

- **Measurement**

- ***Initial Measurement***

  The Company measures a financial asset at its fair value plus cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit and loss.

- **Subsequent measurement**

Investments

Fair value through Profit and loss

Assets that do not meet the criteria for amortised cost or Fair Value Through Other Comprehensive Income (FVOCI) are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss and is not part of a hedging relationship is recognised in profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Other financial assets**

  After Initial Measurement, financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium and fees or cost that are an integral part of EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

- **Impairment of financial assets**

  The Company assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk.

  For trade receivables (If any), the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

  The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition

- **De recognition of financial assets**

  A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

- **Financial Liabilities**

- **Classification**

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

- **Initial recognition and measurement**

  The Company's financial liabilities include trade

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Loans and borrowings**

  After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

  Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest-bearing loans and borrowings.

- **Derecognition**

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

- **Offsetting of financial instruments**

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

- **Government grants**

  Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

- **Dividend to Shareholders**

  Final dividend distributed to equity shareholders is recognised in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognised when approved by the Board of Directors at the Board Meeting. Dividend distributed is recognised in the Statement of Changes in Equity.

- **Earnings per Share**

  Basic earnings per share is calculated by dividing the net profit and loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

- **Derivative financial instruments**

  The Company uses derivative financial instruments, such as forward contract to manage its exposure to foreign exchange risks. Any derivative that is either not designated as a hedge or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit and loss. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit and loss and the resulting exchange gains or losses/ fair value changes are included in Statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

- **Segment Information**

  Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors has been identified as being the CODM.

- **Prior Period**

  Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that led to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts.

- **Cash flow statement**

  Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

  Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

- **Critical Estimates and Judgements**

  The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date and reported revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

  This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which may be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed in about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation of each affected line item in the financial statements.

  The areas involving critical estimates or judgments are:

  i. Estimation of current tax expense and payable – Note 5 in notes to accounts

  ii. Estimation of defined benefit obligation – Note 33 in notes to accounts

  iii. Estimation of useful life of Property, Plant and Equipment and Intangibles.

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

1. PROPERTY PLANT AND EQUIPMENTS

Amount in Lakhs

Description	Land	Building	Plant and Machinery - Cylinders	Plant and Machinery - Others	Electrical Installation	Furniture and Fixtures	Office Equipment	Vehicles	Total
As at March 31, 2019 (At Cost)	**900.52**	**203.94**	**146.58**	**199.21**	**91.63**	**29.32**	**18.93**	**74.22**	**1,664.35**
Additions during the year	-	56.10	31.42	7.19	11.84	2.23	1.91	8.32	119.00
Deletions during the year						(19.95)	(8.99)		(28.95)
As at March 31, 2020 (At Cost)	**900.52**	**260.04**	**178.00**	**206.40**	**103.46**	**11.60**	**11.84**	**82.54**	**1,754.41**
Additions during the year	-	-	75.13	28.90	-	-	2.52	32.87	139.42
Deletions during the year	-	-	(32.33)	(0.44)	-	-	-	-	(32.77)
As at March 31, 2021 (At Cost)	**900.52**	**260.04**	**220.81**	**234.85**	**103.46**	**11.60**	**14.37**	**115.41**	**1,861.05**
Depreciation and amortisation									
As at March 31, 2019	**-**	**27.43**	**59.46**	**17.98**	**35.07**	**8.71**	**6.72**	**23.42**	**178.78**
Charge for the year	-	10.14	26.01	23.33	13.07	0.38	1.41	9.53	83.87
Deletions during the year									-
As at March 31, 2020	**-**	**37.57**	**85.47**	**41.31**	**48.13**	**9.09**	**8.13**	**32.95**	**262.65**
Charge for the year	-	10.35	9.90	26.72	13.07	0.66	1.53	10.60	72.84
Deletions during the year	-	-	(4.22)	-	-	-	-	-	(4.22)
As at March 31, 2021	**-**	**47.92**	**91.15**	**68.03**	**61.20**	**9.75**	**9.66**	**43.56**	**331.26**
Net Book Value									
As at March 31, 2021	**900.52**	**212.12**	**129.66**	**166.82**	**42.27**	**1.84**	**4.70**	**71.85**	**1,529.77**
As at March 31, 2020	**900.52**	**222.47**	**92.53**	**165.09**	**55.33**	**2.51**	**3.72**	**49.59**	**1,491.75**
As at March 31, 2019	900.52	176.51	87.12	181.23	56.56	20.61	12.21	50.80	1,485.57

Regrouping of asset has been made by the Management depending on the nature of the particular assets and appropriate treatment for the same.

2. RIGHT OF USE (ROU) ASSET

Amount in Lakhs

Description	Land*	Building/ Renting of Space	Plant & Machinery	Total
Balance as at April 01, 2020	**654.65**	**47.34**	**-**	**701.99**
Additions during the year	32.03		6,888.35	6,920.38
Deletions during the year	-	18.70	-	18.70
Depreciation	41.62	19.87	393.62	455.11
Balance as at March 31, 2021	**645.06**	**8.77**	**6,494.73**	**7,148.55**

The movement in lease liabilities during the year ended March 31, 2021 is as follows :

Amount in Lakhs

Description	Solar Plant with Land	Building/ Renting of Space	Plant & Machinery	Total
Balance as at April 01, 2020	**677.02**	**53.16**	**-**	**730.18**
Additions during the year	33.13	-	6,888.35	6,921.47
Finance Cost accrued during the Year	73.99	5.93	806.00	885.92
Deletions during the year	-	22.78	-	22.78
Repayment of Lease Laibility	93.58	25.50	991.33	1,110.41
Balance as at March 31, 2021	**690.55**	**10.81**	**6,703.03**	**7,404.39**

*The Company has newly capitalised Plant & Machinery taken on lease as per the movable properties agreement.

