

29<sup>th</sup> August, 2022

Corporate Relationship Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001

**Script Code: 522281**

**Sub.: Submission of Annual Report for the Financial Year 2021-22 along with the Secretarial Audit Report of material unlisted subsidiary Company**

Dear Sir/Madam,

In furtherance to our letter dated 29<sup>th</sup> August, 2022 and pursuant to the provision of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual report of the Company for the financial year 2021-22, along with the Secretarial Audit Report of Global Copper Private Limited, material unlisted subsidiary of the Company.

The Annual Report containing the Notice of AGM is also available on the Company's website at:  
<https://www.rrshramik.com/wp-content/uploads/sites/2/2022/08/Annual-Report-2021-22.pdf>

Further in compliance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India, the Notice convening the 30<sup>th</sup> AGM and the Annual Report of the Company for the financial year 2021-22 has been sent to all the members of the Company whose email addresses are registered with the Company / Depository Participant(s) / Datamatics Business Solutions Limited, Registrar and Share Transfer Agent of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,  
For **Ram Ratna Wires Limited**,



**Saurabh Gupta**  
**Company Secretary & Compliance Officer**  
**ACS No. 53006**  
**Encl.: as above**





30<sup>th</sup> ANNUAL REPORT

**2021-22**

**RAM RATNA WIRES LIMITED**

वसुदेवसुतं देवं कंसचाणूरमर्दनम् । देवकीपरमानन्दं कृष्णं वन्दे जगद्गुरुम् ॥



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## 30<sup>th</sup> ANNUAL GENERAL MEETING

Day & Date : Wednesday, 21<sup>st</sup> September, 2022

Time : 10:30 a.m.

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## COMPANY INFORMATION

### CHAIRMAN EMERITUS

**Shri Rameshwarlal Kabra** ..... Chairman Emeritus

### BOARD OF DIRECTORS

**Shri Tribhuvanprasad Kabra** ..... Chairman

**Shri Mahendrakumar Kabra** ..... Managing Director

**Shri Hemant Kabra** ..... President & CFO (Executive Director) (Designation changed w.e.f. 29<sup>th</sup> June, 2021)

**Shri Sandeep Jhanwar** ..... Independent Director

**Shri R. Kannan** ..... Independent Director

**Shri Ramesh Chandak** ..... Independent Director

**Smt. Payal Agarwal** ..... Independent Director

### OFFICE & MANUFACTURING UNITS

**REGISTERED OFFICE** : Ram Ratna House, Oasis Complex, P. B. Marg, Worli, Mumbai - 400 013.

Website : [www.rrshramik.com](http://www.rrshramik.com) • CIN : L31300MH1992PLC067802

**CORPORATE OFFICE** : Ground Floor (South West Part), Alembic Business Park, Situated at RS No. 1093/1, Bhailal Amin Marg Gorwa, Vadodara, Gujarat - 390016

**WORKS (Unit -1)** : Survey No. 142/2, Madhuban Dam Road, Rakholi, Silvassa - 396 240, U.T. of D.N.H. & D.D.

**WORKS (Unit -2)** : Survey No. 212/2, Near Dadra Check Post, Dadra, Silvassa - 396 193, U.T. of D.N.H. & D.D.

**WORKS (Unit -3)** : Survey No. 16/1, Sayali Road, Village Karad, Rakholi, Silvassa - 396 240, U.T. of D.N.H. & D.D.

### REGISTRAR AND SHARE TRANSFER AGENT

**Datamatics Business Solutions Limited**, Plot No. B-5, Part B Cross Lane, MIDC, Andheri East, Mumbai - 400 093.

T : 91-22-66712001-10 • F : 91-22-66712011 • E : [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com) • W : [www.datamaticsbpm.com](http://www.datamaticsbpm.com)

**COMPANY SECRETARY**

Shri Saurabh Gupta

**STATUTORY AUDITORS**

M/s. Bhagwagar Dalal & Doshi ..... Chartered Accountants, Mumbai

**COST AUDITORS**

M/s. Poddar & Co. .... Cost Accountants, Thane

**SECRETARIAL AUDITOR**

M/s. Khanna & Co. .... Practicing Company Secretaries, Navi Mumbai

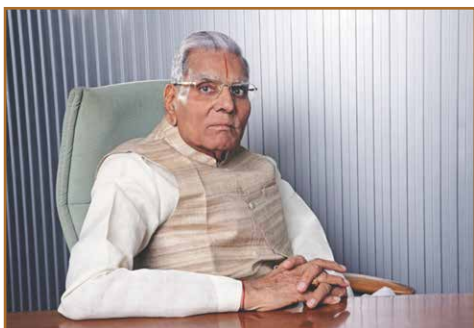
**INTERNAL AUDITORS**

M/s. DMKH & Co. .... Chartered Accountants, Mumbai

**BANKERS**

- State Bank of India
- Standard Chartered Bank
- DBS Bank India Limited
- HDFC Bank Limited
- Kotak Mahindra Bank Limited
- Yes Bank Limited
- The Federal Bank Limited
- ICICI Bank Limited

## CHAIRMAN EMERITUS



**SHRI RAMESHWARLAL KABRA**  
CHAIRMAN EMERITUS

## BOARD OF DIRECTORS



**SHRI TRIBHUVANPRASAD KABRA**  
CHAIRMAN (C)



**SHRI MAHENDRAKUMAR KABRA**  
MANAGING DIRECTOR (M) (M) (M)



**SHRI HEMANT KABRA**  
PRESIDENT & CFO (EXECUTIVE  
DIRECTOR) (M) (M) (M)



**SHRI SANDEEP JHANWAR**  
INDEPENDENT DIRECTOR (C) (C)



**SHRI R. KANNAN**  
INDEPENDENT DIRECTOR (M) (M) (C) (M)



**SHRI RAMESH CHANDAK**  
INDEPENDENT DIRECTOR (M) (M) (C)



**SMT. PAYAL AGARWAL**  
INDEPENDENT DIRECTOR (M)

(C)	Chairman	(M)	Member
(Orange)	Audit Committee		
(Green)	Nomination & Remuneration Committee		
(Yellow)	Stakeholders Relationship Committee		
(Purple)	Corporate Social Responsibility Committee		
(Pink)	Finance Committee		

## CHAIRMAN'S LETTER



Dear Shareholders,

It gives me great pleasure to address you all as we collectively continue to navigate through all challenges posed by the COVID-19 pandemic. I am delighted to present the 30<sup>th</sup> Annual Report 2021-22 of Ram Ratna Wires Limited.

Your Company always strives to make its best efforts in delivering value to its Stakeholders and meeting their expectations. FY 2021-22 has been a challenging year with changes around the globe which has made businesses to transform their practises and work strategically to achieve the targets. Your Company has delivered an impressive performance and achieved some new milestones even in this rigorous time. The Revenue from operations continued to grow to ₹ 2,013 crores and EBIDTA to ₹ 101.48 crores compared with Revenue of ₹ 1,387 crores and EBIDTA of ₹ 53.80 crores recorded in the previous year. This has become possible due to our continuous efforts of optimizing overhead cost, improvement in operations, automations and strategies to mitigate increasing input costs. Company's Profit after Tax was ₹ 48.68 crores compared to ₹ 13.51 crores recorded in previous year. I am very pleased to share with you all that the Board has recommended dividend of 100% for FY 2021-22 based on Company's strong results. Also to commemorate 30 years of incorporation of the Company, I am happy to share that the Board has recommended the issue of Bonus Shares to the Shareholders in the ratio of 1:1 i.e. 1 (One) equity share of ₹ 5/- each for every 1 (One) fully paid-up equity share of ₹ 5/- each.

World is undergoing changes at an unprecedented speed after the outbreak of COVID-19 pandemic. To cater the needs of this dynamic market along with increase in market share, your Company is continuously working to expand its distribution network by adding new Customers, increasing product portfolios, focusing on the timely fulfilment of the industry requirements for the existing products and new products with highest quality standards.

In line with the Company's philosophy of continuous innovations and developments through its in house R&D team, we are in development of new specialized wires to cater needs of new market segments such as electric vehicles (EV) and has future plans for further strengthening its product quality checks with advanced systems and making some of its manufacturing sections fully automatic with integrated working and data collection by PLC integration and ERP systems. This would further help in development of various portals and applications for providing various reports to facilitate customer requirements and providing them with better service.

In continuation of the trend of widening its product basket and expanding its presence in electrical industry, your Company with help of its Subsidiary Joint Venture Company "Epavo Electricals Private Limited" is starting manufacturing of Brushless DC (BLDC) motors



for appliances like AC, fan, HVLS fan and EV. This entire appliance product market is moving towards energy efficient products and almost all products will incorporate BLDC motor that has power-saving advantages relative to other motor types. In future we will see BLDC motors to be used in a wider range of applications. During the year the subsidiary company has also successfully been admitted for the Production Linked Incentive (PLI) Scheme of Government of India for white goods.

Your Company has always believed that our team members are our greatest asset and most valuable resource and we continue to stand behind and support every team member and their families in these tough times of COVID-19 pandemic. “RR CARES” is an initiative started by the Company in FY 2021-22 to provide a sense of security to the families of our colleagues who we have lost unfortunately due to COVID-19 pandemic. Under this initiative the Company has identified three beneficiaries and an amount of ₹ 38 Lakhs will be contributed to their families and further they will be provided education expense till graduation level for up to 2 children.

Recent period has been relentless with the global pandemic, military conflict and more. Your Company is taking concerted actions to be future ready and to achieve continuous growth and give volumetric returns to our shareholders. While the future outlook is fluid with multiple challenges including rising input and supply chain costs, the Company is taking the right actions to compete with them and I am confident that we will emerge stronger. The dedication of every member of Ram Ratna family helped our business navigate through the many challenges of the past year.

I would like to take the opportunity to thank my fellow Board members for their continued guidance, inputs and bringing in unanimity in concrete decision making. I would also like to express my gratefulness to our leadership team and employees for their dedicated work and our suppliers, business partners, investors for their continued trust and support which has helped us make progress and surpass the goals we had set for ourselves. Looking forward for a bright and successful FY 2022-23.

With Warm Regards,  
**Tribhuvanprasad Kabra**  
**Chairman**

## FINANCIAL HIGHLIGHTS - STANDALONE

(₹ in Lakhs)

Description	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
<b>A. Operating Results:</b>								
Net Revenue from Operations	2,01,257.33	1,38,698.12	1,25,548.28	1,25,013.64	1,02,724.95	80,082.95	71,904.81	74,091.18
Other Income	693.94	247.30	408.39	341.45	284.06	164.70	170.24	230.53
<b>Net Profit before Taxation</b>	<b>6,507.01</b>	<b>1,788.76</b>	<b>1,638.04</b>	<b>2,442.61</b>	<b>4,175.61</b>	<b>3,339.40</b>	<b>1,447.32</b>	<b>1,508.38</b>
Provision for Taxation	1,639.30	437.76	211.74	845.79	1,524.54	1,150.70	512.59	526.18
<b>Net Profit after Taxation</b>	<b>4,867.71</b>	<b>1,351.00</b>	<b>1,426.30</b>	<b>1,596.82</b>	<b>2,651.07</b>	<b>2,188.70</b>	<b>934.73</b>	<b>982.20</b>
<b>B. Financial Position:</b>								
Tangible Fixed Assets & Intangible Assets (Net)	12,051.90	13,033.80	13,993.98	14,193.30	11,972.89	7,219.21	5,203.73	4,590.28
Non- Current Assets	1,143.34	684.42	662.63	754.14	1,052.62	964.06	643.57	716.65
Current Assets	41,552.48	39,020.60	28,394.54	32,697.76	25,432.80	21,556.45	14,830.97	15,390.11
Investments	7,693.13	4,919.82	3,657.71	5,721.49	7,552.02	4,097.49	284.29	284.42
<b>TOTAL ASSETS</b>	<b>62,440.85</b>	<b>57,658.64</b>	<b>46,708.86</b>	<b>53,366.69</b>	<b>46,010.33</b>	<b>33,837.21</b>	<b>20,962.56</b>	<b>20,981.46</b>
Share Capital	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00
Reserves and Surplus	25,399.31	18,642.39	16,623.23	17,153.87	15,498.94	11,381.18	6,278.69	5,542.55
<b>SHAREHOLDERS' FUND</b>	<b>26,499.31</b>	<b>19,742.39</b>	<b>17,723.23</b>	<b>18,253.87</b>	<b>16,598.94</b>	<b>12,481.18</b>	<b>7,378.69</b>	<b>6,642.55</b>
Non-Current Liabilities	8,311.72	7,435.39	5,084.89	5,377.70	4,835.73	3,053.34	1,224.04	1,338.40
Current Liabilities	25,933.57	29,457.42	23,041.24	28,119.53	22,629.00	17,125.19	12,057.74	12,658.63
Deferred Tax	1,696.25	1,023.44	859.50	1,615.59	1,946.66	1,177.50	302.09	341.88
<b>TOTAL CAPITAL EMPLOYED</b>	<b>62,440.85</b>	<b>57,658.64</b>	<b>46,708.86</b>	<b>53,366.69</b>	<b>46,010.33</b>	<b>33,837.21</b>	<b>20,962.56</b>	<b>20,981.46</b>
<b>C. Equity Share Data:</b>								
Earning per share (₹)	22.13	6.14	6.48	7.26	12.05	9.95	4.25	4.46
Book value (₹)	120.45	89.74	80.56	82.97	75.45	56.73	33.54	30.19
Final/Interim Dividend (%)	100.00	20.00	10.00	25.00	25.00	25.00	15.00	20.00
Number of Shares (in Lakhs)	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00

The financial results summary for financial years 2016-17 and onwards are prepared in accordance with Ind-AS and Schedule III of the Companies Act, 2013 and the financial results for financial years 2015-16 and prior are prepared as per the Accounting Standards and Indian GAAP.

## NOTICE

Notice is hereby given that the 30<sup>th</sup> Annual General Meeting ("AGM") of the members of Ram Ratna Wires Limited (the "Company") will be held on Wednesday, 21<sup>st</sup> September, 2022 at 10:30 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses. The venue of the meeting shall be deemed to be the Registered office of the Company located at Ram Ratna House, Oasis Complex, P. B. Marg, Worli, Mumbai - 400 013.

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a. the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022, together with the Report of the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2022.
3. To appoint a Director in place of Shri Tribhuvanprasad Kabra (DIN - 00091375), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider the re-appointment of M/s. Bhagwagar Dalal & Doshi, Chartered Accountants (Firm Registration No. 128093W), as the Statutory Auditors of the Company and, if thought fit, to pass the following resolution as an ORDINARY Resolution:

**"RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Bhagwagar Dalal & Doshi, Chartered Accountants (Firm Registration Number 128093W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 35<sup>th</sup> Annual General Meeting on such remuneration as shall be fixed by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

### SPECIAL BUSINESS

5. To consider increase in Authorized Share capital of the Company and consequential alteration of Memorandum of Association of the Company, and, if thought fit, to pass the following resolution as an ORDINARY Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 13, 61, 64 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company or any other applicable laws for the time being in force and subject to all other necessary approvals, permissions, consents and sanctions, if any, the approval of the Members of the Company be and is hereby accorded to increase the existing Authorized Share Capital of the Company from ₹ 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 3,00,00,000 (Three Crores) equity shares of ₹ 5/- (Rupees Five Only) each to ₹ 25,00,00,000/- (Rupees Twenty-Five Crores Only) divided into 5,00,00,000 (Five Crores) Equity shares of ₹ 5/- (Rupees Five Only) each ranking pari passu in all respect with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** subject to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) thereof and the rules framed thereunder, consent of the members of the Company be and is hereby accorded for alteration of existing clause V of the Memorandum of Association of the Company with new Clause V as under:

"V. The Authorised Share Capital of the Company is ₹ 25,00,00,000/- (Rupees Twenty-Five Crores Only) divided into 5,00,00,000 (Five Crores) Equity Shares of ₹ 5/- (Rupees Five only) each with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."

**RESOLVED FURTHER THAT** to give effect to this resolution, the Board of Directors and /or the Company Secretary of the Company be and are hereby severally authorised to do all deeds, matters, things, acts, and to execute any documents and writings, as may be deemed necessary, but not limited to making correspondences with Stock Exchanges or any other regulatory authority, seeking all necessary approvals and/or to settle all questions, difficulties or doubts that may arise in this regard."

6. To consider and approve the issuance of Bonus Shares, and, if thought fit, to pass the following resolution as an ORDINARY Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Companies (Share Capital and Debentures) Rules, 2014, and in accordance with Chapter XI of the Securities

and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Foreign Exchange Management Act, 1999 and the relevant provisions of the Articles of Association of the Company and any other provisions as may be applicable and subject to such approvals, permissions and sanctions as may be necessary from appropriate authorities and pursuant to the recommendation of the Board of Directors of the Company, consent and approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board and which expression shall be deemed to include Committee(s) of the Board) for capitalization of such sums standing to the credit of the Securities Premium Account, General Reserve and other Free Reserves, as may be required, as per the audited financial statements of the Company for financial year ended 31<sup>st</sup> March, 2022, as may be considered appropriate by the Board, for the purpose of issue of bonus equity shares of ₹ 5/- (Rupees Five Only) each, credited as fully paid-up equity shares to the eligible Shareholders of the Company holding fully paid up equity shares of the Company whose names appear in the Register of Shareholders of the Company / List of Beneficial Owners as received from the NSDL and CDSL as on the 'Record Date' as may be fixed in this regard by the Board of Directors, in proportion of 1:1 i.e., 1(One) new fully paid up Bonus equity share of ₹ 5/- (Rupees Five Only) each for every existing 1 (One) equity share of ₹ 5/- (Rupees Five Only) each held by the Shareholders and that the new bonus equity shares so issued and allotted shall, for all purposes, be treated as an increase in the paid-up equity share capital of the Company held by such Shareholders and not as the income of the Shareholder.