The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows

Amount in Lakhs

Particulars	March 31, 2021
Not Later than one year	1,086.26
Later than one year and not later than Five Years	5,271.09
Later Than Five Years	9,475.37
Total	**15,832.72**

3. NON CURRENT INVESTMENTS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in Alternate Investment Fund		
Units of RKG Fund I	7,400.00	-
Total Aggregate Book Value of unquoted Investments	**7,400.00**	**-**

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

4. OTHER NON CURRENT FINANCIAL ASSETS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
- Advances and Deposits*	0.00	-
Less: Provision for expected credit loss under Ind AS 109	-	-
- Security deposit given to Related Party	700.00	700.00
Total	**700.00**	**700.00**

***All non current advances and deposits of last year have been reclassified to short term deposits under other current financial assets (Note no.10)**

5. DEFERRED TAX ASSET(S)/ (LIABILITIES)

Tax recognised in Statement of profit and loss

Amount in Lakhs

Particulars	For the year Ended March 31, 2021	For the year Ended March 31, 2020
Current income tax		
Current year	1,772.38	767.56
Less: MAT Entitlement Credit	-	646.44
Sub Total (A)	**1,772.38**	**1,413.99**
Deferred tax expense		
Origination and reversal of temporary differences	(80.93)	75.42
Sub Total (B)	**(80.93)**	**75.42**
Total (A+B)	**1,691.46**	**1,489.41**

Reconciliation of effective tax rates

Amount in Lakhs

Particulars	For the year Ended March 31, 2021	For the year Ended March 31, 2020
Profit before tax	5,785.27	4,802.02
Enacted tax Rate (under Normal Provisions)*	25.17%	29.12%
Computed Expected Tax Expenses - Normal Provision	**1,456.04**	**1,398.35**

*The Company has opted for Section115BAA in the current year.

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Property Plant and Equipment	(48.98)	(31.30)
Carry Forward Losses		-
Leave Encashment Provision	2.10	0.97
Grat. Provision	8.06	6.99
Provision for Bad and Doubtful debts under ECL	74.26	37.60
MAT Entitlement Credit		-
Provision for ascertained Contingent Liability	229.06	169.32
Net Deferred Tax Assets/ (Liabilities)	**264.50**	**183.57**

Movement in deferred tax balances during the year ended March 31, 2021

Amount in Lakhs

Particulars	Balance As at March 31, 2020	Recognised in profit & loss	Recognised in OCI	Balance As at March 31, 2021
Property, Plant & Equipment	(31.30)	(17.68)	-	(48.98)
Carry Forward Losses	-	-	-	-
Leave Encashment	0.97	1.13	-	2.10
Grat. Provision	6.99	1.07	-	8.06
MAT Credit	-	-	-	-
ECL Provision	37.60	36.66	-	74.26
Provision for ascertained Contingent Liability	169.32	59.74	-	229.06
Total	**183.57**	**80.93**	**-**	**264.50**

6. OTHER NON CURRENT ASSETS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Government Authorities*		
Total	**-**	**-**

***All balances with government authorities of last year have been reclassified to other current assets (Note. No 12)**

7. INVENTORIES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials and Spares		
Stock of Refrigerant Gases	548.64	300.26
Coal	-	17.98
Total	**548.64**	**318.25**

8. TRADE RECEIVABLES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Unsecured - Considered good	9,590.82	7,463.04
Less:		-
Impairment for Trade receivable under Expected Credit Loss model	(295.04)	(235.78)
Total	**9,295.79**	**7,227.27**

Note: Information with respect to aging is provided in Note No:32

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

9. CASH AND CASH EQUIVALENTS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
i) Balances with banks		
* **Current Accounts**	1,654.37	1,580.09
* EEFC accounts		-
* Deposit Accounts	68.37	505.46
ii) Cash on hand	1.84	10.06
Total	**1,724.58**	**2,095.60**

10. OTHER CURRENT FINANCIAL ASSETS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
i) Unsecured, considered good;		
- Loans and advances to Employees	1.12	1.18
- Loans and advances to Wholly owned subsidiary	-	-
- Interest receivable from Related Parties	327.05	209.57
- Security deposit given Related Party*	-	-
- Loans and advances to Related Parties measured at amortised cost	4,659.69	-
- Short Term deposits	54.30	59.54
Total	**5,042.17**	**270.29**

*** An Amount relating to Security Deposit given to related party during the last FY has been reclassified to other non current financial asset (Note.no 4)**

11. CURRENT TAX ASSET

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Withholding Taxes	588.07	1,296.32
Less: Adjusted against current tax liability	(588.07)	(1,296.32)
Total	**-**	**-**

12. OTHER CURRENT ASSETS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured considered good		
Prepaid Expenses	20.33	6.27
Advance to Suppliers	104.94	364.20
Balances with Government Authorities	354.81	432.57
Total	**480.08**	**803.04**

13. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised Share Capital		
(i) Equity Shares (3,50,00,000 Nos of ₹ 10 each)	35,00,00,000	35,00,00,000
(ii) Preference Shares (5,00,000 Nos of ₹ 100 each)	5,00,00,000	5,00,00,000
Total	**40,00,00,000**	**40,00,00,000**
Issued		
(i) Equity Shares (2,10,02,024 Nos of ₹ 10 each)	21,00,20,240	15,47,51,760
Subscribed And Paid Up		
(i) Equity Shares (2,10,02,024 Nos of ₹ 10 each)	21,00,20,240	15,47,51,760
Total	**21,00,20,240**	**15,47,51,760**