**RESOLVED FURTHER THAT** the bonus equity shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company as existing on the record date as may be fixed in this regard by the Board and shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** no allotment letters shall be issued to the allottees of the bonus equity shares and in case of Shareholders who hold equity shares in dematerialized form, the bonus equity shares be credited to the respective beneficiary accounts of the Shareholders with their respective Depository Participants and in case of Shareholders who hold Equity Shares in physical form, the Share Certificate(s) in respect of such Bonus Equity Shares shall be dispatched, within such time as prescribed by law and relevant authorities.

**RESOLVED FURTHER THAT** the issue and allotment of the bonus shares to the extent that they relate to Non-Resident Indians (NRIs), Overseas Corporate Bodies, Foreign Institutional Investors (FIIs) and other Foreign Investors, shall be subject to the approval, if any, of the RBI under the Foreign Exchange Management Act, 1999, as amended or any other regulatory authority, if any, as may be deemed necessary.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of such bonus shares on the Stock Exchanges where the shares of the Company are presently listed, as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and all other applicable laws, regulations, rules and guidelines.

**RESOLVED FURTHER THAT** to give effect to this resolution, the Board of the Directors and / or the Company Secretary of the Company be and are hereby severally authorised to do all deeds, matters, things, acts, and to execute any agreements, documents and writings, as may be deemed necessary, but not limited to making correspondences with Securities and Exchange Board of India, Stock Exchange(s), Depositories, Ministry of Corporate Affairs, RBI or any other regulatory authority and/or to settle all questions, difficulties or doubts that may arise in this regard."

7. To consider and ratify the remuneration payable to M/s. Poddar & Co., Cost Accountants (Firm Registration No. 101734), for the financial year ending 31<sup>st</sup> March, 2023 and, if thought fit, to pass the following resolution as an ORDINARY Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the payment of the remuneration of ₹ 5,00,000/- (Rupees Five Lakhs only) with applicable tax plus reimbursement of related business expenses, at actuals, to M/s. Poddar & Co., Cost Accountants (Firm Registration No. 101734), who were appointed by the Board of Directors of the Company, as Cost Auditors, to conduct audit of the cost records maintained by the Company, for the Financial Year ending 31<sup>st</sup> March, 2023, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution."

By the Order of the Board

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

**REGISTERED OFFICE:**

Ram Ratna House, Oasis Complex, P. B. Marg, Worli, Mumbai - 400 013

CIN: L31300MH1992PLC067802

E-MAIL: [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com) | Website: [www.rrshramik.com](http://www.rrshramik.com)

**Saurabh Gupta**

Company Secretary & Compliance Officer

ACS - 53006

## NOTES:

1. Pursuant to the Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 issued by the Ministry of Corporate Affairs ("MCA") (the "MCA Circulars") and other applicable circulars issued by the Securities and Exchange Board of India (SEBI) from time to time, companies are allowed to conduct AGM through VC or OAVM and the requirement of physical attendance of the Members at a common venue has been dispensed with and it has also granted relaxation in respect of sending physical copies of the annual report to shareholders. In view of the aforementioned MCA and SEBI Circulars and in compliance with applicable provisions of the Companies Act, 2013 ("the Act"), the Company is holding this year's AGM through VC/OAVM and as such the route map is not annexed to this notice. The deemed venue of the AGM shall be the registered office of the Company.
2. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with and accordingly, Members can attend and participate in the AGM through VC/OAVM only. The facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the proxy form and attendance slip are not annexed to this Notice. However, Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) intending to nominate their authorised representative(s) to attend the AGM through VC/OAVM are requested to send a certified true copy of the Board Resolution / Authority letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to attend and vote on their behalf at the AGM, by e-mail to Scrutinizer at [rrwl.scrutinizer@gmail.com](mailto:rrwl.scrutinizer@gmail.com) with a copy marked to [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e., Wednesday, 21<sup>st</sup> September, 2022. Members seeking to inspect such documents can send an email to [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com).
6. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) (hereinafter referred to as "SEBI Listing Regulations"), and MCA circulars as mentioned above, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. The Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Wednesday, 14<sup>th</sup> September, 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice. A person who is not a member as on the cut-off date should treat the Notice of AGM for information purpose only. In case of Joint Shareholders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. In accordance with the MCA and SEBI Circulars, the Notice calling the AGM along with the Annual Report 2021-22 is being sent through electronic mode to those Members whose email addresses are registered with the Company/Registrar & Transfer Agent (RTA)/Depository participant and the same can also be accessed from the website of the Company at [www.rrshramik.com](http://www.rrshramik.com) under 'Investors' tab, websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). In case any member is desirous of obtaining physical copy of the Annual Report for the financial year 2021-22 along with AGM Notice, may send request to the Company by writing at [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com) or RTA of the Company at [investorsqry@datamaticsbbpm.com](mailto:investorsqry@datamaticsbbpm.com).
9. The relevant explanatory statement pursuant to Section 102 of the Act in respect of item nos. 4, 5, 6 and 7 of the Notice set out above and the details pursuant to Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India are annexed herewith.



10. The Dividend for the financial year ended 31<sup>st</sup> March, 2022, as recommended by the Board, if approved at the Annual General Meeting, will be paid subject to tax deduction at source on or from Thursday, 22<sup>nd</sup> September, 2022 to those Members whose name appears in the Register of Members on Friday, 26<sup>th</sup> August, 2022 in respect of physical shareholders and whose name appear in the list of Beneficial Owner on Friday, 26<sup>th</sup> August, 2022 furnished by NSDL and CDSL in respect of shareholders holding shares in electronic form.
11. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in Demat mode). In case the PAN is not registered, the tax will be deducted at a higher rate of 20%.  
  
A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source to Datamatics Business Solutions Limited by email to [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com) latest by 11:59 P.M. (IST) by Friday, 26<sup>th</sup> August, 2022.  
  
Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending the same by email to [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com). The aforesaid declarations and documents need to be submitted by the shareholders latest by 11:59 P.M. (IST) on Friday, 26<sup>th</sup> August, 2022.
12. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Company so as to reach the Registered Office of the Company at least seven working days before the date of the Meeting to enable the Company to make available the relevant information and answer them in the Meeting.
13. i) Pursuant to SEBI circulars dated 3<sup>rd</sup> November, 2021 and 14<sup>th</sup> December, 2021 the Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing / updation of their PAN, KYC details (i.e. address with pin code, mobile number, email address mobile number, bank account details) and Nomination details. Detailed information in this regard is available at Company's website: <https://www.rrshramik.com/investor/announcements/>.  
  
Further, SEBI vide its circular dated 25<sup>th</sup> January, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing certain prescribed service requests. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the website of the Company at <https://www.rrshramik.com/wp-content/uploads/sites/2/2022/02/Form-ISR-4.pdf>. Members to please note that service requests would be processed by the Company only if the folio is KYC compliant pursuant to circular mentioned above and hence if any Member's KYC is not complete and wish to do so may send their details to the Company's RTA Datamatics Business Solutions Limited at email : [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com)  
  
In accordance with Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form including request received for transmission or transposition of securities. Members holding equity shares of the Company in physical form are requested to convert their equity shares into dematerialized / electronic form to get inherent benefits of dematerialization, also considering that physical transfer of equity shares / issuance of equity shares in physical mode have been prohibited by the SEBI.
- ii) Members who are holding shares in dematerialized mode are requested to notify to their Depository Participants (DP) for any change(s) in their residential address, Bank A/c details and/ or e-mail address immediately and are hereby informed that bank particulars registered with their respective DP, with whom they maintain their demat accounts, will be used by the Company for payment of dividend.
- iii) Securities and Exchange Board of India (SEBI) & Ministry of Corporate Affairs (MCA) is promoting electronic communication as a contribution to greener environment. Accordingly, the Company sends all communication including the Notice along with Annual Report in electronic form to all Members whose e-mail Id's are registered with the Company/ Depository Participant(s). Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Datamatics Business Solutions Limited in case the shares are held by them in physical form.
14. All dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, are required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, till date the Company has transferred to IEPF the unclaimed and unpaid amount pertaining to dividends declared up to the financial year 2013-14. Members who have not yet encashed their dividend warrants for the financial year 2014-15 onwards are requested to make their claims to the Company immediately and contact the Company's Registrar and Share Transfer Agent Datamatics Business Solutions Limited, Plot No. B-5, Part-B Cross Lane, MIDC, Andheri East, Mumbai-400093, Tel No.: 022-66712001-10, Fax No.: 022-66712209, Email: [investorsqry@datamaticsbpm.com](mailto:investorsqry@datamaticsbpm.com).

Also, in terms of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more are required to be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Accordingly, equity shares which were/ are due to be so transferred, have been/ shall be transferred by the Company to the Demat Account of IEPFA. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to the Demat Account of IEPFA and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules and no claim shall lie against the Company. Details of shares transferred to the Demat Account of IEPFA have been uploaded by the Company on its website at <https://www.rrshramik.com/investor/corporate-governance/>. Shareholders may kindly check the same and claim back their shares. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company and opt for Electronic Clearing Service by registering/updating their bank details, so that dividends paid by the Company are credited to the Member's account on time.

15. Pursuant to Section 72 of the Act, read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Shareholders are entitled to make nomination in respect of shares held by them.

Members holding shares in physical form, who have not yet registered their nomination are requested to register the same by submitting in Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, may submit the same in Form ISR-3 or Form SH-14, as the case may be, duly filled to Datamatics Business Solutions Limited at [investorssqry@datamaticsbpm.com](mailto:investorssqry@datamaticsbpm.com). The said forms are also available on website of the Company at <https://www.rrshramik.com/investor/announcements/>. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

16. Instructions for e-voting and joining the AGM through VC/OAVM are as under:

#### **A) VOTING THROUGH ELECTRONIC MEANS:**

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations (including any statutory modification(s) and / or re- enactment(s) for the time being in force) and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, the members are provided with the facility to cast their vote electronically, through the e- voting services provided by NSDL, on all the resolutions set forth in this Notice. The Instructions for e-voting are as under:

- (i) The remote e-voting period will commence on Sunday, 18<sup>th</sup> September, 2022 at 9.00 a.m. and will end on Tuesday, 20<sup>th</sup> September, 2022 at 5.00 p.m. During this period, members of the Company holding shares either in physical or dematerialized form as on Wednesday, 14<sup>th</sup> September, 2022 i.e., cut off date, may cast their vote electronically. The remote e-voting module will be disabled by NSDL for voting thereafter.
- (ii) Members who have cast their votes by remote e-voting prior to the AGM may also attend the Meeting but they shall not be entitled to cast their vote again and Members who will be present in the AGM through VC/OAVM and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e- voting system during the AGM.
- (iii) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the Company as on the cut-off date i.e. Wednesday, 14<sup>th</sup> September, 2022.
- (iv) The Board of Directors have appointed Mr. Anup Vaibhav C. Khanna (Membership No. F6786), partner of M/s. Khanna & Co., Practicing Company Secretaries, as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

The instructions for e-voting are as under:





The way to vote electronically on NSDL e-Voting consists of "Two Steps" which are mentioned below:

#### **Step 1: Access to NSDL e-Voting system**

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through demat accounts/ website of Depositories / DP's in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facility.

**A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode is given below:**

Type of Shareholders	Login method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;">  App Store            Google Play         </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>Shareholders can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility.</li> <li>Once logged in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature.</li> <li>Click on the options available against company name or <b>e-voting service provider-NSDL</b> and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above-mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

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

**B) Login method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - How to retrieve your ‘initial password’?
    - If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ID’s are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password ?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system: -**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Corporate / Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rrwl.scrutinizer@gmail.com](mailto:rrwl.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Corporate / Institutional Members can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or may:
  - Send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on toll free no.: 1800 1020 990 and 1800 22 44 30;

### **Process for those shareholders whose email ID's are not registered with the depositories for procuring user ID and password and registration of email ID's for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode, please provide a request letter duly signed stating Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.



4. In terms of SEBI circular dated 09<sup>th</sup> December, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com). The same will be replied by the company suitably. Questions/queries received by the Company till 05:00 p.m. on Saturday, 17<sup>th</sup> September, 2022 shall only be considered and responded during the AGM.
6. The Company reserves the right to restrict the number of speakers and questions depending on the availability of time for the AGM.

**Results of AGM:**

- The Results of e-voting shall be aggregated and declared on or after the date of the AGM by the Chairman or by any other person duly authorized in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.rrshramik.com](http://www.rrshramik.com) and on the website of NSDL immediately after the results are declared and communicated to the Stock Exchanges.

By the Order of the Board

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

**REGISTERED OFFICE:**

Ram Ratna House, Oasis Complex, P. B. Marg, Worli, Mumbai - 400 013

CIN: L31300MH1992PLC067802

E-MAIL: [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com) | Website: [www.rrshramik.com](http://www.rrshramik.com)

**Saurabh Gupta**

Company Secretary & Compliance Officer

ACS - 53006

## **EXPLANATORY STATEMENT**

### **In terms of Regulation 36(5) of SEBI Listing Regulations:**

#### **ITEM NO. 4**

At the 25<sup>th</sup> AGM of the Company held on 16<sup>th</sup> September, 2017, the Members had approved the appointment of M/s. Bhagwagar Dalal & Doshi, Chartered Accountants (Firm Registration No. 128093W) as Statutory Auditors of the Company to hold office from the 25<sup>th</sup> AGM till the conclusion of the this 30<sup>th</sup> AGM.

The Board of Directors of the Company at their meeting held on 23<sup>rd</sup> May, 2022, based on the recommendations of the Audit Committee have approved the re-appointment of M/s. Bhagwagar Dalal & Doshi, Chartered Accountants, as the Statutory Auditors of the Company for a term of 5 (five) years i.e. from the conclusion of this AGM till the conclusion of the 35<sup>th</sup> AGM. The re-appointment is subject to approval of the Members of the Company.

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and the SEBI Listing Regulations, M/s. Bhagwagar Dalal & Doshi, Chartered Accountants, being eligible have provided their consent and eligibility certificate to the effect that, their appointment, if made, would be in compliance with the applicable laws. They have also confirmed that they have subjected themselves to peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI as required under the SEBI Listing Regulations.

The proposed remuneration to be paid to M/s. Bhagwagar Dalal & Doshi, Chartered Accountants, for the current financial year is ₹ 32.00 Lakhs (Rupees Thirty-Two Lakhs only).

The remuneration to be paid to Statutory Auditors during the second term shall be mutually agreed between the Board of Directors and Statutory Auditors, from time to time.

The Board recommends the Resolution as an Ordinary Resolution set out at item no. 4 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way, concerned or interested, in the proposed ordinary resolution set out at Item No. 4 of the Notice.

### **STATEMENT ANNEXED TO THE NOTICE AND SETTING OUT THE MATERIAL FACTS CONCERNING EACH ITEM OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD ON GENERAL MEETINGS**

#### **ITEM Nos. 5 & 6**

The Board of Directors ("Board"), at its meeting held on Wednesday, 10<sup>th</sup> August, 2022, after considering the available reserves, subject to the consent of the Shareholders of the Company and all other requisite approvals, permissions, sanctions, had considered, approved and recommended the issue of bonus equity shares of ₹ 5/- (Rupees Five Only) each, credited as fully paid-up to existing members of the Company in the proportion of 1:1 i.e., 1 (One) new fully paid up equity share of ₹ 5/- (Rupees Five Only) each for every 1 (One) existing fully paid up equity share of ₹ 5/- (Rupees Five Only) each held by them, by capitalizing such sums standing to the credit of the Securities Premium Account, General Reserve and other Free Reserves, account as per the audited financial statements of the Company for financial year ended 31<sup>st</sup> March, 2022, as may be considered appropriate by the Board.

Presently, the Authorized Share Capital of the Company is ₹ 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 3,00,00,000 (Three Crores) equity shares of ₹ 5/- (Rupees Five Only) each. In order to facilitate the issue of bonus equity shares and for further requirements, if any, it is proposed to increase the Authorised Share Capital to ₹ 25,00,00,000/- (Rupees Twenty-Five Crores Only) by creation of additional 2,00,00,000 (Two Crores) equity shares of ₹ 5/- (Rupees Five Only) each.

The increase in Authorised Share Capital and consequential amendments to Clause V of the Memorandum of Association of the Company and the issue of bonus equity shares by way of capitalization of the sums standing to the credit of the Securities Premium Account, General Reserve and other Free Reserves, account as per the audited financial statements of the Company for financial year ended 31<sup>st</sup> March, 2022, as may be considered appropriate by the Board, requires members' approval in terms of Sections 13, 61 and 63 of the Act and any other applicable statutory and regulatory approvals.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolutions proposed at item nos. 5 & 6 of the Notice, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the Resolutions as set out at item nos. 5 & 6 of the Notice for approval by the Members as Ordinary Resolutions.

**ITEM NO. 7**

The Board of Directors of the Company at its meeting held on 23<sup>rd</sup> May, 2022, based on the recommendations of the Audit Committee, had approved the re-appointment and remuneration of M/s. Poddar & Co., Cost Accountants (Firm Registration No. 101734), to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023 at a remuneration of ₹ 5,00,000/- (Rupees Five Lakhs only) with applicable tax plus reimbursement of related business expenses, at actuals, if any, in connection with the Audit.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution proposed at item no. 7 of the Notice, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the Resolution set out at item no. 7 of the Notice as an Ordinary Resolution for approval by the Members.

**Profile of Director being appointed/re-appointed: -**

Pursuant to Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard 2, following information is furnished in respect of Director proposed to be appointed/re-appointed at the Annual General Meeting.

<b>Name</b>	<b>Shri Tribhuvanprasad Kabra</b>
Age and Date of Birth	67 years, 11 <sup>th</sup> June, 1955
Date of Appointment on the Board	29 <sup>th</sup> September, 1993
Qualifications & Nature of Expertise	B.com & Industrialist
Terms and conditions of appointment	In terms of Section 152(6) of the Companies Act, 2013, Shri Tribhuvanprasad Kabra designated as Non-Executive Director (Chairman) w.e.f. 1 <sup>st</sup> June, 2019 at the Board Meeting held on 30 <sup>th</sup> May, 2019, is liable to retire by rotation.
Remuneration last drawn and remuneration proposed to be paid	Sitting fees as per Company's policy.
List of outside Directorship held as on 31 <sup>st</sup> March, 2022 (Excluding Private Limited Companies and Foreign Companies)	R R Kabel Limited
List of outside Chairmanship / Membership of Committees as on 31 <sup>st</sup> March, 2022	Member of Nomination and Remuneration Committee of R R Kabel Limited
Number of Shares held in Ram Ratna Wires Limited	6,35,466 Equity Shares
Number of meetings of the Board attended during the financial year 2021-22	Five (5)
Relationship Between Directors	Brother of Shri Mahendrakumar Kabra

By the Order of the Board

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

**REGISTERED OFFICE:**

Ram Ratna House, Oasis Complex, P. B. Marg,  
Worli, Mumbai-400 013

CIN: L31300MH1992PLC067802

E-MAIL: [investorrelations@rrglobal.com](mailto:investorrelations@rrglobal.com) | Website: [www.rrshramik.com](http://www.rrshramik.com)

**Saurabh Gupta**

Company Secretary & Compliance Officer

ACS - 53006

## DIRECTORS' REPORT

To,  
The Members,

Your Directors take pleasure in presenting the 30<sup>th</sup> Annual Report of Ram Ratna Wires Limited ("the Company") on the business and operations along with the audited financial statements (standalone and consolidated) of the Company for the financial year ended 31<sup>st</sup> March, 2022.

### FINANCIAL RESULTS

The summarised financial results of the Company on Standalone and Consolidated basis for the Financial Year ended 31<sup>st</sup> March, 2022 are presented below:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations including Other Income	2,01,951.27	1,38,945.42	2,29,523.77	1,52,966.92
<b>Earning before Interest, Taxes, Depreciation and Amortisation Expense</b>	<b>10,147.67</b>	<b>5,380.82</b>	<b>11,615.73</b>	<b>6,384.31</b>
Less: Finance Cost	2,018.12	1,951.14	2,709.62	2,540.90
Less: Depreciation & Amortisation Expense	1,622.54	1,640.92	1,768.32	1,759.58
<b>Profit for the year before share of Profit in Jointly Controlled Entity</b>	<b>6,507.01</b>	<b>1,788.76</b>	<b>7,137.79</b>	<b>2,083.83</b>
Share of (Loss)/Profit of Jointly Controlled Entity	-	-	119.48	31.64
<b>Profit before Tax</b>	<b>6,507.01</b>	<b>1,788.76</b>	<b>7,257.27</b>	<b>2,115.47</b>
Tax Expense	1,639.30	437.76	1,839.62	542.91
<b>Profit for the year</b>	<b>4,867.71</b>	<b>1,351.00</b>	<b>5,417.65</b>	<b>1,572.56</b>
Attributable to:				
- Owners of the Company	4,867.71	1,351.00	5,218.72	1,490.05
- Non-Controlling Interest	-	-	198.93	82.51
<b>Total Comprehensive Income</b>	<b>6,976.92</b>	<b>2,129.16</b>	<b>7,536.97</b>	<b>2,343.65</b>
Attributable to:				
- Owners of the Company	6,976.92	2,129.16	7,337.34	2,258.60
- Non-Controlling Interest	-	-	199.63	85.05

During the financial year 2021-22, your Company achieved a growth of 45.35% in revenue from operations including other income on standalone basis increasing from ₹ 1,38,945.42 Lakhs (FY 2020-21) to ₹ 2,01,951.27 Lakhs (FY 2021-22) and on consolidated basis achieved growth of 50.05% increasing from ₹ 1,52,966.92 Lakhs (FY 2020-21) to ₹ 2,29,523.77 Lakhs (FY 2021-22). Earning before interest, taxes, depreciation and amortization on standalone basis for the current year is ₹ 10,147.67 Lakhs as against ₹ 5,380.82 Lakhs in the previous year and on consolidated basis is ₹ 11,615.73 Lakhs as against ₹ 6,384.31 Lakhs in the previous year. The operations and financial results of the Company are further elaborated in the Management Discussion and Analysis Report.

### DIVIDEND

The Board of Directors have recommended a Dividend of ₹ 5.00 per equity share (previous year ₹ 1.00) on face value of ₹ 5/- each (i.e. 100%) for the financial year ended 31<sup>st</sup> March, 2022. The dividend recommended, if approved by the members at the ensuing Annual General Meeting ("AGM"), will be paid to members within the period stipulated under the Companies Act, 2013 ("the Act"). The distribution of Dividend would involve a cash outflow of about ₹ 11 Crores (Rupees Eleven Crores Only).

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961 and accordingly payment of dividend will be made after deduction of TDS as applicable.

### TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to the reserves for the financial year ended 31<sup>st</sup> March, 2022.

## **PROPOSED CHANGES IN SHARE CAPITAL**

The Board of Directors at their meeting held on Wednesday, 10<sup>th</sup> August, 2022, after considering the available securities premium and free reserves, and subject to the consent of the Shareholders of the Company and other requisite approvals, considered, approved and recommended the issue of bonus equity shares of ₹ 5/- (Rupees Five Only) each, credited as fully paid-up to existing members of the Company in the proportion of 1:1 i.e., 1 (One) new fully paid up equity share of ₹ 5/- (Rupees Five Only) each for every 1 (One) existing fully paid up equity share of ₹ 5/- (Rupees Five Only) each held by them. To accommodate the proposed issue of bonus shares, and subject to the approval by the Shareholders, the Board has also proposed increasing the Authorized Share Capital of the Company from ₹ 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 3,00,00,000 (Three Crores) equity shares of ₹ 5/- (Rupees Five Only) each to ₹ 25,00,00,000/- (Rupees Twenty-Five Crores Only) by creation of additional 2,00,00,000 (Two Crores) equity shares of ₹ 5/- (Rupees Five Only) each and consequent alteration of the Clause V of the Memorandum of Association of the Company. The relevant resolutions requiring approval of the Members to give effect to the above proposals have been included in the Notice of the AGM.

## **CREDIT RATINGS**

During the year, the Company has sustained its long term bank facilities credit rating of BBB+ and short term bank facilities credit rating of A2 assigned by India Ratings and Research (Ind-Ra). The outlook for Long term rating and bank facilities is stable. The rating indicates the Company's reputation for its prudent financial management and its ability regarding timely servicing of financial obligation.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report on the operations of the Company, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section forming part of this Annual Report.

## **CONSOLIDATED FINANCIAL STATEMENTS**

Pursuant to the provisions of Section 129(3) and other applicable provisions of the Act, read with the rules issued thereunder and Listing Regulations, the Consolidated Financial Statements of the Company have been prepared in the same form and manner as mandated by Schedule III to the Act and are in accordance with applicable Accounting Standards.

The Consolidated Financial Statements together with the Auditor's report form part of this Annual Report.

## **SUBSIDIARIES AND JOINT VENTURE COMPANY**

During the year, the Board of Directors reviewed the affairs of the joint venture / subsidiaries. Pursuant to the provisions of Section 129(3) of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014 and other applicable provisions, if any, of the Act, read with rules issued thereunder, a separate statement containing the salient features of the financial statements of its subsidiaries and joint venture Company in Form AOC-1, forms part of the consolidated financial statements. The said form also highlights the financial performance of the subsidiaries and joint venture Company included in the consolidated financial statements of the Company pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

Further, in accordance with Section 136 of the Act, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and separate Audited Financial Statements in respect of its subsidiaries are available on Company's website at <https://www.rrshramik.com/investor/annual-reports/>.

As on 31<sup>st</sup> March, 2022, your Company has one material Subsidiary Company, Global Copper Private Limited, based at Gujarat and one Subsidiary Company, Epavo Electricals Private Limited, in Maharashtra. The Company also has a Joint Venture Company, RR-Imperial Electricals Limited, in Bangladesh.

Pursuant to Listing Regulations, the Company has formulated a policy for determining its material subsidiaries. The said policy is available on the website of the Company at <https://www.rrshramik.com/corporate-governance>.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report. There has been no change in the nature of business of the Company.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the applicable provisions of the Act, read with the rules made thereunder and the Articles of Association of the Company, Shri Tribhuvanprasad Kabra (DIN - 00091375), Non-Executive Director (Chairman), will retire by rotation at the ensuing AGM, and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment and necessary resolution forms part of the AGM notice.



The Managing Director and Independent Directors of the Company are not liable to retire by rotation.

During the financial year 2021-22, Shri Upendra Hosdurg Sundar Kamath (DIN - 02648119) resigned as an Independent Director of the Company w.e.f. 09<sup>th</sup> June, 2021 and Smt. Kirtidevi Shreegopal Kabra (DIN - 00150796) resigned as a Director w.e.f. the conclusion of the Board meeting held on 29<sup>th</sup> June, 2021 on account of personal reasons and commitments and there were no other material reasons as mentioned in their respective resignation letters.

The Board places on record their appreciation for the invaluable guidance, contribution and assistance provided by the outgoing Directors during their respective tenure as Directors of the Company.

Smt. Payal Agarwal (DIN - 07198236) was appointed as an Additional Director of the Company to hold office as a Non-Executive Independent Woman Director for a period of 5 years w.e.f. 30<sup>th</sup> June, 2021 which was duly approved by the Members at the 29<sup>th</sup> AGM of the Company held on 17<sup>th</sup> September, 2021.

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act, along with the Schedule and Rules issued thereunder and pursuant to the Listing Regulations. Further they have complied with the Code for Independent Directors prescribed under Schedule IV of the Act and they have registered themselves with the Independent Directors database maintained by the Indian Institute of Corporate Affairs (IICA). There has been no change in the circumstances affecting their status as Independent Directors of the Company.

None of the Director of the Company are disqualified being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and a certificate of Non-disqualification of Directors pursuant to Listing Regulations is attached and forms a part of this Annual Report.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

#### **Key Managerial Personnel (KMP)**

Pursuant to Section 203 of the Act, the following are the Key managerial Personnel (KMP) of the Company:

- i) Shri Mahendrakumar Kabra, Managing Director
- ii) Shri Hemant Kabra, President & Chief Financial Officer (CFO)(Executive Director)
- iii) Shri Saurabh Gupta, Company Secretary & Compliance Officer.

During the year under review, there were no changes in the Key Managerial Personnel of the Company.

#### **MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES**

Five (5) meetings of the Board of Directors were held during the financial year under review. The details of the meetings of the Board and its Committees held during the year under review are stated in the Corporate Governance Report, which forms part of this Annual Report.

The maximum interval between any two Board meetings did not exceed 120 days, as prescribed by the Act and the Listing regulations.

#### **COMMITTEES OF THE BOARD**

The Board has 5 (Five) Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee as on 31<sup>st</sup> March, 2022 and details relating to the composition of the Board and its Committees, including its terms of reference is provided in the Corporate Governance Report forming part of this Annual Report and it is in line with the provisions of the Act and the Listing Regulations.

Further the Board has accepted all the recommendations made by the Committees during the year.

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

Pursuant to the requirements of the Listing Regulations, the Company has put in place framework for familiarisation programmes for Independent Directors to familiarise them with the business and operations of the Company, nature of the industry in which the Company operates, their roles, rights and responsibilities vis-a-vis the Company, etc. Details of the familiarisation programmes is provided in the Corporate Governance Report forming part of this Annual Report and the same is also available at the website of the Company at <https://www.rrshramik.com/corporate-governance>.

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

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with the Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements with the aim to improve the effectiveness of the Board and the Committees.

The Board evaluation was conducted through questionnaire designed based on the criteria for evaluation laid down by the Nomination and Remuneration Committee. In order to have a fair and unbiased view of all the Directors, the Company engaged the services of an external agency to facilitate the evaluation process.

The annual performance evaluation of the Board, its Committees and each Director has been carried out for the financial year 2021-22 in accordance with the framework. The Independent Directors at their separate meeting reviewed the performance of: Non-Independent Directors and the Board as a whole, Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors. The directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform the duties.

The details of evaluation process of the Board, its Committees and of individual Directors, including Independent Directors have been provided under the Corporate Governance Report which forms part of this Report.

#### **APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY**

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of the Act, read with the Rules issued thereunder and the Listing Regulations. The same is also available on the website of the Company at <https://www.rrshramik.com/corporate-governance>. The appointment and remuneration of Directors is recommended by the Nomination & Remuneration Committee based on the framework and policy laid down. The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy. The Executive Directors are not paid sitting fees; however, the Non-Executive Directors are entitled to sitting fees for attending the Board / Committee Meetings. The relevant information has been disclosed in the Corporate Governance report which forms part of this Annual Report.

Neither the Managing Director, nor the Executive Director have received any remuneration or commission from any of the subsidiary companies. Further the Company doesn't have any holding company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions under Section 134 of the Act, with respect to Directors' Responsibility Statement, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgements 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 31<sup>st</sup> March, 2022 and of the profit of the Company for the year ended on that date;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2022 on a going concern basis;
- e) they have 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) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **CORPORATE GOVERNANCE**

Corporate Governance is the system of rules, practices and processes through which objectives of a corporate entity are set and pursued in the context of the social, regulatory and market environment. It essentially involves balancing the interests of various stakeholders, such as Shareholders, Management, Customers, Suppliers, Bankers, Government and the community. Fundamentals of Corporate Governance includes transparency, accountability and independence.

The Company is committed to follow good corporate governance practices so as to create value and protect interests of various stakeholders. Pursuant to Listing Regulations, the Annual Report contains a separate section on Company's Corporate Governance practices, together with a certificate from the Independent Secretarial Auditor, a Practicing Company Secretary confirming its compliance, which forms part of this Annual Report.

#### **LISTING**

During the current financial year, the Company had made an application to the National Stock Exchange of India Limited (NSE) for direct listing of the Company's equity shares. It gives immense pleasure to the Board of Directors to inform the Members that the Company received approval for listing of its equity shares on NSE from the trading hours of 29<sup>th</sup> July, 2022.

The Company's equity shares are now listed on BSE Limited (BSE) and NSE. The Company has paid annual listing fees to the Stock Exchanges for the financial year 2022-23. The shares of the Company are now actively traded on BSE as well as NSE and have not been suspended from trading.

## ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Act, read with the Companies (Management and Administration) Rules, 2014, the annual return in Form MGT-7 as on 31<sup>st</sup> March, 2022 is available on the website of the Company at <https://www.rrshramik.com/investor/annual-reports/>.

## VIGIL MECHANISM / WHISTLE-BLOWER POLICY

Your Company has adopted a Whistle Blower Policy approved and adopted by Board of Directors and has established the necessary vigil mechanism to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner in compliance with the provisions of Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations.

The purpose of the policy is to enable employees, Directors and business associates to raise concerns regarding unacceptable or improper practices and / or any unethical practices in the organization without the knowledge of the management. The policy also provides protection to those who report such irregularities or unfair practices and provides access to Chairman of the Audit Committee. The policy is available on the Company's website at [www.rrshramik.com/corporate-governance/](http://www.rrshramik.com/corporate-governance/).

## CORPORATE SOCIAL RESPONSIBILITY

Your Company believes that Corporate Social Responsibility is an integral part of its business. It seeks to operate its business in a sustainable manner which would benefit the Society at large in alignment with the interest of its stakeholders. Your Company has in place Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Details of the composition of the CSR Committee have been disclosed separately as part of Corporate Governance Report, which is a part of this Annual Report. The CSR committee of the Company inter alia gives strategic directions to the CSR initiatives, formulates and reviews annual CSR plan(s) and programmes, formulates annual budget for the CSR programmes and monitors the progress on various CSR activities. The initiatives undertaken by the Company on Corporate Social Responsibility (CSR) activities, in accordance with Schedule VII of the Act, during the financial year 2021-22 are annexed as **Annexure-I** of this report as per the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The CSR Policy of the Company is available at [www.rrshramik.com/corporate-governance/](http://www.rrshramik.com/corporate-governance/).

## RISK MANAGEMENT

Your Company recognises that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Company through its risk management framework periodically assesses the risks in the internal and external environment and aim to contain the risk within its risk appetite.

The COVID-19 pandemic continued to have its impact globally for the second successive year. However, the impact of same was relatively lesser than last FY 2020-21 and there was significant recovery in the economy from second quarter of FY 2021-22 onwards. The Board and the Management of the Company are closely monitoring the situation and are taking adequate steps as required in the best interest of the Company and its Stakeholders to minimize the risks associated with the pandemic. There was no disruption to the operations of the Company and its subsidiaries and the Company and management continues to take all measures and strategies of cost optimization, maintaining adequate liquidity etc. to face challenges in these uncertain times.

The Company has a robust structure for managing and reporting on risks. Mitigation plans are prepared for significant risks and are reviewed and monitored by Management team on a continuous basis.

Your Company's Audit Committee, monitors and reviews the risk mitigation plan and ensures its effectiveness. In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

## AUDITORS AND THEIR REPORT

### (1) Statutory Auditors

Pursuant to the provisions of the Act and the Rules made thereunder, M/s. Bhagwagar Dalal & Doshi, Chartered Accountants (Firm Registration Number – 128093W), were appointed as Statutory Auditors of the Company from the conclusion of the 25<sup>th</sup> AGM held on 16<sup>th</sup> September, 2017 till the conclusion of the ensuing 30<sup>th</sup> AGM.

M/s. Bhagwagar Dalal & Doshi, Chartered Accountants being eligible, have confirmed that their re-appointment for a further term of 5 (five) years, shall be in accordance with the provisions of Section 139 of the Act, read with the Companies (Auditor and Auditors) Rules 2014, and that they satisfy the criteria given under Section 141 of the Act, and they are not disqualified. The Auditors have also confirmed that they have subjected themselves to peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI as required under the Listing Regulations.

Accordingly, the Board of Directors of the Company at their meeting held on 23<sup>rd</sup> May, 2022, on the recommendation of the Audit Committee and subject to approval of the Members of the Company at the ensuing AGM, have approved the re-appointment of M/s. Bhagwagar Dalal & Doshi, Chartered Accountants (Firm Registration No. 128093W), as the Statutory Auditors, for a further period of 5 (five) years i.e. from the conclusion of the 30<sup>th</sup> AGM till the conclusion of the 35<sup>th</sup> AGM of the Company. The proposal for their re-appointment is included in the notice convening the ensuing AGM.