There has been change in Paid up Equity Share Capital during the year

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

Details of Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos	% of Holding	Nos	% of Holding
Sherisha Technologies Private Limited	46,09,003	21.95%	20,83,411	13.46%
T.Anil Jain	48,24,815	22.97%	25,13,533	16.24%
Total	**94,33,818**	**44.92%**	**45,96,944.00**	**29.71%**

14. OTHER EQUITY

Amount in Lakhs

Particulars	For the year ended March 31, 2021					
	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2020	422.10	2,324.12	-	3,291.84	(5.27)	**6,032.79**
Movement to Reserves	-	1,934.40	-	4,093.81		**6,028.21**
Dividend paid during the year				(210.02)		**(210.02)**
Total Comprehensive Income for the Year	-	-	-			**-**
Other Comprehensive Income for the Year	-	-	-		0.11	**0.11**
Balance as at March 31, 2021	**422.10**	**4,258.52**	**-**	**7,175.63**	**(5.16)**	**11,851.08**

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Amount in Lakhs

Particulars	For the year ended March 31, 2020					
	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2019	422.10	2,324.12	-	(20.77)	(0.07)	**2,725.37**
Movement to Reserves	-		-	3,312.61		**3,312.61**
Total Comprehensive Income for the Year	-	-	-			**-**
Other Comprehensive Income for the Year	-	-	-		(5.19)	**(5.19)**
Balance as at March 31, 2020	**422.10**	**2,324.12**	**-**	**3,291.84**	**(5.27)**	**6,032.79**

15. BORROWINGS - SHORT TERM/ LONG TERM

Amount in Lakhs

Borrowings	Short Term		Long Term	
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(i) Secured				
- Vehicle Loan (See Note i)	1.98	12.75	8.98	-
(ii) Unsecured				
- Inter Corporate Deposits at Amortised Cost	-	150.00	-	-
- Term Loan (See Note ii)	-	9.15	-	-
Total	**1.98**	**171.90**	**8.98**	**-**

Notes:-

i. Vehicle loans include Car Loan taken from Kotak Prime during the Financial year 2020-21 and repayable in 60 Months.

ii. Term loan from banks have been fully repaid during the year

16. LONG TERM PROVISIONS

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits:-		
- Gratuity	30.50	24.01
- Leave Encashment	8.00	3.33
Provision for Contingent Liability	581.46	581.46
Provision for Current Contingency	328.58	-
Total	**948.54**	**608.79**

Provision for contingent Liability is towards disputed Income Tax Demand.

Provision for Taxation has been regrouped under Other current liabilities (Note no.19)

17. TRADE PAYABLES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables (Refer Note 30)		
- Dues to Micro and Small Enterprises	376.43	301.59
- Others Trade Payables	9,661.93	3,818.65
Total	**10,038.35**	**4,120.23**

Note:

No interest due for these outstandings under MSME Act, 2006.

18. OTHER FINANCIAL LIABILITIES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of long term debt	-	-
Unclaimed Dividends	-	-
Payable to Employees	26.56	8.33
Cylinder Deposit	9.45	47.16
Total	**36.00**	**55.48**

19. OTHER CURRENT LIABILITIES

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Liabilities	302.97	395.13
Advance from customers	1.13	-
Other current liabilities	251.77	12.07
Directors Remuneration Payable-AnilJain	2.27	-
Provision for Taxation (Net)	1,184.32	117.67
Provision for Employee Benefit - Short Term	2.10	-
Total	**1,744.55**	**524.87**

20. REVENUE FROM OPERATIONS

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Revenue from Refrigerant Gases	1,719.87	2,010.81
Revenue from Ash and Coal Handling	51,574.02	58,905.59
Revenue from Solar Segment	1,231.54	1,485.27
Revenue from Service Segment	8,740.45	3,672.77
Total	**63,265.88**	**66,074.43**

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

21. OTHER INCOME

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Interest from Inter-Company Deposits	399.47	432.43
Interest from Fixed Deposits	10.29	4.49
Foreign Exchange Flucuation - Gain	10.38	21.67
Miscellaneous income	0.22	1.22
Write Back	22.54	-
Handling charges - income	1.48	-
Profit/Loss on Sale of Fixed Assets - Ho	-	19.27
Total	**444.37**	**479.09**

22. COST OF MATERIALS CONSUMED*

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Opening Balance		
Opening Raw Materials and Components	318.25	758.69
Add:		
Cost of materials Consumed	20,842.82	42,995.39
Freight Inward	6.75	3.92
Consumption of Stores and Spares	12.96	11.56
Less: Closing Stock		
Closing Raw Materials and Components	(548.64)	(318.25)
Total	**20,632.13**	**43,451.31**

*The Cost of Material consumed represents cost of services & products

23. PURCHASE OF STOCK IN TRADE

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Solar Accessories	-	-
Service Purchase	-	12,293.90
Purchase Coal	32,065.85	-
Total*	**32,065.85**	**12,293.90**

*The above amount includes services bought for all the Business Segments.

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

24. EMPLOYEE BENEFITS EXPENSE

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Salaries, and Bonus etc.*	442.04	241.19
Contribution to Provident and Other Funds	21.78	13.38
Staff Welfare Expenses	54.99	22.38
Directors Remuneration	84.00	36.00
Total	**602.81**	**312.95**

*The above amount also include the payment to contractors

25. FINANCE COST

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Interest cost on financial liabilities measured at amortised cost	892.80	86.81
Other Charges	4.23	3.77
Total	**897.03**	**90.58**

The above includes Interest on Lease Liability of ₹ 885.92 Lakhs.

26. DEPRECIATION AND AMORTISATION

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Depreciation / Amortisation for the year		
- Tangible Assets & Intangible assets	529.05	139.32
Total	**529.05**	**139.32**

The above includes Depreciation on account of IND AS - Leases Application to the tune of ₹ 456.20 Lakhs.

27. OTHER EXPENSES

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Advertisement and Publicity	98.15	33.40
Annual General Meeting Expenses	0.34	0.11
Audit fees	6.35	6.35
Bad Debts	86.16	2,657.93
Communication	3.78	5.31
Director Sitting Fees	1.60	0.90
CSR Expenses	224.03	190.79

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Food , Accommodation & Travelling Expenses	748.03	212.49
General Expenses	1.25	3.10
Insurance	13.25	10.89
Legal , Professional & Expert Engagement Fees	125.31	93.61
Inventory Write off	39.09	-
Manpower Services	104.67	-
Machine Hiring Charges	19.98	
Power and fuel	457.01	51.53
Printing and stationery	15.06	7.84
Rates and taxes	130.28	65.14
Rent including lease rentals	101.00	1,200.48
Repairs and maintenances	59.28	67.46
Security Charges	9.12	5.49
Selling and Distribution Expenses	50.24	93.90
Provision for Contingent Liability - Ascertained	761.16	-
Provision for Bad and Doubtful Debts as per ECL	59.26	129.11
Transportation, Handling and Carriage expenses	83.73	46.14
Total	**3,198.11**	**4,881.98**

Payment made to Auditors

Amount in Lakhs

Particulars	For Year Ended March 31, 2021	For Year Ended March 31, 2020
Payment made to statutory auditors :		
i. As auditors	6.00	6.00
ii. For taxation matters	-	-
iii. For other services	-	-
iv. For reimbursement of expenses		
Total	**6.00**	**6.00**

28. LITIGATIONS INVOLVING OUR COMPANY:

Our Company is involved in certain legal proceedings, which are pending at varying levels of adjudication at different forum. The outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company. We cannot assure you that these legal proceedings will be decided in favour of our Company, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.

A. LITIGATIONS INVOLVING OUR COMPANY

1. AGAINST OUR COMPANY

(a) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

i. M/s Hindustan Fluoro Carbon Limited (the "Petitioner") has filed a writ petition (19504/2009) before the Hon'ble High Court of Andhra Pradesh at Hyderabad (the "Court") under Article 226 of Constitution of India in the year 2009 against State Bank of India, Chennai and Ors. (collectively, the **"Respondents"**). Our Company is one of the Respondents in the matter. Petitioner has filed the writ before the Court in the nature of Mandamus to declare the act of State Bank of India, one of the Respondents, rejecting Petitioner's letter of credit issued by SBI-Commercial Branch Chennai, as illegal and consequentially seeking an order directing State Bank of India to honor its commitment to realise the payment of ₹ 132.06 Lakhs along with interest on the same to the Petitioner towards goods supplied by the Petitioner to our Company. Our Company has filed counter reply with the Hon'ble High Court in the year 2016 to dismiss the writ petition. Presently, the matter is pending before the Hon'ble High Court.

ii. A vendor namely "Kolane Refrigerants" has filed a Criminal Complaint against the Company & its then Directors [File No.28/1] before the Chief Judicial Magistrate Pulwama, Jammu & Kashmir ("CJM"), alleging criminal charges of cheating to the extent of ₹ 22,00,000, against Company for invoking Letter of Credit towards import of refrigerant gas consignment. The CJM admitted the complaint and thereafter, the complaint got dismissed for non-prosecution a couple of occasions in 2008 and 2013 and was later restored. The matter is presently pending for appearance of the Company and its Directors and shall come up for hearing in due course.

(b) Litigation involving material violations of statutory regulations which are currently pending or have arisen in the preceding last ten years:

Income tax department has filed an appeal before the Hon'ble High Court of Madras at Chennai (the "Court") as aggrieved by an order of Hon'ble Income Tax Appellate Tribunal (ITAT), Chennai under Section 143(1) of Income Tax Act 1961 which was passed in favour of our Company. This matter relates to the tax demand to the tune of ₹ 170.61 Lakhs for the assessment year 2009-10 which was raised by an assessing officer by way of issue of an assessment order dated October 16, 2014 under Section 40 (a) (ia) of Income Tax Act, 1961. The matter is pending and shall come up for hearing in due course.

2. FILED BY OUR COMPANY

(a) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

i. Our Company has filed an execution petition in the original suit (60/2014) before the Hon'ble District Munsiff Judge at Chengalpet (the ***"Court"***) under Order XXI read with Rule 11 (2) of Civil Procedure Code, 1908 for execution of judgement and decree obtained by our Company in Original Suit (60/2014) (the "Suit") against V.Veera alias Veerapathiran (the ***"Defendant"***) before Court seeking permanent injunction and removal of the construction undertaken by the Defendant over the immovable property located at No. 114 Thandalam Village, Now Thirupporur Taluk, Kancheepuram District admeasuring 0.33 Hectares which is disputed in Suit. The said matter is pending.

ii. Our Company has filed a commercial suit (747/2012) before the Hon'ble High Court of Madras at Chennai under Order XVII read with Rule 1 of Civil Procedure Code, 1908 against United India Assurance Co. (the "Defendant") for recovery of insurance claim rejected by the Defendant, to the tune of ₹ 484.93 Lakhs for the loss caused to our Company because of leakage of stored gas which was insured by standard fire and special peril policy availed from the Defendant. The matter is pending before the court will shall come up for hearing in due course.

iii. Our Company (the "Petitioner") had filed a writ petition (20939/2017) before the Hon'ble High Court of Madras at Chennai (the "Court") under Article 226 of Constitution of India against The Chief Commissioner of Customs and Deputy Commissioner of Customs, Chennai (collectively, the "Respondents") to challenge