The Audit Report of M/s. Bhagwagar Dalal & Doshi, Chartered Accountants on the Standalone & Consolidated Financial Statements of the Company for the Financial Year 2021-22 is a part of this Annual Report. The Reports do not contain any qualifications, reservations, adverse remarks or disclaimer.

## **(2) Secretarial Auditors**

M/s. Khanna & Co., Practicing Company Secretaries (Firm's Unique Identification No. P2014MH032900), were appointed by the Board of Directors of the Company on the recommendations of the Audit Committee, as the Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year 2021-22, pursuant to Section 204 of the Act and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report submitted by them in the prescribed Form MR-3 is attached as **Annexure-II** to this report and it does not contain any qualifications, reservations, adverse remarks or disclaimer.

Further, M/s. Khanna & Co., Practicing Company Secretaries have been re-appointed to conduct the secretarial audit and annual secretarial compliance audit for the financial year 2022-23 based on the recommendation received from the Audit Committee. M/s. Khanna & Co. have confirmed that they are eligible for the said re-appointment and have issued their consent for the same.

## **(3) Cost Auditors**

In terms of the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, M/s. Poddar & Co., Cost Accountants (Firm Registration No. 101734) have been re-appointed to conduct Cost Audit of the Company for the financial year ending 31<sup>st</sup> March, 2023 based on the recommendation received from the Audit Committee. M/s. Poddar & Co. have confirmed that their appointment is within the limits prescribed under the Act and that they are not disqualified from being appointed within the meaning of the said Act and have issued their consent for the same.

Pursuant to the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, members are requested to consider the ratification of the remuneration payable to M/s. Poddar & Co. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing AGM.

## **APPLICABILITY & MAINTENANCE OF COST RECORDS**

Pursuant to the provisions of Section 148 of the Act, read with Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions of the Act, as amended from time to time, the maintenance of cost records is applicable to the Company and accordingly such accounts and records are made and maintained.

## **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Act, including rules made thereunder.

## **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls. Detailed Standard Operating Procedures and policies are in place to ensure that all the Company's resources are protected against loss and all transactions are authorized, recorded and reported correctly and the same are periodically reviewed by the Management of the Company and improvements are made in the same on continuous basis. These internal controls are also evaluated and monitored by the Internal and Statutory Auditors of the Company and their reports are placed before the Audit Committee for its review and corrective actions and suggestions if any required. In the opinion of the Board, the existing internal financial controls framework is adequate and commensurate to the size and nature of the business of the Company.

## **ENVIRONMENT, HEALTH AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations and to conduct the operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

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

With reference to Section 134(3)(h) of the Act, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business, and on an arm's length basis and are in compliance with the applicable provisions of the Act and the Listing Regulations.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered "material" that required shareholders' approval under Regulation 23 of the Listing Regulations and according to the policy of the Company on materiality of Related Party Transactions. Accordingly, the disclosure required u/s 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company. The details of Related Party transactions as per Indian Accounting Standards (IND AS) 24 may be referred at Note no. 35 of the Standalone Financial Statements, forming a part of this Annual Report.

The Company has adopted a policy for dealing with Related Party Transactions. During the financial year the Related Party policy has been amended to incorporate changes as per the amendments in Listing Regulations. The policy as approved by the Board is available on the website of the Company at [www.rrshramik.com/corporate-governance/](http://www.rrshramik.com/corporate-governance/).

The Company is also submitting the disclosures of related party transactions on a consolidated basis as per Regulation 23 of Listing Regulations in the format specified by the SEBI to the Stock Exchange and the same can be accessed on the Company's website at [www.rrshramik.com/corporate-governance/](http://www.rrshramik.com/corporate-governance/).

#### **PARTICULARS OF REMUNERATION OF DIRECTORS, KMP, SENIOR MANAGEMENT AND EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure-III** to this report.

#### **DEPOSITS**

During the year under review, the Company has not accepted any deposits under Chapter V of the Act and the Rules framed thereunder. As on 31<sup>st</sup> March, 2022, there were no deposits lying unpaid or unclaimed.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the Note no. 45 of the Standalone Financial Statements, forming a part of this Annual Report.

#### **COMPLIANCE OF SECRETARIAL STANDARDS OF ICSI**

In terms of Section 118(10) of the Act, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has strong commitment towards conservation of energy, natural resources and adoption of latest technology in its areas of operation. The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read with Rule 8 of The Companies (Accounts) Rules, 2014, is attached as **Annexure-IV** to this report.

#### **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment of women at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment of Women at workplace and has also constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act), 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace and providing every employee at the workplace a safe, secure and dignified work environment. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's premises or women service providers are covered under the said Policy. The Company also conducts regular training sessions to increase awareness on the policy among its employees and also make amendments in the policy as and when required. The Policy also provides safeguard to the complainant and victim against any discrimination. The members of the Internal Complaints Committee meet at regular intervals to review any complaints of women employees.

During the year under review, there was no complaint received by the Committee constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **DISCLOSURES IN RELATION TO THE COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES, 2014**

- (a) the Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) has been furnished;
- (b) the Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) has been furnished; and
- (c) the Company does not have any ESOP scheme for its employees/Directors and hence no information as per provisions of Rule 12(9) has been furnished.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There were no significant and/or material orders, passed by any Court or Regulator or Tribunal, which may impact the going concern status or the Company's operations in future.



## **INDUSTRIAL RELATIONS**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

## **OTHER DISCLOSURES**

- (a) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable;
- (b) The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable;
- (c) There was no revision of financial statements and Board's Report of the Company during the year under review;
- (d) The details regarding transfer of unclaimed dividend and shares to Investor Education and Protection Fund (IEPF) Authority during the FY 2021-22 is being disclosed in the Corporate Governance Report forming part of this Annual report.

## **ACKNOWLEDGEMENT**

Your Directors wish to convey their gratitude and appreciation to all the Company's employees at all locations for their tremendous hard work, solidarity as well as their collective dedication and contribution to the Company's performance.

Your Directors would also like to convey its appreciation to the Members, Customers, Dealers, Suppliers, Bankers, Government Authorities and all other business associates, consultants and all the stakeholders for their continued support extended to the Company and the Management.

For and on behalf of the Board of Directors

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

**Tribhuvanprasad Kabra**  
Chairman  
DIN – 00091375

**“Annexure I” to the Directors’ Report**  
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

For the Financial Year ended 31<sup>st</sup> March, 2022

**1. Brief Outline of the Company’s CSR Policy, including overview of projects or programs proposed to be undertaken:**

At, Ram Ratna, it has been our constant endeavour to bring about a positive difference to communities where we exist. Company’s CSR initiatives and its vision aims towards improvement of quality of life for all communities through integrated and sustainable development in every possible way, aligning with our goal to build the Company into an organization which maximizes Stakeholders value. Corporate Social Responsibility (CSR) is deeply rooted in our core values. Company’s projects or programs focus on promoting education, women empowerment, promoting sports, eradicating hunger, poverty and malnutrition etc. We strive to undertake suitable activity as specified in Schedule VII to the Companies Act, 2013 and Rules made there under that will majorly benefit the local areas around the Company where it operates.

CSR for us is not merely the means to run our business successfully but the part of our individual responsibilities as global citizens. The Company would engage in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers and other stakeholders.

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

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of CSR Committee meetings attended during the year
1.	Shri Ramesh Chandak*	Chairman, Independent Director	2	1
2.	Shri Sandeep Jhanwar*	Chairman, Independent Director	2	1
3.	Shri Mahendrakumar Kabra	Member, Managing Director	2	2
4.	Shri Hemant Kabra	Member, President & CFO (Executive Director)	2	1

\* Shri Sandeep Jhanwar ceased to be Member and Chairman of the Committee w.e.f. 13<sup>th</sup> August, 2021 and Shri Ramesh Chandak was appointed in his place as the Chairman & Member of the Committee w.e.f. the same day.

Shri Saurabh Gupta acts as the Secretary to the Committee.

- Web link at which Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: [www.rrshramik.com/corporate-governance/](http://www.rrshramik.com/corporate-governance/).
- Pursuant to provision of Sub Rule 3 of Rule 8 of Companies (Corporate Social Responsibility Rules), 2014, provide the details of impact assessment of CSR projects: Not Applicable
- Details of the amount available for set off in pursuance of sub-rule 3 of rule 7 of the Companies (Corporate Social Responsibility Rules), 2014 and amount required for set off for the financial year, if any: Not Applicable
- Average Net profit of the Company as per Section 135(5): ₹ 2121.08 Lakhs
- Prescribed CSR Expenditure for the financial year 2020-21 (2% of the amount as in Sr. No. 6 above) of the Company as per Section 135(5): ₹ 42.42 Lakhs.
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
  - Amount required to be set off for the financial year, if any: Nil
  - Total CSR obligation for the financial year (7a+7b-7c): ₹ 42.42 Lakhs.
- CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in ₹ Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
₹ 42.50 Lakhs	-	NA	NA	-	NA

- Details of CSR amount spent on Ongoing Project for the Financial Year: Nil

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

Sr. No.	Name of the Project	Item from the list of activities in schedule VII of the Act	Local Area (Yes/No)	Location of the project		Amount Spent for the project (₹ in Lakhs)	Mode of Implementation – Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Promoting Education	Item no. (ii) i.e. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	At various places in India			42.50	No	Hema Foundation	CSR00008710
<b>TOTAL</b>						<b>42.50</b>			

(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 (8b+8c+8d+8e): ₹ 42.50 Lakhs

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

Sr. No.	Particulars	Amount (in ₹ Lakhs)
i.	Two percent of the Average Profit of the Company as per Section 135(5)	42.42
ii.	Total amount spent for the financial year	42.50
iii.	Excess amount spent for the financial year [(ii)-(i)]	0.08
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.08*

\* As the excess amount spent is not substantial, it is not proposed to be set off in future years.

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account as per Section 135(6)	Amount spent in the Reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	Nil	Nil	N.A.	N.A.	N.A.	N.A.
2.	2019-20	Nil	Nil	N.A.	N.A.	N.A.	N.A.
3.	2018-19	Nil	Nil	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset Wise Details): Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

**Mahendrakumar Kabra**  
Managing Director  
DIN - 00473310

**Ramesh Chandak**  
Chairman  
CSR Committee  
DIN - 00026581

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

## **“Annexure II” to the Directors’ Report**

### **SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

*[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,  
**Ram Ratna Wires Limited**  
**Mumbai**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAM RATNA WIRES LIMITED** (hereinafter referred to as the “**Company**”), a public company listed on BSE Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 (the “**Audit Year**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (the “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) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (d) SEBI (Depositories and Participants) Regulations, 2018.

The following regulations and guidelines prescribed under the SEBI Act were not applicable to the Company during the Audit Year as there were no events during the Audit Year attracting the applicability of these regulations and guidelines:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (d) 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;
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

We have also examined compliance by the Company with the applicable clauses of the Listing Agreement entered into by the Company with the Stock Exchange, including compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

During the Audit Year, the Company has complied with the provisions of the Act, Rules, Regulations etc. mentioned above.

The Company has complied with the requirements as laid down in Secretarial Standards – 1 and Secretarial Standards – 2 issued by the Institute of Company Secretaries of India in relation to the board and general meetings and resolutions.

**We further report** that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (i) The Factories Act, 1948; and
- (ii) The Environment Protection Act, 1986 and other environmental laws.

**We further report that**, based on the information provided by the Company, respective department heads and other officers, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws, such as labour laws, legal metrology related rules, dangerous goods and petroleum storage related laws and Motor Vehicles Act.

**We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

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

For **KHANNA & CO.**  
Practicing Company Secretaries

Place: Navi Mumbai  
Dated: 23<sup>rd</sup> May, 2022

**Anup Vaibhav C. Khanna**  
Partner  
FCS No.: 6786  
COP No.: 12906  
UDIN: F006786D000371216  
Peer Review: 638/2019



## **Annexure to Secretarial Audit Report**

To,  
The Members  
**Ram Ratna Wires Limited**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour Laws & Environment Laws.

**For Khanna & Co.**  
Practicing Company Secretaries

Place: Navi Mumbai  
Dated: 23<sup>rd</sup> May, 2022

**Anup Vaibhav C. Khanna**  
Partner  
FCS No.: 6786  
COP No.: 12906  
UDIN: F006786D000371216  
Peer Review: 638/2019

### “Annexure III” to the Directors’ Report

**Details pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- A. The ratio of remuneration of each Director to the median remuneration of the employees of the company along with percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary for the financial year 2021-22 is as follows:**

(₹ in Lakhs)

<b>Name of Director(s)/ Key Managerial Personnel</b>	<b>Designation</b>	<b>Ratio of remuneration of Director to the Median Remuneration</b>	<b>% Increase in the Remuneration</b>
Shri Tribhuvanprasad Kabra	Non-Executive Chairman	0.90:1	*
Shri Mahendrakumar Kabra	Managing Director	130.77:1	317.03%
Smt. Kirtidevi Kabra**	Non-Executive Director	0.31:1	*
Shri Sandeep Jhanwar	Independent Director	1.90:1	*
Shri R. Kannan	Independent Director	1.90:1	*
Shri Hemant Kabra	President & CFO (Executive Director)	24.10:1	45.26%
Shri Upendra Kamath**	Independent Director	-	*
Shri Ramesh Chandak	Independent Director	1.90:1	*
Smt. Payal Agarwal***	Independent Director	1.05:1	*
Shri Saurabh Gupta	Company Secretary	-	9.48%

**Notes:**

- The aforesaid details are calculated on the basis of remuneration for the financial year 2021-22 and include sitting fees paid to Directors and commission to Managing Director.
- \*Percentage increase in Remuneration not given as only sitting fees is paid to them as per their attendance in Board and Committee meetings.
- \*\*Shri Upendra Kamath, Non-Executive Independent Director and Smt. Kirtidevi Kabra, Non-Executive Non-Independent Director were ceased as Directors of the Company w.e.f. 9<sup>th</sup> June, 2021 and 29<sup>th</sup> June, 2021 respectively.
- \*\*\*Smt. Payal Agarwal appointed as Non-Executive Independent Woman Director w.e.f. 30<sup>th</sup> June, 2021.

- B. The percentage increase in median remuneration of employees for the financial year 2021-22, as compared to financial year 2020-21 is 2.91%.**

- C. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The increase in average salary of employees (other than Key Managerial Personnel) for the financial year 2021-22, as compared to financial year 2020-21 is 5.84%. The increments given to employees are based on their potential, performance, experience and contribution to the Company’s growth, which are also benchmarked against applicable industry standard.

The parameters for remuneration and any increments for Key managerial Personnel’s are recommended by the Nomination & Remuneration Committee in accordance with the principles and criteria laid down in the Nomination & Remuneration Policy and other applicable laws.

- D. Number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2022: 830 Employees**

- E. Affirmation:**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Nomination and Remuneration Policy of your Company.

- F. The Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered office of the Company and has been uploaded on the website of the Company at [www.rrshramik.com](http://www.rrshramik.com). Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of Board of Directors

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

**Tribhuvanprasad Kabra**

Chairman

DIN: 00091375

## “Annexure IV” to Directors’ Report

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (Pursuant to Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014)

#### A. Conservation of energy:

It has been a tradition at your Company, Ram Ratna Wires Limited (“RRWL”) to conserve energy in all its forms. i.e. electrical, mechanical, thermal etc. by adopting and implementing relevant methods, procedures, and appropriate technology.

1.1. Electrical energy is the main input and therefore, any reduction in energy consumption leads to its conservation. High level of automation and technological up gradation of both machines and processing methods, energy accounting, monitoring of machine-wise energy consumption on a real-time basis by integrating all energy meters through automation, machine-wise energy consumption analysis, periodic internal auditing, corrective and preventive action, in case of any deviation from target level to achieve higher energy efficiency, are some of the measures taken by your company, to save energy on a regular and permanent basis. The bulk of the power consumption is in the electrically heated ovens the temperature of which are controlled through PLC (Programmed Logic Control) Panels and HMI (Human Machine Interface).

1.2. Tapping the wind energy for ventilation inside the factory by installing MS roof ventilator fans, harnessing sunlight by suitable rooftop acrylic sheets, solar water heaters, LED bulbs for lighting, energy efficient motors, and equipment for the process, extraction of heat energy from waste heat for processing etc. are adopted as a standard practice by your Company to conserve energy.

#### 2. Renewable Energy (RE power):

Your Company has already installed, commissioned, and has been operating a 400 kWp solar power plant on the terrace of RRWL Unit 3, during FY 20-21. The material for the second 400 kWp solar power plant has been received in the month of March, 22. The work is in progress for installation.

#### 3. Reduce, Reuse and Recycle water:

This is also a standard practice that is being followed at all levels in RRWL. As you are aware, your Company has already installed energy-efficient effluent treatment plants. The treated water has been used for gardening and other purposes, where the normal water is not required. Saving water means saving energy.

#### 4. Focus is on awareness of every employee of the company to save energy and water:

For this purpose, Seminars & training programs have been conducted regularly & periodically. Further, the company’s Energy Policy and tips for energy saving were displayed on flex boards at important locations throughout the factory and its premises, for educating the employees in this regard.

#### B. Technology Absorption:

RRWL has not imported any technology. Keeping in line with our national policy i.e. Innovation, Import substitution, and AatmaNirbhar Bharat, your Company has developed several new products, in-house through its strong and highly interactive R&D team which is well equipped with the latest testing instruments, including the TGA test instrument. In fact, your Company is the first Indian winding wire manufacturer to have this highly sophisticated instrument.