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the act of detention without any authority but with an oral intimation, of two containers of refrigerant gas namely R-142B in 2 ISO tanks by the Deputy Commissioner of Customs which were imported from China in the year 2014 by Petitioner. The matter was heard and the Hon'ble Court directed the Petitioner to deposit sum of ₹ 28.94 Lakhs for the release of said containers by Respondents and directed to appear before the Respondents. Pursuant to the Hon'ble High Court's direction, the Company made its written submissions (owing to covid-19 lockdown restrictions the Company could not make physical appearance) to the Office of the Commissioner of Customs (Chennai-II) following which the Commissioner had passed an adverse order dated 25.05.2021. The Commissioner had vide the impugned order imposed fine of ₹ 250,000 for present consignment and ₹ 260,00,00 for the past consignment and penalty of ₹ 100,000 for present consignments and 600,000 for past consignment under the relevant provisions of Customs Act, 1962. The company is in the process of preferring an appeal against the said order passed by the Office of the Commissioner of Customs (Chennai-II).

iv. We have filed an appeal against the order of the Ld. Additional Commissioner of Customs (Gr.4) in Order No 78192/2020 dated December 18, 2020 submitting that the impugned goods are not covered under the Gas Cylinder Rules, 2016 ("GCR") and that there is no requirement for us to obtain the PESO license for import of the same and further that no penalty can be imposed under Section 112(a) of Customs Act, 1962. By the impugned order, Ld. Additional Commissioner of Customs ordered for confiscation of goods viz. Empty tin cans imported by the Company valued at ₹ 13,81,666/- under Section 111(d) of Customs Act, 1962 besides imposing a penalty of ₹ 50,000 under section 112(a) of the Act. The appeal is yet to be listed and we are in the process of trying to get the same listed at the earliest. We have currently gone on appeal to CESTAT and the matter is yet to be listed.

v. Our Company has filed a suit (105/2011) (the ***"Suit"***) before the Hon'ble District Munsiff Court at Chengalpet (the "Court") under Order XVIII read with Rule 1 of Civil Procedure Code, 1908 against Mr. Dhanpal (the "Defendent") seeking permanent injunction against the Respondent from encroachment and removal of the construction undertaken by the Defendant over the immovable property located at No. 114 Thandalam Village, Now Thirupporur Taluk, Kancheepuram District admeasuring 0.33 Hectares which is disputed in Suit. The Hon'ble Court passed a judgement and decree favour of our Company and we are in process of filing the execution petition under Order XXI read with Rule 11(2) of C.P.C for execution of judgment and decree obtained in the Suit.

vi. Our Company has filed a Commercial Summary Civil suit [C.S.No.658/2019] (the ***"Suit"***) before the Hon'ble High Court, Madras (the "Court") under Order VII Rule 1 CPC read with section 2 (1)(c)(i) of the Commercial Court, Commercial Division, Commercial Appellate Division of the High Court Act, 2015 against ICICI Bank Limited, T.Nagar Branch, Chennai (**"the Defendant"**) for recovery of ₹ 1,74,72,785/- being the loss and damages cost due to ICICI's negligence in respect of export of consignments to an importer in Kenya, ICICI being the escrow agent had negligently released original delivery documents before receiving payments and hence the commercial suit. Notice has been ordered to be served and returned by 03.08.2021.

(b) Litigation involving issues of moral turpitude or criminal liability, which are currently pending or have arisen in the preceding last ten years:

i. Our Company has filed a criminal complaint (7463/2017) before the Hon'ble Metropolitan Magistrate Court, Saidapet, Chennai under Section 138 of the Negotiable Instruments Act, 1938 against Mr. Rajendar Malu, proprietor of M/s Premier Electric & Refrigeration C. (the "Accused") for dishonor of Cheque issued towards outstanding dues to the tune of ₹ 4.75 Lakhs in respect of supply of goods to accused by our company. The parties are exploring the possibility of settlement of present dispute. The Company will withdraw the case in the event, the dispute is mutually and amicably settled. Presently, the said litigation is pending and shall come up for hearing in due course.

(c) Litigation involving material violations of statutory regulations which are currently pending or have arisen in the preceding last ten years:

i. Our Company has filed an appeal before the Hon'ble Income Tax Appellate Tribunal (the "ITAT") as aggrieved by an order of CIT (Appeals) under Section 260A of Income Tax Act. This matter relates to the tax demand to the tune of ₹ 581.45 Lakhs for the assessment year 2011-12 which was raised by an assessing officer by way of issue of an assessment order dated June 27, 2014 under Section 143(3) read with Section 263 of Income Tax Act, 1961. The matter is pending before the ITAT and shall come up for hearing in due course.

29. ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Amount in Lakhs

S. No	Particulars	As at March 31, 2021	As at March 31, 2020
A	**Expenditure in Foreign currency on:**		
	(i) Salary and allowance		-
	(ii) Tours and Travels		0.38
	(iii) Import of Materials/ Equipment (CIF Value)		
	a. Refrigerant Gases	1,149.31	1,076.09
	b. Capital goods		-
	c. Components and spares	2.40	2.46
	d. Finished goods/Semi Finished goods		-
	e. Raw Materials		-
	f. Others	7.17	13.81
B	**Earnings in Foreign Exchange**	**-**	**283.35**

30. INFORMATION IN RESPECT OF MICRO, SMALL AND MEDIUM ENTERPRISES AS AT MARCH 31, 2021:

Amount in Lakhs

S. No	Particulars	As at March 31, 2021	As at March 31, 2020
1	Amount remaining unpaid to any supplier:		
	a) Principal Amount	376.43	301.59
	b) Interest due thereon	-	-
2	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day;	Nil	Nil
3	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
4	Amount of interest accrued and remaining unpaid	Nil	Nil
5	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

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Disclosure requirements of Indian Accounting Standards

31. DISCLOSURES IN RESPECT OF IND AS 107 - FINANCIAL INSTRUMENTS

a. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

(Amount as of March 31, 2021)

Amount in Lakhs

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit and loss	Financial assets/ liabilities at fair value through OCI
Assets:			
Non-Current Investment	7,400.00	-	-
Other Long Term Financial Assets	700.00	-	-
Current Trade Receivables	9,295.79	-	-
Cash & Cash Equivalents	1,724.58	-	-
Other Bank Balances	-	-	-
Other Financial Assets	5,042.17	-	-
Liabilities:			
Long term Borrowings	8.98	-	-
Lease Liability	7,404.39	-	-
Other Non- Current financial liabilities		-	-
Short term Borrowings	1.98	-	-
Trade Payables	10,038.35	-	-
Other Current financial liabilities	36.00	-	-

(Amount as of March 31, 2020)

Amount in Lakhs

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit and loss	Financial assets/ liabilities at fair value through OCI
Assets:			
Non-Current Investment	-	-	-
Other Long Term Financial Assets	700.00	-	-
Current Trade Receivables	7227.27	-	-
Cash & Cash Equivalents	2,095.60	-	-
Other Bank Balances	-	-	-
Other Financial Assets	270.29	-	-
Liabilities:			
Long term Borrowings	-	-	-
Lease Liability	730.18		
Other Non- Current financial liabilities	-	-	-
Short term Borrowings	171.90	-	-
Trade Payables	4120.23	-	-
Other Current financial liabilities	55.48	-	-

b. Fair Value Hierarchy

- **Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

c. Valuation Technique used to determine Fair Value:

The carrying amount of current financial assets and current trade and other financial liabilities measured at amortised cost are considered to be the same as their fair values, due to their short term nature. The carrying amount of Security Deposit measured at amortised cost is considered to be the same as its fair value due to its insignificant value. The carrying value of Rupee Term Loan and Term loan from related parties' approximate fair value as the instruments are at prevailing market rate.

32. FINANCIAL RISK MANAGEMENT

The Company's activities expose to limited financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument.

The company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), Interest rate risk and the market value of its investments.

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. It principally arises from the Company's Trade Receivables, Retention Receivables, Advances and deposit(s) made.

Trade receivables

The company has outstanding trade receivables amounting to ₹ 92,95,78,589.66 as at March 31, 2021 & ₹ 72,27,26,787.61 as at March 31, 2020 respectively. Trade receivables are typically unsecured, except for security deposits received from the new dealers and are derived from revenue earned from customers. Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Default on account of Trade Receivables happens when the counterparty fails to make contractual payment when they fall due.

Further for amounts overdue are constantly monitored by the management and provision towards expected credit loss are made in the books. Management estimated of expected credit loss for the Trade Receivables are provided below with the classification on debtors.

Particulars	Overdue period							
	0-30days	30-60days	60-90 days	90-120 days	120-180 days	180-360 days	360 days– 3 Years	> 3 Years
Trade Receivables	3.00%	3.00%	3.00%	5.00%	10.00%	10.00%	100%	100.00%

The above % has been arrived by taking a simple average of 3 Variants as prescribed by the standard. The 3 variants are arrived on by the management on the basis of Conservative, Moderate and aggressive estimates.

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Credit risk exposure:

An analysis of age of trade receivables at reporting date is summarised as follows:

Amount in Lakhs

Particulars	**March 31, 2021**	
	Net outstanding	**Impairment**
0 to 30 days	3,701.92	111.06
30 to 60 days	787.90	23.64
60 to 90 Days	415.44	12.46
90 to 120 days	6.53	0.33
120 to 180 days	70.84	7.08
180 to 360 days	11.78	1.18
More than 360 days	139.29	139.29
No credit loss expected	4,457.12	-
Total	**9,590.82**	**295.04**

Movement in Provision for Doubtful Debts	**Amount**
As at March 31, 2020	235.78
Charge for the year ended March 31, 2021	59.26
Reversal of Excess Provision	-
As at March 31, 2021	**295.04**

Trade receivables are impaired in the year when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations, Term loan from Banks, and Contribution in the form of share capital.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues, repayment of loans and retention & deposits arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short-term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals. Our non-current liabilities include Long term secured loan from Banks, Lease liability and other long term provisions.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

The table include both principal cash flows.

(Amount as of March 31, 2021)

Amount in Lakhs

Particulars	**1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Vehicle Loans	1.98	6.98	2.00	-	10.96

(Amount as of March 31, 2020)

Amount in Lakhs

Particulars	1 year	1-3 years	3-5 years	More than 5 years	Total
Term Loan from Banks	9.15	-	-	-	9.15
Vehicle Loans	12.75	-	-	-	12.75
Inter Corporate Deposits	150.00	-			150.00

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates does not have material impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks and the impact of which is found to be immaterial.

Interest Rate Risk

At the reporting date the interest rate profile of the company's interest – bearing financial instruments as follows, all being fixed rate of borrowing, the company is not assuming any risk on interest increase.

Particulars	As at March 31, 2021	As at March 31, 2020
Financial Liabilities		
- Term Loan from Bank – Unsecured	-	16.5%
- Vehicle Loan from Bank - Secured	8.00%	9.50%
- Vehicle Loan from Bank	-	10.50%
- Vehicle Loan from Financial Institutions	-	8.40%
- Inter – Corporate Deposits	-	7%

The period end balances are not necessarily representative of the average debt outstanding during the period.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets or by adequate funding by the shareholders to absorb the losses of the Company.

The Company's capital comprises equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximise shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The total share capital as on March 31, 2021 is ₹ 21,00,20,240 (Previous Year: ₹ 15,47,51,760).