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

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Earnings in foreign currency	<b>9,045.67</b>	5,951.64
Expenditure in foreign currency	<b>15,175.06</b>	15,495.28

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 10<sup>th</sup> August, 2022

**Tribhuvanprasad Kabra**  
Chairman  
DIN - 00091375

## REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the combination of rules, processes, or laws by which businesses are operated, regulated or controlled. Your Company's philosophy is to maintain highest standards of Corporate Governance by complying with all the legal requirements as per the framework put in place by the Government through various laws and regulations and also adopting sound Corporate Governance principles and practices that helps in ensuring fairness, transparency, accountability, business ethics and maintaining long term value creation with its stakeholders such as Shareholders, Management, Customers, Suppliers, Bankers, Government and the Community. Governance depicts the culture and values of the Company and good governance in a Company helps to build confidence and trust of its Stakeholders. Your Company through its operations and processes strives to balance the interests of various stakeholders. The Company believes that good corporate governance is an integral part of the business and helps in sustainable business growth.

The Company's governance structure is driven by the Board of Directors, Committees and the Senior Management. The Corporate Governance systems and processes of the Company are further implemented through the Company's various policies, internal control mechanisms, Code of Conduct etc.

A report on the compliances with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations") is given below:

#### 1) Board of Directors:

The Board of Directors is entrusted with the responsibility for strategic direction and monitoring the affairs of the Company and effectiveness of Corporate Governance. The Board has a fiduciary duty in ensuring that the rights of all Stakeholders are protected.

##### 1.1 Composition of the Board:

The Board of Directors of the Company consists of eminent individuals with qualifications, knowledge and experience in diverse areas thereby ensuring highest standards of Corporate Governance and safeguarding Stakeholder's interests. The Board has an optimum combination of Executive and Non-Executive Directors including a Woman Independent Director to have a balanced Board Structure. As on 31<sup>st</sup> March, 2022, the Board comprised of 7 (Seven) members, 4 (four) of which are Non-Executive Independent Directors [including 1 (one) Woman Independent Director] constituting more than 50% of the Board strength, 1 (one) is Non-Executive Non-Independent Promoter Director and 2 (two) Executive Non-Independent Promoter Directors. The Chairman of the Board is a Non-Executive Non-Independent Promoter Director. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 (hereinafter referred to as "the Act") read with the Rules issued thereunder. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

Based on the intimations/disclosures received from the Directors, none of the Directors of the Company hold memberships/ Chairmanships more than the prescribed limits under the Act and the Listing Regulations. Necessary disclosures regarding committee positions in other Public Companies as on 31<sup>st</sup> March, 2022 have been made by the Directors. All Directors are in compliance with Regulation 17A of the Listing Regulations regarding Directorships / Independent Directorships of listed companies.

Pursuant to Section 164(2) of the Act, all the Directors of the Company have also provided annual declarations that they have not been disqualified to act as Directors.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act read with rules framed thereunder and that they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence as per Regulation 25 of the Listing Regulations.

The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and the Act and are independent of the Management of the Company.

The composition and details of number of other Directorships and Chairmanships / Memberships of Committees held by each Director of the Company in various other companies as on 31<sup>st</sup> March, 2022 are as under:



S. No.	Name of the Director and DIN	Category	Relationship with other Directors	Shareholding in the Company	Number of other		
					Directorships*	Committee Memberships**	Committee Chairmanships**
1.	Shri Tribhuvanprasad Kabra (DIN: 00091375)	Non-Executive Director, Chairman (Promoter)	Brother of Shri Mahendrakumar Kabra	6,35,466 Shares	1	-	-
2.	Shri Mahendrakumar Kabra (DIN: 00473310)	Executive Director (Managing Director) (Promoter)	Brother of Shri Tribhuvanprasad Kabra and father of Shri Hemant Kabra	18,67,966 Shares	1	-	-
3.	Shri Hemant Kabra (DIN: 01812586)	Executive Director (President & CFO) (Promoter)	Son of Shri Mahendrakumar Kabra	8,81,855 Shares	-	-	-
4.	Shri Sandeep Jhanwar (DIN: 00124901)	Non-Executive Independent Director	-	-	-	-	-
5.	Shri R. Kannan (DIN: 00227980)	Non-Executive Independent Director	-	-	5	3	1
6.	Shri Ramesh Chandak (DIN: 00026581)	Non-Executive Independent Director	-	-	5	7	3
7.	Smt. Payal Agarwal (DIN: 07198236)	Non-Executive Independent Woman Director	-	-	1	2	-

\* Excludes directorship in Ram Ratna Wires Limited. Also excludes directorship in private companies, foreign companies, companies incorporated under Section 8 of the Act and alternate directorships.

\*\* For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of public companies have been considered. Also excludes the Memberships & Chairmanships in Ram Ratna Wires Limited.

**Notes:** 1. Smt. Payal Agarwal has been appointed as a Non-Executive Independent Woman Director w.e.f. 30<sup>th</sup> June, 2021.  
2. The designation of Shri Hemant Kabra has been changed to President & CFO effective from 29<sup>th</sup> June, 2021. There are no changes in the terms and conditions of his appointment as approved at the Annual General Meeting held on 24<sup>th</sup> September, 2020.  
3. The Company has not issued any convertible instruments, hence disclosure in this respect is not applicable.

## 1.2 Board's functioning, Procedure and flow of information:

The dates for meetings of the Board of Directors and its Committees are scheduled in advance and is communicated to Directors to plan their schedule well in advance and facility to attend the meetings through video conferencing is also provided to facilitate Directors to attend the meetings and to ensure their full participation in the meetings. Additional meetings are convened wherever necessary and in case of urgent matters resolutions are passed by circulation and the noting of same is done in the subsequent Board meeting. The agenda along with explanatory notes are circulated well in advance to the Directors in accordance with the Secretarial Standards and as required under law to enable them to take informed decisions. All material information is circulated to the Directors before the meeting, including minimum information required to be made available under Part A of Schedule II of the Listing Regulations wherever applicable. The Managing Director and Chief Financial Officer make presentations to the Board on matters including but not limited to the Company's performance, operations, plans, Budget etc. and makes efforts to continuously upgrade the information available to the Board for decision making and the Board Members are updated on all key developments relating to the Company. The Board has complete access to any information within the Company which includes the information as specified in Regulation 17 and Schedule II of the Listing Regulations. The information which is in nature of Unpublished Price Sensitive Information (UPSI) is circulated to the Board Members at a shorter notice before the commencement of the meetings as per the consent received from the Board members.

The Board meets at least once in a quarter to, inter alia, review quarterly standalone and consolidated financial statements, compliance report(s) in relation to various laws applicable to the Company, major legal issues or regulatory development, minutes of the Board Meetings of Subsidiary Companies, review of financial results and performance of Subsidiary Companies and Joint Venture, significant transactions and arrangements entered into by the unlisted Subsidiary Companies, presentations by various Functional Heads relating to factory process developments, finance matters, marketing, risk management, foreign currency exposure, details of joint ventures or collaborations etc. and any other proposal from the management.

The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. He also ensures that the proceedings at the meetings are in accordance with the terms of reference and also tracks the action taken report in respect of various decisions taken at the meetings. The draft minutes of the Board and its Committees are sent to the Directors/Committee members for their comments in accordance with the Secretarial Standards and then, the minutes are entered in the minutes book within 30 (thirty) days of the conclusion of the respective meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The Company adheres to the provisions of the Act, read with the Rules issued thereunder, Secretarial Standards and the Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees and the General Meetings of the Shareholders of the Company.

### **1.3 Familiarisation Programme for Independent Directors:**

Pursuant to Regulations 25(7) and 46 of the Listing Regulations, the Company conducts Familiarisation Programmes for the Independent Directors to enable them to be familiarised with the Company, its management and its operations, nature of Industry in which the Company operates etc. to gain a clear understanding of their roles, rights and responsibilities for enabling their contribution to the growth of the Company.

Newly appointed Directors are provided with an appointment letter along with an Induction kit setting out the roles, duties, functions and details of the business of the Company including Company profile, operational information, Codes and policies which enable them to familiarize with the Company and its processes. Further, in the Board Meetings various presentations are done by the Managing Director, Chief Financial Officer and various Functional Heads of Factory, Marketing, Finance, Information Technology (IT) etc., to update them about the business of the Company, business strategy, operational review of subsidiaries, Internal Control, updates on capital expenditure, future developments and to update them about the environment in which the Company is operating. They are provided a platform to interact with multiple levels of management and are provided with all the documents required and/or sought by them to have a good understanding of Company's profile, its operations, business model and the industry of which it is a part. The Company also arranges for visits to the Company's plants to enable them to get first hand understanding of the processes.

The details of familiarization programs imparted to Independent Directors during the financial year 2021-22 are available on the website of the Company and can be accessed through the following link: <http://www.rrshramik.com/corporate-governance>.

### **1.4 Independent Directors:**

Independent Directors play a significant role in the governance processes on the Board. By virtue of their varied expertise and experience, they enrich the Board's decision-making and prevent possible conflicts of interest that may emerge in such decision making and safeguards the interests of all stakeholders.

#### **Meeting of Independent Directors**

As stipulated by Section 149(8) read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held during the year on 23<sup>rd</sup> March, 2022 through video conferencing, without the attendance of Non-Independent Directors and members of the management, to review the performance of the (i) Non-Independent Directors and the Board as a whole, (ii) Chairman of the Company taking into account views of Executive and Non-Executive Directors. The Independent Directors also assessed the quality, quantity and timeliness of the flow of information between the Company, the Management to the Board and its Committees which is necessary to perform reasonably and discharge their duties. All the Independent Directors attended the meeting. The Independent Directors expressed their satisfaction over the performance of the same and the flow of information to the Board and its Committees.

### **1.5 Succession Planning:**

The Company has a mechanism in place for ensuring orderly succession for appointments to the Board and Senior Management. The Nomination and Remuneration Committee and the Board periodically review the composition of the Board and identifying successors to the members of the Board and Senior Management to ensure proper succession planning as per the objectives of the Company.

### **1.6 Evaluation of Board Effectiveness:**

In terms of applicable provisions of the Act, read with Rules framed thereunder and Regulation 17(10) of the Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director including Independent Directors to be carried out on an annual basis. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements. Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2021-22 through various questionnaires and surveys and the Directors provided their feedback by way of ratings and remarks based on various criterias.

The evaluation of the entire Board is based on criteria such as Structure of the Board, efficiency in decision making, devotion of time and active participation of Board Members, Meetings of the Board, quality of discussions at the meeting, agenda and its related information, evaluation of the Governance and Compliance systems, flow of information between Management and Board etc.

The evaluation of the performance of the Directors were based on various aspects which, inter alia, included qualifications and experience, effectiveness of the contributions made during the meetings, attendance of the Director(s), relationship with Board, understanding of the role and responsibilities, understanding of the business and competitive environment for your Company etc. The Chairman of the Board is evaluated on the basis of his leadership initiative, ability to manage interests of various Stakeholders, ability to manage meetings effectively, attendance and participation in meetings etc.

Similarly, the performance of the Independent Directors was also evaluated by the entire Board excluding the Director being evaluated, taking into account their Independence, time devoted, contributions towards Board's decisions, objective independent judgement, etc. On the basis of performance evaluation done by the Board, it determines whether to extend or continue their term of appointment, whenever their respective term expires.

The performance of the Committees of the Board included aspects like understanding of the terms of reference by the Committee members, adequacy of the composition of the Committees, effectiveness of the discussions at the Committee meetings, information provided to the Committee to discharge its duties, performance of the Committee vis-à-vis its responsibilities etc. The Independent Directors also evaluated the performance of Chairman of the Board and Non-Independent Directors at the meeting of Independent Directors held on 23<sup>rd</sup> March, 2022.

The outcome of the evaluation process was placed before the Board for discussion and noting. The Directors expressed their satisfaction with the evaluation process and necessary steps will be taken going forward based on the recommendations.

#### 1.7 Number of Board Meetings held and attendance of Directors in Board and Annual General Meeting:

The Board of Directors oversee the overall functioning of the Company and takes the strategic decisions and define the management policies in the best interest of the Company and its stakeholders and for this, Members of the Board of Directors of the Company meet frequently, as the occasion(s) arises and as per the statutory requirement. In case of any exigency/emergency, resolutions are also passed by circulation. During the financial year ended 31<sup>st</sup> March, 2022, five (5) meetings of the Board of Directors were held through video conference in accordance with the provisions of the Act and the Listing Regulations and the maximum gap between any two consecutive meetings was not more than one hundred and twenty days.

The details of attendance of Directors at Board meetings held during the financial year 2021-22, and at the Annual General Meeting are as under:

Name of the Director	Date of Board Meetings					Annual General Meeting held on 17 <sup>th</sup> Sep. 2021
	10 <sup>th</sup> June, 2021	29 <sup>th</sup> June, 2021	12 <sup>th</sup> August, 2021	13 <sup>th</sup> November, 2021	11 <sup>th</sup> February, 2022	
Shri Tribhuvanprasad Kabra	P	P	P	P	P	P
Shri Mahendrakumar Kabra	P	P	P	P	P	P
Smt. Kirtidevi Kabra*	P	P	NA	NA	NA	NA
Shri Hemant Kabra	P	P	P	P	P	P
Shri Sandeep Jhanwar	P	P	P	P	P	P
Shri R. Kannan	P	P	P	P	P	P
Shri H.S. Upendra Kamath**	NA	NA	NA	NA	NA	NA
Shri Ramesh Chandak	P	P	P	P	P	P
Smt. Payal Agarwal***	NA	NA	P	P	P	P

Note: P- Present in the Meeting through video conference

NA- Not entitled to attend due to resignation or appointment as mentioned in notes below

\* Smt. Kirtidevi Kabra resigned as Director w.e.f. 29<sup>th</sup> June, 2021, due to personal reasons as stated in the resignation letter received by the Company.

\*\* Shri H.S. Upendra Kamath resigned as an Independent Director w.e.f. 09<sup>th</sup> June, 2021 due to personal reasons as stated in the resignation letter received by the Company.

\*\*\*Smt. Payal Agarwal was appointed as an Additional Director (Non-Executive Independent Woman Director) w.e.f. 30<sup>th</sup> June, 2021 and regularized in Annual General Meeting held on 17<sup>th</sup> September, 2021.

### 1.8 Note on Directors re-appointment:

Brief resume(s) of the Director proposed to be re-appointed is given in the explanatory statement annexed to the Notice convening the Annual General Meeting.

### 1.9 Details of Directorships in other Listed Entities and Category of Directorship:

The details of directorships of the Board members in other listed entities and category of directorship, as on 31<sup>st</sup> March, 2022 is as below:

S. No.	Name of Director	Name of Listed Company	Category of Directorship
1.	Shri Tribhuvanprasad Kabra	-	-
2.	Shri Mahendrakumar Kabra	-	-
3.	Shri Hemant Kabra	-	-
4.	Shri Sandeep Jhanwar	-	-
5.	Shri R. Kannan	1. Orient Press Limited 2. Jyoti Structures Limited	Independent Director Independent Director
6.	Shri Ramesh Chandak	1. Parag Milk Foods Limited 2. KEC International Limited 3. Summit Securities Limited 4. Prince Pipes and Fittings Limited 5. Anand Rathni Wealth Limited	Independent Director Independent Director Independent Director Independent Director Independent Director
7.	Smt. Payal Agarwal*	GEE Limited	Executive Director

\* Smt. Payal Agarwal was appointed as an Additional Director (Non-Executive Independent Woman Director) w.e.f. 30<sup>th</sup> June, 2021 and regularized in Annual General Meeting held on 17<sup>th</sup> September, 2021.

### 1.10 Key Board qualifications, expertise and attributes:

The Company's Board comprises of eminent individuals possessing requisite skills, competence and expertise in various areas of function which elevates the quality of the Board's decision-making and allows them to make effective contribution to the Board and its Committees that is required for the effective functioning of the Company.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business for it to function effectively along with the names of Directors who have such skills/expertise/competence:

Name of Director(s)	<b>Financial:</b> understanding and contributing towards financial statements, financial controls, effective risk assessment and management or similar functions	<b>Sales &amp; Marketing:</b> Experience in Sales and marketing and enhancing market share, understanding of the requirements of customer and enhancing customer satisfaction	<b>Technical:</b> Having sound technical knowledge, developing innovative methods, anticipating technological trends etc.	<b>Legal and Professional:</b> Expertise knowledge in areas of legal and regulatory aspects	<b>Leadership/ Governance:</b> Planning Succession, driving change for long term growth, strategic thinking and process development and protection of interest of all stakeholders
Shri Tribhuvanprasad Kabra	✓	✓	✓	×	✓
Shri Mahendrakumar Kabra	✓	✓	✓	✓	✓
Smt. Kirtidevi Kabra*	×	✓	×	×	✓
Shri Hemant Kabra	✓	✓	✓	✓	✓
Shri Sandeep Jhanwar	✓	×	×	✓	✓
Shri R. Kannan	✓	×	×	✓	✓
Shri H.S. Upendra Kamath**	✓	×	×	×	✓
Shri Ramesh Chandak	✓	✓	×	✓	✓
Smt. Payal Agarwal***	✓	×	×	✓	✓

\* Smt. Kirtidevi Kabra resigned as Director w.e.f. 29<sup>th</sup> June, 2021

\*\* Shri H.S. Upendra Kamath resigned as an Independent Director w.e.f. 09<sup>th</sup> June, 2021

\*\*\* Smt. Payal Agarwal was appointed as an Independent Woman Director w.e.f. 30<sup>th</sup> June, 2021.

### 1.11 Non-executive Directors' compensation and disclosures:

All Non-Executive Directors, including Independent Directors, are paid only sitting fees for attending the Board and Committee meetings. The sitting fees paid to Non-Executive Directors is fixed by the Board of Directors and is within the limits prescribed under the Act and Rules made there under.

### 1.12 Directors and Officers Insurance ('D&O'):

The Company has voluntarily taken D&O for all its Directors including Independent Directors and members of the Senior Management for such quantum and for such risks as determined by the Board of Directors.