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Total Debt	10.98	171.90
Less : Cash and cash equivalent	1,724.58	2,095.60
Net Debt	-	-
Total Equity	13,951.28	7,580.31
Net debt to equity ratio	NA	NA

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33. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD (IND AS)-19 "EMPLOYEE BENEFITS"

a. General description of various defined employee's benefits schemes are as under:

a) Provident Fund:

The company's Provident Fund is managed by Regional Provident Fund Commissioner. The company pays fixed contribution to provident fund at pre-determined rate.

b) Gratuity:

Gratuity is a defined benefit plan, provided in respect of past services based on the actuarial valuation carried out by LIC of India and corresponding contribution to the fund is expensed in the year of such contribution.

The scheme is funded by the company and the liability is recognised on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

b. The summarised position of various defined benefits recognised in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

(Actuarial Valuation)

Movement in defined benefit obligation:

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation -Beginning of the year	24.00	16.68
Current service cost	6.48	3.95
Interest Cost	1.64	1.30
Benefits Paid		-
Re-measurements - actuarial loss/(gain)	(0.11)	(5.19)
Past service cost/ others	-	7.26
Defined benefit obligation – End of the year	32.02	24.00

Amount Recognised in Statement of Profit and Loss

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Current service cost	6.48	3.95
Past service cost	-	-
Loss/Gain on settlement	-	-
Net Interest cost/(income) on Net Defined Benefit Liability/(assets) (B)	1.64	1.30
Cost Recognised in P&L	**8.12**	**5.25**

Amount recognised in Other Comprehensive Income (OCI)

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Actuarial (gain)/ loss due to assumption changes	-	-
- change in financial assumptions	0.68	(3.94)
- experience variance(i.e. Actual experience Vs assumptions)	(0.79)	(1.27)
Actuarial (gain)/loss recognised in OCI	**(0.11)**	**(5.19)**

Sensitivity Analysis

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation (base)	32.02	24.00

Amount in Lakhs

Assumption	Change in Assumption	March 31, 2021	March 31, 2020
Discount Rate	+1.0%	27.61	20.80
	-1.0%	37.46	27.92
Salary growth Rate	+1.0%	37.34	27.84
	-1.0%	27.61	20.81
Attrition Rate	+50%	31.60	23.70
	-50%	32.48	24.33
Mortality Rate	+10%	32.01	24.00
	-10%	32.03	24.01

Actuarial Assumption

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.85%	6.85%
Rate of salary increase	10% p.a for first 3 years and 7.5% p.a thereafter	10% p.a for first 3 years and 7.5% p.a thereafter
Retirement Age	58 Years	58 Years
Average Future Service	18.74	18.09

Leave encashment

Movement in defined benefit obligation:

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Present value of obligation	8.35	3.33
Fair value of plan assets	-	-
Surplus/ (Deficit)	(8.35)	(3.33)
Effects of asset ceiling, if any	-	-
Net asset/(liability)	(8.35)	(3.33)

Amount Recognised in Statement of Profit and Loss

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Present value of obligation as at the beginning	3.33	2.08
Present value of obligation as the end	8.35	3.33
Benefit payment	-	0.39
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Cost Recognised in P&L	**5.02**	**1.63**

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Sensitivity analysis

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation (base)	(8.35)	(3.32)

Amount in Lakhs

Assumption	Change in Assumption	March 31, 2021	March 31, 2020
Discount Rate	+1.0%	7.08	2.90
	-1.0%	9.94	3.84
Salary growth Rate	+1.0%	9.91	3.83
	-1.0%	7.08	2.90
Attrition Rate	+50%	8.26	3.30
	-50%	8.45	3.35
Mortality Rate	+10%	8.35	3.32
	-10%	8.35	3.32

Actuarial Assumption

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Discount rate	**6.85%**	**6.85%**
Rate of salary increase	10% p.a for first 3 years and 7.5% p.a thereafter	10% p.a for first 3 years and 7.5% p.a thereafter
Retirement Age	58 Years	58 Years
Average Future Service	18.74	17.80

34. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD (IND AS)-108: "OPERATING SEGMENTS"

The Company has derived revenue from 2 customers which amounts to more than 10 per cent of Company's revenue constituting 61.78 percent of the total revenue generated and pertains to coal and ash handling segment.

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Segment Revenue (Net Sales/Income)		
Coal & Ash Handling Business	51,574.02	58,905.59
Solar Power - Generation and Related Activities	1,231.54	1,485.27
Refrigerant Gas- Manufacturing(Refilling) and Sales	1,719.87	2,010.81
Sale Of Service	8,740.45	3,672.77
Total	**63,265.88**	**66,074.43**
Segment Results		
(Profit /Loss before Interest and Tax)		
Coal & Ash Handling Business	4,889.88	4,012.95
Solar Power - Generation and Related Activities	526.15	(129.71)
Refrigerant Gas- Manufacturing-Refilling &Sales	61.03	(159.98)
Sale Of Service	2,905.08	1,825.93
Corporate	(2,144.21)	(1,135.69)
Total	**6,237.93**	**4,413.51**

Amount in Lakhs

Particulars	March 31, 2021	March 31, 2020
Finance Cost	897.03	90.58
Other Income	444.37	479.09
Profit /Loss before Tax	**5,785.27**	**4,802.03**
Segment Assets		
Coal & Ash Handling Business	9,171.46	1,378.89
Solar Power - Generation and Related Activities	7,263.93	833.17
Refrigerant Gas- Manufacturing-Refilling & Sales	2,729.25	2,836.26
Sale Of Service	1,750.61	-
Corporate	13,218.84	8743.45
Total- Segment Assets	**34,134.09**	**13791.77**
Segment Liabilities		
Coal & Ash Handling Business	9,564.62	2,495.59
Solar Power - Generation and Related Activities	7,697.13	994.71
Refrigerant Gas- Manufacturing-Refilling & Sales	254.18	215.10
Sale Of Service	3,513.08	1,107.91
Unallocated		
Corporate	13,105.08	8978.46
Total-Segment Liabilities	**34,134.09**	**13791.77**

35. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD (IND AS)-37 "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS"

These provisions are expected to be settled in the next financial year. Management estimates the provision based on historical information and any recent trends that may suggest future claims could differ from historical amounts.