## 2. Committees of the Board:

The Board has constituted various Committees with an optimum representation of its members and with specific terms of reference in accordance with the Act and the Rules framed thereunder and the Listing Regulations which determines its scope, powers and responsibilities. The Company currently has 5 (five) Committees of the Board, namely: Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Finance Committee. The Chairman of the respective Committee(s) brief the Board about the summary of the discussions held in the Committee Meetings.

### I. Audit Committee:

#### a) Primary objectives of the Audit Committee:

The Audit Committee is, inter alia, entrusted with the responsibility as per the role and broad terms of reference as described below. The composition of the Audit Committee is in alignment with provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in accounting and financial management.

The Audit Committee meets the Statutory Auditors and the Internal Auditor independently without the presence of the management at least once in a year.

#### b) Broad terms of reference of the Audit Committee:

The terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of the Schedule II of the Listing Regulations. The Audit Committee is empowered, pursuant to its terms of reference and its role, inter alia, includes the following:

- i. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- ii. recommendation to the Board for appointment, remuneration and terms of appointment of auditors of the Company.
- iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- v. reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- vi. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;



- viii. approval or any subsequent modification of transactions of the Company with related parties.
- ix. Scrutiny of inter-corporate loans and investments.
- x. valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. evaluation of internal financial controls and risk management systems;
- xii. reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
- xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. discussion with internal auditors of any significant findings and follow up there on.
- xv. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. to review the functioning of the Whistle Blower mechanism.
- xix. approval of appointment of CFO after assessing the qualifications, experience and background etc. of the candidate.
- xx. management discussion and analysis of financial condition and results of operations.
- xxi. statement of significant related party transactions (as defined by the audit committee), submitted by the management.
- xxii. Review of management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- xxiii. internal Audit Reports relating to internal control weaknesses.
- xxiv. appointment, removal and terms of remuneration of the Chief Internal Auditor.
- xxv. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, and verify that the systems for internal control are adequate and are operating effectively.
- xxvi. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- xxvii. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamations etc., on the Company and its shareholders.
- xxviii. carrying out any other function as may be prescribed by law or entrusted by the Board of Directors from time to time.

**c) Composition, Meetings and attendance during the year:**

The composition of the Audit Committee comprises of members as stated below:-

Name of Member	Category of Director	Chairperson/Member
Shri Sandeep Jhanwar	Non-Executive, Independent Director	Chairperson
Shri Mahendrakumar Kabra	Managing Director	Member
Shri R. Kannan	Non-Executive, Independent Director	Member
Shri Ramesh Chandak	Non-Executive, Independent Director	Member
Smt. Payal Agarwal*	Non-Executive, Independent Director	Member

\*Smt. Payal Agarwal was appointed as Member of Audit Committee w.e.f. 13<sup>th</sup> August, 2021.

During the financial year ended 31<sup>st</sup> March, 2022, five (5) Audit Committee Meetings were held through video-conference and the gap between two meetings did not exceed one hundred and twenty days. The table hereunder gives the details of meetings and attendance record of the Audit Committee members. Shri Sandeep Jhanwar, Chairman of the Audit Committee was present at the last Annual General Meeting held on 17<sup>th</sup> September, 2021.

Name of Member	Meetings of Audit Committee				
	10 <sup>th</sup> June, 2021	28 <sup>th</sup> June, 2021	11 <sup>th</sup> August, 2021	12 <sup>th</sup> November, 2021	11 <sup>th</sup> February, 2022
Shri Sandeep Jhanwar	P	P	P	P	P
Shri Mahendrakumar Kabra	P	P	P	P	P
Shri R. Kannan	P	P	P	P	P
Shri Ramesh Chandak	P	P	P	P	P
Smt. Payal Agarwal*	NA	NA	NA	P	P

\*Smt. Payal Agarwal was appointed as Member of Audit Committee w.e.f. 13<sup>th</sup> August, 2021.

Note: P- Present in the Meeting

NA- Not entitled to attend due to appointment as mentioned in notes above

The Audit Committee invites such executives of the Company as it considers appropriate to be present in the meetings. The Chief Financial Officer and representatives of the Statutory Auditors and Internal Auditors are permanent invitees to the Audit Committee Meetings. Shri Saurabh Gupta, Company Secretary acts as the Secretary to the Committee.

All the recommendations of the Audit Committee have been accepted by the Board.

## II. Nomination & Remuneration Committee:

### a) Brief description and terms of reference:

The role of the Nomination and Remuneration Committee is governed by its Charter and it comprises of Members as stated below and its composition is in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. Terms of reference of the Nomination and Remuneration Committee (NRC) covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of schedule II to the Listing Regulations. The terms of reference of the NRC, inter alia are as follows:

1. Identify persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal,
2. Formulate criteria for determining qualifications, positive attributes and independence of a Director,
3. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees,
4. Formulate criteria for evaluation of Independent Directors and the Board of Directors,
5. Devise a policy on Diversity of Board of Directors,
6. Evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have capabilities identified in such description,
7. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors,
8. Reviewing and recommending to the Board, the remuneration payable to Directors and all remuneration, in whatever form payable to Key Managerial Personnel & senior management, and
9. Undertake any other matters as may be prescribed by law or entrusted by the Board of Directors from time to time.

The Committee may also approve, allocate and administer the Employee Stock Option Schemes and other related matters. Presently, the Company does not have any stock option plan for its Directors or Employees.

The performance evaluation process of the Board, its Committees and the individual Directors (including Independent Directors) for the financial year 2021-22 has been completed and the Directors expressed their satisfaction with the evaluation process.

### b) Composition, Meetings and attendance during the year:

All the members of the Committee are Non-Executive Independent Directors. Chairman of the Committee is an Independent Director.

Composition of the Nomination and Remuneration Committee, as at 31<sup>st</sup> March, 2022 is as follows:

Name of Member	Category of Director	Chairperson/Member
Shri Sandeep Jhanwar	Non-Executive, Independent Director	Chairperson
Shri Ramesh Chandak	Non-Executive, Independent Director	Member
Shri R. Kannan	Non-Executive, Independent Director	Member

During the financial year ended 31<sup>st</sup> March, 2022, two (2) Nomination & Remuneration Committee Meetings were held through video-conference. Shri Sandeep Jhanwar, Chairman of the Nomination & Remuneration Committee had attended the last Annual General Meeting held on 17<sup>th</sup> September, 2021. The table hereunder gives the attendance record of the Nomination & Remuneration Committee members:

Name of Member	Meeting of Nomination & Remuneration Committee	
	28 <sup>th</sup> June, 2021	11 <sup>th</sup> August, 2021
Shri Sandeep Jhanwar	P	P
Shri R. Kannan	P	P
Shri Ramesh Chandak	P	P

Note: P- Present in the Meeting.

Shri Saurabh Gupta, Company Secretary, acts as the Secretary to the Committee.

**c) Remuneration Policy:**

Your Company has formulated a Remuneration Policy which is applicable to all the Directors and senior managerial personnel of the Company. The remuneration policy of the Company specifies the criteria for appointment and remuneration of Directors, Key managerial Personnel and Senior Management as provided under the Act and the Listing Regulations. It also mentions the role of the Nomination & Remuneration Committee. The Nomination & Remuneration Policy of the Company can be accessed on the website of the Company at <https://www.rshramik.com/investor/corporate-governance/>.

Non-Executive Directors including the Independent Directors are paid sitting fees for each meeting of the Board and certain committees of the Board attended by them. The appointment and remuneration of the Managing Director and other Executive Director is recommended by the Nomination & Remuneration Committee and are governed by resolutions passed by the Board of Directors and Shareholders of the Company, which covers terms of such appointment, read with the service rules of the Company. Remuneration paid to the Managing Director is recommended by the Nomination & Remuneration Committee, approved by the Board and is within the limits set by the Shareholders at the General Meeting.

**d) Details of Remuneration paid to the Directors for the Financial Year ended 31<sup>st</sup> March, 2022 are as under:**

(₹ in Lakhs)

Name of the Directors	Pay & Allowance	Performance Linked Salary	Perquisites	Sitting Fees	Retirement Benefits	Total
Shri Tribhuvanprasad Kabra	-	-	-	2.05	-	2.05
Shri Mahendrakumar Kabra	299.47	-	-	-	-	299.47
Shri Hemant Kabra	48.00	7.20	-	-	-	55.20
Shri Sandeep Jhanwar	-	-	-	4.35	-	4.35
Shri R. Kannan	-	-	-	4.35	-	4.35
Shri H.S. Upendra Kamath*	-	-	-	-	-	-
Shri Ramesh Chandak	-	-	-	4.35	-	4.35
Smt. Kirtidevi Kabra**	-	-	-	0.70	-	0.70
Smt. Payal Agarwal***	-	-	-	2.40	-	2.40

\* Shri H.S. Upendra Kamath resigned as an Independent Director of the Company w.e.f. 09<sup>th</sup> June, 2021.

\*\* Smt. Kirtidevi Kabra resigned as Director of the Company w.e.f. 29<sup>th</sup> June, 2021.

\*\*\* Smt. Payal Agarwal was appointed as an Independent Woman Director of the Company w.e.f. 30<sup>th</sup> June, 2021.

Note: During the year under review Director sitting fees for Board meeting has been increased from ₹ 35,000/- per meeting to ₹ 50,000/- per meeting and for Committee meetings i.e. Audit Committee and Nomination & Remuneration Committee along with Independent Directors Meeting increased from ₹ 25,000/- per meeting to ₹ 35,000/- per meeting w.e.f. 13<sup>th</sup> August, 2021.

### III. Stakeholders Relationship Committee:

The Company has constituted “Stakeholders’ Relationship Committee” (“SRC”) in compliance with the provisions of Section 178 of the Act, and Regulation 20 of the Listing Regulations for redressal of Shareholders’ grievances like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.

The terms of reference of SRC covers the areas mentioned in Section 178 of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The broad terms of reference of the SRC are as under:

- Consider and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, general meetings etc.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates).
- Approve and/or reject the transfer or replacement or transmission of shares of the Company and authorizing the Managing Director and / or Company Secretary of the Company for the same.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Any other matters may be prescribed by law or entrusted by the Board of Directors from time to time.

#### Composition, Meetings and attendance during the year:

Composition of the Stakeholders Relationship Committee as at 31<sup>st</sup> March, 2022 is as follows:

Name of Member	Category of Director	Chairperson/Member
Shri R. Kannan*	Non-Executive, Independent Director	Chairperson
Shri Mahendrakumar Kabra	Managing Director	Member
Shri Hemant Kabra	Executive Director (President & CFO)	Member

\*Shri R. Kannan was appointed as the Chairman & Member of the Committee in place of Shri Sandeep Jhanwar w.e.f. 13<sup>th</sup> August, 2021.

During the financial year ended 31<sup>st</sup> March, 2022, one (1) Stakeholders Relationship Committee Meeting was held through video-conference. The table hereunder gives the attendance record of the Stakeholders Relationship Committee members:

Name of Member	Meeting of Stakeholders Relationship Committee
	12 <sup>th</sup> November, 2021
Shri R. Kannan	P
Shri Sandeep Jhanwar	NA
Shri Mahendrakumar Kabra	P
Shri Hemant Kabra	A

Note: P- Present in the Meeting

A- Absent in the Meeting

NA- Not entitled to attend due to cessation as mentioned in notes above

Shri Saurabh Gupta, Company Secretary, acts as Compliance Officer of the Company in terms of Regulation 6 of the Listing Regulations. He is also appointed as the Nodal Officer of the Company in terms of Investor Education and Protection Fund Rules.

The details pertaining to the number of investor complaints received and redressed during the financial year 2021-22 are given below as on 31<sup>st</sup> March, 2022 and the status thereof:

Nature of Complaint	Number of Complaints Pending (Beginning)	Number of Complaints Received	Number of Complaints Redressed	Number of Pending Complaints
SEBI (Scores), BSE, MCA, Depository and Others	NIL	NIL	NIL	NIL

The Committee expresses satisfaction with the Company's performance in dealing with investors' grievances and its shares transfer system. As per the Listing Regulations to expedite the process of share transfers, the Board has delegated the powers of share transfers and related matters to Shri Mahendrakumar Kabra, Managing Director and Shri Saurabh Gupta, Company Secretary who meet once in a fortnight or as and when required to approve all the matters related to shares i.e., share transmissions, dematerialization and re-materialization of shares, duplicate issue etc.

#### IV. Corporate Social Responsibility ("CSR") Committee:

At, Ram Ratna, it has been our constant endeavour to bring about a positive difference to communities where we exist. CSR is deeply rooted in our core values. Our CSR activities are planned and well organized to educate, support and empower less privileged communities and preserve the environment. CSR for us is not merely the means to run our business successfully but the part of our individual responsibilities as global citizens.

The CSR Committee is empowered pursuant to its terms of reference covering areas as mentioned under the Act and rules thereunder, inter alia, to:

1. Formulate and recommend to the board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act and rules framed thereunder.
2. Recommend the amount of expenditure to be incurred on the CSR activities.
3. Monitor implementation and adherence to the CSR Policy of the Company from time to time.
4. To identify the strategies for monitoring and evaluation of CSR initiatives and to facilitate adequate feedback to the Board with regard to the efficiency of CSR expenditure and quality of compliance of the provisions of CSR under the Act and rules framed there under.
5. To formulate and recommend to the Board, an annual action plan in pursuance of the Company's CSR Policy providing for the list of CSR projects and programmes that are approved to be undertaken, the manner of execution and the modalities of utilisation of funds and implementation schedules for the projects or programmes, monitoring and reporting mechanism and details of need and impact assessment, if any, for the projects undertaken by the Company.
6. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, necessary or appropriate for performance of its duties.

The Company has in place a CSR policy formulated by the Committee and approved by the Board of Directors and can be accessed at the website of the Company (<https://www.rshramik.com/corporate-governance/>). The Annual Report on CSR activities undertaken by the Company during the financial year 2021-22 have been provided as Annexure-I of Directors' Report.

#### Composition, Meetings and attendance during the year:

The composition of the CSR Committee is in alignment with provisions of Section 135 of the Act and rules framed thereunder and it comprises of Members as below as on 31<sup>st</sup> March, 2022:

Name of Member	Category of Director	Chairperson/Member
Shri Ramesh Chandak*	Non-Executive, Independent Director	Chairperson
Shri Mahendrakumar Kabra	Managing Director	Member
Shri Hemant Kabra	Executive Director (President & CFO)	Member

\* Shri Ramesh Chandak was appointed as the Chairman & Member of the Committee in place of Shri Sandeep Jhanwar w.e.f. 13<sup>th</sup> August, 2021.

During the financial year ended 31<sup>st</sup> March, 2022, two (2) CSR Committee Meetings were held through video-conference. The table hereunder gives the attendance record of the CSR Committee members.



Name of Member	Meeting of Corporate Social Responsibility Committee	
	28 <sup>th</sup> June, 2021	11 <sup>th</sup> February, 2022
Shri Ramesh Chandak	NA	P
Shri Sandeep Jhanwar	P	NA
Shri Mahendrakumar Kabra	P	P
Shri Hemant Kabra	P	A

Note: P - Present in the Meeting

A - Absent in the Meeting

NA - Not entitled to attend as mentioned in notes above

Shri Saurabh Gupta, Company Secretary, acts as the Secretary to the Committee.

#### V. Finance Committee:

Apart from the above statutory Committees, the Board has constituted Finance Committee to approve matters relating to availing of various credit facilities within the overall borrowing limits as approved by the Shareholders of the Company, authorizing the officials of the Company for matters connected therewith and further terms of reference as described below.

The Finance Committee is empowered pursuant to its terms of reference as approved by the Board of Directors, inter alia:

1. To borrow monies for and on behalf of the Company from time to time for the purpose of the business of the Company.
2. To grant loans/ provide security/ give guarantee in connection with the loans obtained by other persons subject to the provisions of the Act.
3. To authorize for matters relating to banking operations, including opening of new accounts, authorizing or modifying operating bank signatories, matters related to foreign exchange, closing of existing accounts etc.
4. To transact foreign exchange swaps, options, futures and forwards and any other derivatives.
5. To authorize for internet banking facility, online trade finance related services, any API integration for collection and payment and similar nature of services.
6. To authorize the persons to represent the Company in any Court / Statutory Bodies / Authorities etc.
7. To approve all other matters & issues relating to finance and legal cases arising in the ordinary course of business.

#### Composition, Meetings and attendance during the year:

The Finance Committee comprises of members as stated below:

Name of Member	Category of Director	Chairperson/Member
Shri Tribhuvanprasad Kabra	Non-Executive, Non- Independent Director	Chairperson
Shri R. Kannan	Non-Executive, Independent Director	Member
Shri Hemant Kabra	Executive Director (President & CFO)	Member

During the financial year ended 31<sup>st</sup> March, 2022, four (4) Finance Committee Meetings were held through video-conference. The table hereunder gives the attendance record of the Finance Committee members:

Name of Member	Meetings of Finance Committee			
	19 <sup>th</sup> July, 2021	22 <sup>nd</sup> October, 2021	21 <sup>st</sup> December, 2021	22 <sup>nd</sup> February, 2022
Shri Tribhuvanprasad Kabra	P	P	P	P
Shri R. Kannan	P	P	P	P
Shri Hemant Kabra	P	A	P	P

Note: P- Present in the Meeting

A- Absent in the Meeting

Shri Saurabh Gupta, Company Secretary, acts as the Secretary to the Committee.