Amount in Lakhs

Particulars	Opening balance as on April 01, 2020	Additions/ Transfers during the year	Utilisation during the year	Reversal during the year / Transfers during the years	Closing balance as on March 31, 2021
Short term Provision for tax (Net)	117.67	1184.32	-	117.67	1184.32
Provision for ECL	235.78	59.26	-	-	295.04
Provision for Contingent Liability	581.46	-	-	-	581.46
Provision for current contingency	-	761.15	-	432.57	328.58

<u>Contingent Liabilities</u>:

Amount in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Corporate Guarantee to Group Co.	3,748.00	3,748.00
Other Guarantees	7,350.00	7,800.00
Claims against the company not acknowledged as debts		
In respect of :		
a) Income tax	170.61	170.61
b) Civil	22.00	132.06
c) Customs & Central Excise	36.00	35.50

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36. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD 24 "RELATED PARTIES DISCLOSURES"

a) The names of Related Parties of the Company are as under:

(i) Key Managerial Personnels (KMPs)

Mr. Aniljain - Managing Director

S.GopalKrishnan- Company Secretary

U.Lalitha - Chief Financial Officer

(ii) Firms/Companies in which Key Managerial Personnel are interested

Refex Energy Limited

Refex Solar Power Private Limited

Sherisha Technologies Private Limited

Broil Solar Energy Private Limited

SEI CleanTech Private Limited

Ishaan Solar Power Private Limited

SEI Tejas Private Limited

SunEdison Infrastructure Limited

SunEdison Energy India Private Limited

b) Transactions during the Year ended March 31 2021

Amount in Lakhs

Name of Related Party	Nature of Transaction	2020-21	2019-20
Aniljain - Managing Director	Director Remuneration	84.00	36.00
	Rental Expenses	25.15	19.95
	Dividend	48.25	-
	Rights Issue	1,040.08	-
	Other reimbursements	2.39	-
U.Lalitha - Chief Financial Officer	Salary & Allowances	15.46	13.88
S.GopalKrishnan- Company Secretary	Salary & Allowances	3.96	3.96
Entities in which Key Management personnel are interested			
Broil Solar Energy Private Limited	Reimbursement	-	2.32
Ishaan Solar Power Private Limited	Amount received	-	16.68
Refex Energy Limited	Reimbursement	-	0.35
	Sales	-	226.82
	Purchase	886.06	1622.43
Refex Solar Power Private Limited	Interest Income	-	50.78
	Purchase	425.98	305.51
	Reimbursement	4.15	3.72
SEI CleanTech Private Limited	Reimbursement	-	0.13
Sei Tejas Private Limited	Sales	12.16	33.71
SunEdison Energy India Private Limited	Sales	1.32	0.20

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

Amount in Lakhs

Name of Related Party	Nature of Transaction	2020-21	2019-20
SunEdison Infrastructure Limited	Reimbursement	-	0.55
	Sales	11.36	48.12
	Purchase service	38.33	-
Sherisha Technologies Private Limited	Interest Income on Advance	327.05	391.82
	Reimbursement received	6.39	
	Dividend	46.09	
	Rental Charges	8.17	10.33
	Rights Issue	1,136.52	-
	Purchase & Reimbursement	2,549.51	1,177.30
	Loan/Advance	4,659.69	3,265.14
Relatives of KMP	Dividend	10.16	-
	Rights Issue	119.45	-

C) Cumulative Balances Outstanding during the Year ended March 31, 2021

Amount in Lakhs

Name of Related Party	Group Classification	2020-21	2019-20
Anil Jain	Rent and Remuneration payable	3.10	-
Refex Energy Limited	Trade Payable	419.97	0.27
Refex Solar Power Private Limited	Interest Receivable	-	45.70
SEI Cleantech Private Limited	Reimbursement Outstanding	-	0.14
Ishan Solar Power Private Limited	Trade Receivable	0.01	10.01
SEI Tejas Private Limited	Trade Receivable	18.62	6.42
SunEdison Infrastructure Limited	Trade Receivable	22.30	21.44
Sherisha Technologies Private Limited	Advances	700.00	700.00
	Rental Deposit	7.00	7.00
	Interest Receivable	327.05	163.87
	Inter Corporate Deposit	4,659.69	-

37. COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of inventories, receivables and intangibles (including goodwill). In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2021 (Contd.)

38. PREVIOUS YEARS FIGURES HAVE BEEN REGROUPED/ RECLASSIFIED WHEREVER NECESSARY TO CONFIRM TO THE CURRENT YEAR'S PRESENTATION

Signature to Notes 1 to 38

Notes 1 to 38 forms part of the Financials

As per our report of even date attached

For and On behalf of the Board of Directors

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
Jamuna Ravikumar
Director
(DIN:08009308)

Place: Chennai
Date: June 30, 2021

Sd/-
U.Lalitha
Chief Financial Officer

Sd/-
S.Gopalkrishnan
Company Secretary

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Registered Office

Refex Industries Limited
Bascon Futura SV IT Park, New #10/2,
Old #56L, Venkatanarayana Road,
T Nagar, Chennai – 600 017

Phone: +91-44-43405950

Email: info@refex.co.in