### 3) General Body Meetings:

Details of General Body Meetings held in last three years and summary of Special Resolution(s) passed therein, if any, are as hereunder:

#### Annual General Meeting:

Year	Date & Time	Venue	Special resolution(s) passed
2018-19	11-09-2019 at 11:30 a.m.	Hotel Sunville, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018	1. Appointment of Shri Mahendrakumar Kabra as Managing Director of the Company. 2. Appointment of Shri Ramesh Deokisandas Chandak as an Independent Director of the Company. 3. Re-appointment Shri Sandeep Jhanwar as an Independent Director of the Company. 4. Re-appointment of Shri Kannan Ramamirtham as an Independent Director of the Company. 5. Re-appointment of Shri Prashant Deshpande as an Independent Director of the Company. 6. Amendment of the Articles of Association to incorporate relevant provisions relating to appointment of Chairman Emeritus. 7. Amendment of Memorandum of Association of the Company.
2019-20	24-09-2020 at 11:00 a.m.	Through Video Conferencing (VC)/ other audio visual means (OAVM). Deemed venue is the Registered office of the Company i.e. Ram Ratna House, Oasis Complex, P.B. Marg, Worli, Mumbai - 400013	Nil
2020-21	17-09-2021 at 11:00 a.m.		Nil

#### Postal Ballot

During the Financial year 2021-22, no resolutions were passed by way of Postal ballot. Currently, no resolution is proposed to be passed through postal ballot. However, if required the same shall be passed in compliance with the provisions of the Act, the Listing Regulations or any other applicable laws.

### 4) Subsidiary Companies:

As on 31<sup>st</sup> March, 2022, the Company had two unlisted Indian subsidiaries, Global Copper Private Limited (material subsidiary) and Epavo Electricals Private Limited. As the income and net worth of the said material subsidiary (Global Copper Private Limited) was below 20% of the consolidated income and net worth respectively, the Company was not required to nominate an Independent Director of the Company on the Board of the subsidiary company. The Company's Board monitors performance of subsidiary Companies by following means:

- Minutes of unlisted subsidiary companies are regularly placed before the Board of the Company.
- Financial summary including investments of unlisted subsidiary companies is reviewed quarterly by the Audit Committee and Board of the Company.
- A statement wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings.

The Company has also formulated policy for determining its material subsidiaries in accordance with the requirements of Regulation 23 of the Listing Regulations (including statutory enactments/amendments thereof) and the details of policy have been disclosed on the Company's website at the link: <https://www.rrshramik.com/investor/corporate-governance/>.

### 5) Secretarial Compliance Report & Certificate from Practicing Company Secretary:

- SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchange within 60 days of the end of the financial year.

The Company has appointed M/s. Khanna & Co., Practicing Company Secretaries, for providing this certification and the same has been submitted to Stock Exchange within above mentioned timeline.

- b. A Secretarial Audit on the compliance of corporate laws and SEBI Regulations was conducted as per the provisions of Section 204 of the Act, by M/s. Khanna & Co., Practicing Company Secretaries, for the financial year ended 31<sup>st</sup> March, 2022 and the report of the same is annexed as Annexure II to the Director's Report.

**c. Reconciliation of Share capital Audit Report**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital. Quarterly reports on reconciliation of the total admitted capital with CDSL & NSDL and the total issued and listed capital were furnished to the Stock Exchange on the following dates as :

For the quarter ended	Furnished on
30 <sup>th</sup> June, 2021	26 <sup>th</sup> July, 2021
30 <sup>th</sup> September, 2021	25 <sup>th</sup> October, 2021
31 <sup>st</sup> December, 2021	22 <sup>nd</sup> January, 2022
31 <sup>st</sup> March, 2022	22 <sup>nd</sup> April, 2022

- d. The Company has received a certificate as required under Part C of Schedule V of the Listing Regulations from M/s. Khanna & Co., Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority and the same is annexed to this Report.

**6) Quarterly Compliance Report on Corporate Governance:**

The Company has submitted for each of the four quarters during the Financial year 2021-22, the Compliance Report on Corporate Governance to the Stock Exchange, BSE Limited in the prescribed format within prescribed timelines from the close of the respective quarters.

**7) Disclosures:**

**(i) Related Party Transactions:**

All transactions entered into with related parties during the financial year 2021-22 were in the ordinary course of business and at arm's length basis and do not attract the provisions of Section 188 of the Act and were reviewed and approved by the Audit Committee. The Board has approved a policy on dealing with related party transactions which has been uploaded on the Company's website at the link: <https://www.rshrshramik.com/investor/corporate-governance/>.

There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large and further the transactions undertaken are in compliance with the provisions of the Act read with Rules framed thereunder and the Listing Regulations. The Audit Committee also reviews related party transactions on a quarterly basis pursuant to each of the omnibus approval granted. The details of Related Party transactions are disclosed in the notes to Financial Statements forming part of this Annual Report.

The Company also submits details of related party transactions on consolidated basis to Stock Exchange within the timelines and format as prescribed under the Listing Regulations.

**(ii) Disclosure of Accounting Treatment:**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (IND AS) referred to in Section 133 of the Act and other relevant provisions of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**(iii) Compliances by the Company:**

The Company has complied with all the requirements of regulatory authorities. There has been no instance of non-compliance by the Company on any matter related to capital market during the last 3 (Three) financial years and hence, no penalties / strictures were imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority on any matter related to capital market during the last 3 (Three) financial years.

- (iv)** The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and sub paras (2) to (10) of Schedule V Part C of the Listing Regulations.

**(v) Whistle Blower Policy and Vigil Mechanism:**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism

for employees and Directors to report concerns about unethical behavior. The Whistle Blower Policy complies with the requirements of Vigil Mechanism as stipulated under Section 177(9) of the Act and Regulation 22 of the Listing Regulations. The policy comprehensively provides an opportunity for an employee and Director to report the instances of unethical behavior, actual or suspected fraud or any violation of the Code of Conduct and/or laws applicable to the Company and seek redressal. The Policy provides for a mechanism to report such concerns to the Chairman of the Audit Committee through specified channels and suitable actions are taken for concerns reported if any. The Policy is being communicated to the employees and also posted on Company's website. No person is denied the access of the Audit Committee with regards to the above. The details of establishment of Whistle Blower Policy/Vigil Mechanism have been disclosed on the Company's website at the link: <https://www.rrshramik.com/investor/corporate-governance/>.

**(vi) Commodity price risk and Commodity hedging:**

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year is as follows:

- Total exposure of the Company to commodities - ₹ 8,199 Lakhs
- Exposure of the Company to commodity is as under:

Commodity Name	Exposure (₹ in Lakhs)	Exposure in Quantity (in MT)	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Copper	8,199	989	NIL				

The above exposure is based on the minimum level of average inventory of commodity maintained by the Company. The Company proactively manages its risk through forward booking Inventory management.

**(vii) Affirmation:**

In accordance with the provisions of Regulation 26(6) of the Listing Regulations, the Employee(s), Key Managerial Personnel(s), Director(s) and Promoter(s) of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

**(viii) Code of Conduct:**

The Company has adopted a Code of Conduct ("the Code") for Directors and Senior Management of the Company and it also incorporates the duties of the Independent Directors as laid down in the Act and the Listing Regulations. The Code is updated on regular basis and defines the rules and principles to be observed in respect of all activities of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website at the link: <https://www.rrshramik.com/investor/corporate-governance/>.

The Board members and Senior Management personnel have affirmed their compliance with the code applicable to them during the financial year ended 31<sup>st</sup> March, 2022. A declaration to this effect signed by the Managing Director of the Company is annexed to this Report.

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has also adopted Code of Conduct for prevention of Insider Trading and fair disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at the link: <https://www.rrshramik.com/investor/corporate-governance/>. The same is also communicated to all the Designated Persons and the Audit Committee also reviews compliance of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

**(ix) Recommendations of Committees of the Board:**

There were no instances during the financial year 2021-22, wherein the Board has not accepted recommendations made by any committee of the Board.

**(x) Total fees paid to Statutory Auditors of the Company:**

Total fees of ₹ 44.85 Lakhs for the financial year 2021-22, for all the services, was paid by the Company and its subsidiaries (excluding applicable taxes), on a consolidated basis, to M/s. Bhagwagar Dalal & Doshi, Chartered Accountants, Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part.

**(xi) Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an effective mechanism for dealing with complaints relating to Sexual harassment at workplace. The details of number of complaints received and disposed during the financial year 2021-22 are as under:

- a) Number of Complaints filed during the financial year: NIL
- b) Number of Complaints disposed of during the financial year: NIL
- c) Number of Complaints pending as on the end of the financial year: NIL

**(xii) Utilization of funds raised through preferential allotment or qualified institutions placement:**

During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

**(xiii) Demat suspense account / unclaimed suspense account:**

Disclosure with respect to demat suspense account / unclaimed suspense account is not applicable to the Company as no shares are lying in demat Suspense account or unclaimed suspense account.

**(xiv) Loans and Advances to firm / companies in which Directors are interested:**

During the year, the Company has provided unsecured loan of ₹ 8 (Eight) Crores to Epavo Electricals Private Limited, Subsidiary Company, in which one of the Director of the Company is a Director for the purpose of its business operations.

**(xv) Compliance with the Mandatory requirements and Non-mandatory requirements:**

The Company has complied with the applicable mandatory requirements of the Listing Regulations. The Company has adopted following non-mandatory requirements of the Listing Regulations:

**(i) The Board**

The Chairman of the Company has been provided with a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

**(ii) Audit qualifications**

During the year under review, there were no audit qualification on the Company's financial statements. The Company continues to follow the regime of unqualified/unmodified financial statements.

**(iii) Separate posts of Chairman and Managing Director**

The Company has appointed Non-Executive Director as the Chairman of the Board and his position is separate from the Managing Director of the Company.

**(iv) Reporting of Internal Auditor**

The Internal auditor reports directly to the Audit Committee.

**8) Means of Communication:**

Pursuant to the Act and the Listing Regulations, the Company promptly discloses information on material corporate developments and other required statutory events. The Company use multiple channels for communications through disseminations of information on the online portal of stock exchange, newspapers (wherever required) and placing relevant information on its website.

**1. Publication of Results:**

The quarterly, half-yearly and annual financial results of the Company are published in leading English and vernacular language newspapers in India, viz., Financial Express (All India Edition), Loksatta (Marathi) and Jansatta (Hindi).

**2. Website and News Releases:**

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website ([www.rshramik.com](http://www.rshramik.com)) gives information on various announcements made by the Company, Annual Report, Quarterly/Half yearly/Nine-months and Annual financial results, shareholding patterns, the policies framed by the Company under various laws and regulations, contact information of the nodal officer and designated officials responsible for assisting and handling investor grievances and for the purpose of IEPF and such other material information relevant to shareholders of the Company.

**3. Stock Exchange & BSE Listing centre:**

Your Company makes timely disclosures of necessary information to BSE Limited through BSE Listing Centre in terms of the Listing Regulations and other rules and regulations issued by the SEBI. All periodical compliance filings, inter alia,

shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are in accordance with the Listing Regulations filed electronically.

4. Communication to Shareholders:

Company sends documents such as Notices, Annual Reports, advise for dividend etc. to Shareholders at their email address registered with the Depository Participants/ Company/ Registrar and Share Transfer Agent (RTA). Reminders are also sent to Shareholders for registration / updation of their PAN, email address, bank details, KYC & Nomination details and claiming of unclaimed dividend & unclaimed shares lying with the Company which are liable to be transferred to the Investor Education and Protection Fund Authority.

9) **Regulatory orders:**

There were no regulatory orders pertaining to the Company for financial year ended 31<sup>st</sup> March, 2022.

10) **Compliance Certificate on Corporate Governance:**

As required under the Listing Regulations, a compliance certificate issued by M/s. Khanna & Co., Practicing Company Secretaries, regarding compliance with Corporate Governance norms is annexed and forming part of this Report.

11) **CEO/MD and CFO Certification:**

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17 read with Part B of Schedule II of Listing Regulations. The said Certificate is annexed and forms part of this Report. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results, while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

12) **General Shareholders Information:**

<b>(i) Corporate Identification Number (CIN) and Registered office</b>	The Corporate Identification Number of Company is L31300MH1992PLC067802 and having its registered office at Ram Ratna House, Oasis Complex, P.B. Marg, Worli, Mumbai - 400013
<b>(ii) AGM: Date and Time Venue</b>	Wednesday, 21 <sup>st</sup> September, 2022 at 10:30 a.m. Through Video Conferencing / Other Audio Visual Means (OAVM) in accordance with MCA and SEBI circulars
<b>(iii) Financial Year / Calendar (tentative and subject to change)</b>	For the Financial year 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023, tentative schedule of reporting for Financial Results is as under:
	30 <sup>th</sup> June, 2022 : On or before 14 <sup>th</sup> August, 2022
	30 <sup>th</sup> September, 2022 : On or before 14 <sup>th</sup> November, 2022
	31 <sup>st</sup> December, 2022 : On or before 14 <sup>th</sup> February, 2023
	31 <sup>st</sup> March, 2023 : On or before 30 <sup>th</sup> May, 2023
	Annual General Meeting : On or before 30 <sup>th</sup> September, 2023 for year ending 31 <sup>st</sup> March, 2023
<b>(iv) Record Date</b>	For the purpose of payment of Dividend: Friday, 26 <sup>th</sup> August, 2022.
<b>(v) Dividend Payment Date</b>	The dividend, if declared, shall be paid/credited from Thursday, 22 <sup>nd</sup> September, 2022.
<b>(vi) Listing of Equity Shares:</b>	
<b>(a) Stock Exchange*</b>	The Equity Shares of the Company are listed on BSE Limited. Annual Listing Fees as applicable has been paid for the year 2022 – 2023.
<b>(b) Depository</b>	Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL). The Annual Issuer and custody fees as applicable has been paid to Depositories for the year 2022-23.
<b>(vii) Stock Exchange Code</b>	BSE Limited – 522281

*\*The Company received approval from the National Stock Exchange of India Limited (NSE) for listing and admission of the Company's equity shares to dealings on the NSE from the trading hours of 29<sup>th</sup> July, 2022. The Company has paid the listing fees as applicable to NSE for the year 2022-23.*

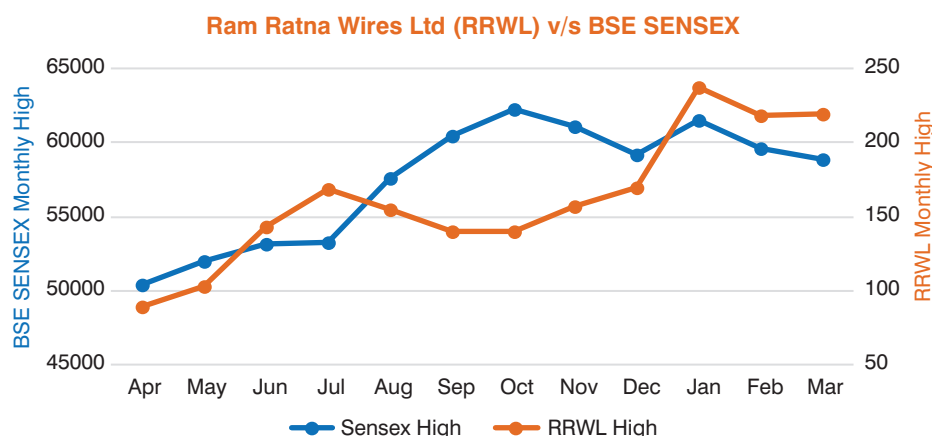


**(viii) Stock Market price data relating to the shares:**

Monthly high and low prices and volume at the BSE Limited for financial year ended 31<sup>st</sup> March, 2022:

Month	BSE Limited			
	Share Price		Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2021	88.75	75.00	50,375.77	47,204.50
May, 2021	102.95	82.00	52,013.22	48,028.07
June, 2021	143.00	88.10	53,126.73	51,450.58
July, 2021	168.00	128.00	53,290.81	51,802.73
August, 2021	155.00	122.00	57,625.26	52,804.08
September, 2021	139.50	128.00	60,412.32	57,263.90
October, 2021	139.90	126.20	62,245.43	58,551.14
November, 2021	157.40	127.00	61,036.56	56,382.93
December, 2021	169.90	142.00	59,203.37	55,132.68
January, 2022	237.50	154.05	61,475.15	56,409.63
February, 2022	218.50	180.15	59,618.51	54,383.20
March, 2022	219.40	186.05	58,890.92	52,260.82

**Stock Price Performance**



**(ix) Registrar and Share Transfer Agent:**

The Company has appointed M/s. Datamatics Business Solutions Limited as the Registrar and Share Transfer Agent ("RTA"). All the Shareholders requests such as transmission, dematerialization of shares, dividend payment, share certificate issue and related matters are attended and processed by the RTA.

The address and Contact details of RTA is as under:

Name and Address of RTA	M/s. Datamatics Business Solutions Limited Plot No. B-5, Part B Cross Lane, MIDC, Behind MIDC Police Station, Andheri (East), Mumbai - 400093
Tel.	91-22 6671 2001-10   Fax: 91-22-6671 2011
E-mail ID	<a href="mailto:investorsqry@datamaticsbpm.com">investorsqry@datamaticsbpm.com</a>
Website	<a href="http://www.datamaticsbpm.com">www.datamaticsbpm.com</a>

**(x) In case the securities of the Company are suspended from trading, the reasons thereof:**

The securities of the Company are not suspended from trading on the Stock Exchange.

**(xi) Share Transfer System:**

In terms of Regulation 40(1) of the Listing Regulations, as amended, securities can be transferred only in dematerialized form, further SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated that certain Service Requests including transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

The RTA of the Company processes the Services Requests after due verification and issues communication to Shareholders as per the guidelines provided in SEBI circular mentioned above. It is advised to shareholders holding share certificate(s) in physical form to dematerialize their shareholding to facilitate transfer of shares and avail other related benefits. All share transfers and other communications regarding share certificates, change of address, dividends etc. should be addressed to Company's RTA, M/s. Datamatics Business Solutions Limited.

The Stakeholders' Relationship Committee meets as often as required. As per the Listing Regulations to expedite the process of share transfers, the Committee has delegated the powers of share transfers and related matters to the officers of the Company who attend to share transfer formalities at least once in a fortnight. A summary of all transfers/transmissions etc. so approved is placed at every Committee meeting and Board of Directors from time to time as per the Listing Regulations.

The Company obtained the annual certificate from a Company Secretary in Practice, certifying the Compliance with the share transfer, renewal and exchange etc. formalities as required under Regulation 40(9) of the Listing Regulations, and the same has been submitted with the Stock Exchange, BSE Limited as required.

As stipulated by SEBI, a Company Secretary in Practice carried out an Audit on quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued & listed capital. Such reconciliation of share capital audit report was submitted to Stock Exchange on quarterly basis.

**(xii) Transfer to the Investor Education and Protection Fund:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

The Company has sent reminder letters to the Shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notice in this regard has also been published in the newspapers and the details of unclaimed dividends and Shareholders whose shares are liable to be transferred to the IEPF Authority were uploaded on the Company's website [www.rrshramik.com](http://www.rrshramik.com) under the 'Investor' tab.

During the year under review, the Company has credited ₹ 3.38 Lakhs lying in the unclaimed dividend account and 15,000 shares, to the Investor Education and Protection Fund (IEPF) pertaining to financial year 2013-14. During the financial year 2022-23, the Company would be transferring unclaimed dividend amount for the financial year ended 31<sup>st</sup> March, 2015, as per the due date for transfer.

The Shareholders who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

In accordance with IEPF Rules the Company has also appointed nodal officer for the purpose of coordination with the IEPF Authority whose details are available on the website of the Company at <https://www.rrshramik.com/investor/corporate-governance/>.

**(xiii) Dividend History:**

(₹ in Lakhs)

Financial Year	Date of declaration	Dividend %	Total Dividend	Unclaimed
2014-15	21 <sup>st</sup> September, 2015	20.00	220.00	3.82
2015-16 (Interim)	15 <sup>th</sup> March, 2016	15.00	165.00	3.63
2016-17	16 <sup>th</sup> September, 2017	25.00	275.00	5.18
2017-18	15 <sup>th</sup> September, 2018	25.00	275.00	5.80
2018-19	11 <sup>th</sup> September, 2019	25.00	275.00	5.04
2019-20	24 <sup>th</sup> September, 2020	10.00	110.00	2.14
2020-21	17 <sup>th</sup> September, 2021	20.00	220.00	2.74

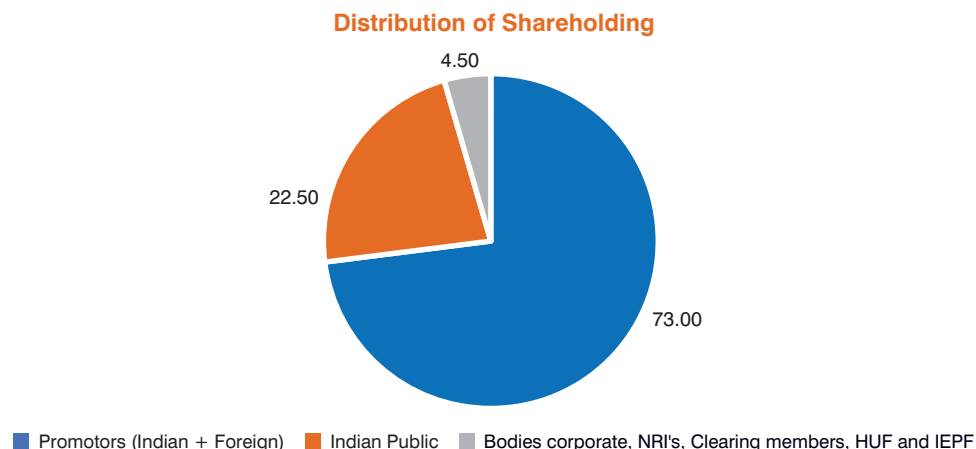
(xiv) Distribution of Shareholding as on 31<sup>st</sup> March, 2022:

No. of Equity Shares held	Shareholders		Shares	
	Numbers	% to total Shareholders	Numbers	% to total Capital
1 – 2500	6,599	95.31	15,32,200	6.97
2501 – 5000	166	2.40	6,67,463	3.03
5001 – 10000	75	1.08	5,67,188	2.58
10001 – 15000	15	0.22	1,91,053	0.87
15001 – 20000	8	0.12	1,50,653	0.69
20001 – 25000	5	0.07	1,12,982	0.51
25001 – 50000	21	0.30	6,98,851	3.18
50001 – 100000	16	0.23	12,21,632	5.55
100001 & above	19	0.27	1,68,57,978	76.63
<b>Total</b>	<b>6,924</b>	<b>100.00</b>	<b>2,20,00,000</b>	<b>100.00</b>

(xv) Categories of Shareholding as on 31<sup>st</sup> March, 2022:

Category	Shares	
	Number	% to total Capital
PROMOTER(S) & PROMOTER(S) GROUP HOLDING		
Individuals/HUF	85,71,800	38.96
Bodies Corporate	74,87,554	34.04
Total of Promoter & Promoter Group Holding	1,60,59,354	73.00
NON- PROMOTERS' HOLDING		
Institutional Investors	NIL	
Others		
Indian Public	49,49,323	22.50
Bodies Corporate, NRIs, Clearing members, HUF, IEPF	9,91,323	4.50
Total of Non-Promoter Holding	59,40,646	27.00
Grand Total	2,20,00,000	100.00

Details of Ownership Pattern given above are based on the Shareholding Pattern filed with the Stock Exchange as at 31<sup>st</sup> March, 2022.



**(xvi) Dematerialization of shares and liquidity:**

The Company's shares are compulsorily traded in dematerialized form on BSE Limited. The Company has established connectivity with Central Depository Services (India) Limited and National Securities Depository Limited for dematerialization of shares and the same are available in electronic segment under ISIN No. INE207E01023.

**As on 31<sup>st</sup> March 2022:**

Form	No. of shares	%
Demat	2,14,98,698	97.72
Physical	5,01,302	2.28
<b>Total</b>	<b>2,20,00,000</b>	<b>100.00</b>

**(xvii) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

There are no GDRs / ADRs / Warrants or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

**(xviii) Plant Locations:**

- 1) Survey No. 212/2, Near Dadra Check Post, Village: Dadra, Silvassa – 396 193, (U.T. of D.N.H. & D.D.)
- 2) Survey No. 142/2, Madhuban Dam Road, Village: Rakholi, Silvassa – 396 240, (U.T. of D.N.H. & D.D.)
- 3) Survey No. 16/1, Sayli road, Village: Karad, Rakholi, Silvassa - 396 240, (U.T. of D.N.H. & D.D.)

**(xix) Address for correspondence:**

<b>Registrar and Share Transfer Agent</b> (Share transfer and Communication regarding share certificates, dividends and change of address)	Contact Person: Ms. Manisha Parkar / Mr. Tukaram Thore Datamatics Business Solutions Limited Plot No. B-5, Part B Cross Lane, MIDC, Behind MIDC Police Station, Andheri (East), Mumbai - 400093 Tel. No.: 91-22-6671 2001-10 Fax No.: 91-22-6671 2011 Email: <a href="mailto:investorsqry@datamaticsbpm.com">investorsqry@datamaticsbpm.com</a> Website: <a href="http://www.datamaticsbpm.com">www.datamaticsbpm.com</a>
<b>Compliance Officer</b>	Shri Saurabh Gupta Ram Ratna House, Oasis Complex, P.B. Marg, Worli, Mumbai - 400 013 Tel. No.: 91-22-24924144/24949009 Fax No.: 91-22-24912586 E-mail: <a href="mailto:investorrelations@rrglobal.com">investorrelations@rrglobal.com</a>

**13) Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:**

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad as on 31<sup>st</sup> March, 2022. The ratings issued by India Ratings and Research (Ind-Ra) for long term borrowings and short term borrowings of the Company are BBB+ and A2 respectively. There was no revision in the said ratings during the year under review.

**14) Request to Investors:**

- a) Investors are requested to communicate change of address, if any, directly to the Registrar and Share Transfer Agent of the Company at the above address.
- b) As required by SEBI, investors shall furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons and also opt for NACH facility so that dividends are transferred directly to their bank accounts.
- c) The Shareholders are requested to dematerialize their physical share certificates, through a depository participant. Shareholders requiring any further clarification / assistance on the subject may contact the Company's share transfer agent.

- d) Investors who have not availed nomination facility are requested to avail the same by submitting the nomination form. The form can be downloaded from the Company's website.
- e) Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number etc.
- f) The Shareholders are requested to register their email address with their depository participant or with the Company's RTA, as the case may be, to receive timely communications from the Company such as Notice of AGM, Annual Report etc.
- g) Members who have not encashed their dividend warrants in respect of dividends declared for the financial year ended 31<sup>st</sup> March, 2015 and for any financial year thereafter may contact the Registrar and Share Transfer Agent of the Company. Members are requested to note that the dividend not claimed for a period of seven years from the date they first became due for payment shall be transferred to Investor Education and Protection Fund (IEPF) in terms of Section 124 of the Act.

For and on behalf of the Board of Directors

**Tribhuvanprasad Kabra**

Chairman

DIN - 00091375

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I hereby declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Company for the financial year ended on 31<sup>st</sup> March, 2022.

This certificate is being given pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2022

**Mahendrakumar Kabra**  
Managing Director  
DIN 00473310

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## **COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members,  
**Ram Ratna Wires Limited**

We have examined the compliance of conditions of Corporate Governance by **Ram Ratna Wires Limited** (the "Company") for the year ended 31<sup>st</sup> March, 2022 as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31<sup>st</sup> March 2022.

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

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

**For Khanna & Co.**  
Practicing Company Secretaries

Place: Navi Mumbai  
Date: 10<sup>th</sup> August, 2022

**Anup Vaibhav C. Khanna**  
Partner  
Mem. No: F6786  
C.P. No.: 12906  
UDIN: F006786D000775543  
Peer Review: 638/2019



## Certificate of Non-disqualification of Directors

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

To,  
The Members of  
**Ram Ratna Wires Limited**  
Ram Ratna House, Victoria Mill Compound,  
Pandurang Budhkar Marg,  
Worli, Mumbai - 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ram Ratna Wires Limited having CIN L31300MH1992PLC067802 and having registered office at Ram Ratna House, Victoria Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400013 (hereinafter referred to as the "Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 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.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Ramesh Chandak	00026581	12/11/2018
2.	Tribhuvanprasad Rameshwarlal Kabra	00091375	24/06/2011
3.	Sandeep Jhanwar	00124901	13/08/2010
4.	*Kirtidevi Shreegopal Kabra	00150796	29/07/2014
5.	Kannan Ramamirtham	00227980	28/05/2011
6.	Mahendrakumar Rameshwarlal Kabra	00473310	21/07/1992
7.	Hemant Mahendrakumar Kabra	01812586	12/12/2017
8.	*Upendra Hosdurg Sundar Kamath	02648119	12/12/2017
9.	**Payal Agarwal	07198236	30/06/2021

\* Shri Upendra Hosdurg Sundar Kamath and Smt. Kirtidevi Kabra resigned as Directors w.e.f. 9<sup>th</sup> June, 2021 and 29<sup>th</sup> June, 2021 respectively, due to their personal reasons as stated in their respective resignation letters received by the Company.

\*\* Smt. Payal Agarwal was appointed as a Non-Executive Independent Woman Director w.e.f. 30<sup>th</sup> June, 2021.

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

For **KHANNA & CO.**  
Practicing Company Secretaries

Place: Navi Mumbai  
Date: 23<sup>rd</sup> May, 2022

**Anup Vaibhav C. Khanna**  
Partner  
Membership No.: F6786  
CP No.:12906  
UDIN: F006786D000370765  
Peer Review: 638/2019

## MANAGING DIRECTOR'S AND CFO CERTIFICATION

We hereby certify that for the financial year ended 31<sup>st</sup> March, 2022, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief:
  - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,
  - 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. 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.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
  - 1. significant changes in internal control over financial reporting during the year;
  - 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

**Mahendrakumar Kabra**

Managing Director

DIN: 00473310

**Hemant Kabra**

President & CFO (Executive Director)

DIN: 01812586

Place: Mumbai

Date: 23<sup>rd</sup> May, 2022

## MANAGEMENT DISCUSSION AND ANALYSIS

### A) Economic Scenario:

#### A.1. World Scenario

Global growth prospects have weakened significantly due to the Russia - Ukraine conflicts which culminated in a war, in February, 2022. Rising energy, food and commodity prices, and soaring inflation have hit hard globally. Amid the prolonging Russia - Ukraine war and increasing tensions in Indo Pacific region, the world economy will continue to suffer and hence the projected growth is around 3.4% during 2022, which is the lowest, since 2011.

#### A.2. Indian scenario

IMF estimates released in April, 2022 suggest that India's economy grew by 8.95% in Financial Year (FY) 21-22, making it the fastest growing economy in the world and the world's fastest-growing large economy. According to the provisional estimates released by the National Statistical Office (NSO) on 31<sup>st</sup> May, 2022, India's real gross domestic product (GDP) growth in FY 21-22 is at 8.7%. An analysis of IMF's 47 years data across 190 countries shows India is set to record its best ever economic performance on the global stage in the next five years as reported in Times of India on 26<sup>th</sup> July, 2022.

#### A3. Industry Structure

M/s. Ram Ratna Wires Limited (hereinafter referred to as "The Company" / "RRWL"), is a proud member of ACMA (Automotive Component Manufacture's Association), having accredited IATF (International Automotive Task Force) 16949:2016 certificate by virtue of implementation and maintenance of Quality Management System. This certificate together with ACMA membership puts RRWL way ahead of its competitors in India, among globally reputed suppliers of winding wires and strips, both in Copper and Aluminium.

Your Company is the second largest manufacturer of winding wires and related insulated products in terms of quantity in south Asia, providing total winding solutions to a variety of OEMs, (original equipment manufacturers) covering a wide spectrum of industries which include Automotive, defence & aerospace, electrical, electronic, home appliances and health care, lighting, telecommunication, and allied sectors. A substantial quantity of wires is also being consumed by the rewinding sector.

Total production of all types of wires, strips, and other products during FY 21-22 stood at 25,510 Tonnes, Capacity utilization during FY 21-22 has improved to 69.78% compared to 64.80%, during FY 20-21. Roughly 74% of total production covers enamelled copper wire. The remaining 26% is attributed to other products such as Aluminium winding wires & strips submersible winding wires in different combinations of insulation, enamelled copper strips, paper covered wires and strips, fiber glass covered wires and strips, DC self-bonding wires & strips, litz wires, bunched and braided wires etc.

### B) Development & Modernization:

Your company continues to prioritize areas of Automation, innovation, improvement in process, and product quality and new developments by a highly interactive, customer-centric, and strong R&D team which is the asset and the strength of RRWL. A fully integrated quality management system with ERP controls for monitoring, controlling, and reporting production, quality, power, effective utilization of raw material and cost control helps in elimination of human error, maintaining consistency in quality, improving in process, and more importantly, enabling in optimum utilization of resources including material and manpower.

The development of new market-oriented and value-added products is a continuous and consistent policy of your company. New products introduced in FY 21-22 cover thicker wires in DC self-bonding up to 2.65 mm, Self Solderable Aluminium fine wires (Range 0.25mm - 0.35mm), MCB coils, and copper strips as thin as 0.6mm in thickness. The highest production and sales of self solderable wire (SS) attained over 200 MT in January, 2022. This is another milestone in your company's achievements, which also shows customers' trust in RRWL's products.

### C) Outlook:

#### C.1 Demand for winding wires & strips in India:

The global economy was inching towards normalcy during the third quarter of FY 21-22. Consequent to the Russia - Ukraine conflict that resulted in war since last weekend of February, 2022, the Global economy suffered heavily and continues to face hardships due to elevated price of crude oil and other commodities, high inflation, supply chain disruptions, tightening financial conditions and risks to the growth outlook and financial stability. The overall effect impacted negatively industrial growth including that of the electrical industry.

However, domestic demand for winding wires will continue to rise, due to the growth in the power sector and infrastructural developments. The growth of the electrical equipment industry for which winding wire is an essential input is directly linked with the growth of power generation in India. All India's installed capacity of generation as on 31<sup>st</sup> May, 2022 stands at 4,02,817 MW (Roughly 402 GW), almost 7.96% increase over the previous FY. As per the January, 2022 Electricity market report of the International Energy Agency (IEA), power demand in India is expected to grow at an annual rate of 6.5%

between 2022 and 2024. The installed capacity by the end of FY 2029-30 is projected at 8,17,254 MW (817 GW), which is more than double the present installed capacity.

Therefore, the long-term growth prospects of the winding wire Industry are very high.

### **C.2 EVs (Electric Vehicles) and EV charging infrastructure:**

Ministry of Power for Government of India (GOI) launched the “Go electric” campaign on 19<sup>th</sup> February, 2021, by switching over to Electric Vehicles (EVs) from fossil fuel-powered vehicles. As reported in IEEMA journal, April, 2022 edition, India is looking for an electrically based mass rapid transportation system that is cost-effective. The Indian EV market is expected to reach 47 billion USD, by 2026. RRWL is much ahead of its competitors in the winding wire industry, in amassing its due market share in EV-grade winding wires and related products.

ACMA membership attributes global recognition to RRWL for supplying Electric Vehicle grade winding wires and related products with consistently high quality. EV motors and allied products manufacturers like Ola Electric-India, Hero Magnetti Marelli-India, Telma Auto-Germany, JNS instruments for Japan have initiated their process of procuring RRWL brand products, Supply to these companies is import substitution, as so far, all the above manufacturers have been importing the wires.

### **C.3 Global approval for RR Shramik brand:**

RRWL has been accredited with valid certificates from the following international Certifying organizations

**ISO 9001:2015:** International Standard Organization – Quality Management system

**ISO 14001:2015:** International Standard Organization – Environment Management system

**IATF 16949: 2016:** International Automotive Task force – Quality Management System

**ISO 45001:2018:** International Standard organization – Occupational health and safety management systems.

Your company secured consistently 100% monthly rating in quality and quality management systems from the assessment of large and reputed multinational companies like Cummins Generators, Mecc Alte, Schneider Electric, Emerson climate technologies etc. to name a few.

During FY 21-22 a number of reputed new customers, like CG power for PICC, Stanley Black & Decker for DC self-bonding wires, L&T Ahmednagar for SS wires, Ola electric Krishnagiri for DC & AIW wires Amartara for SS wires, Telma for DC wires, etc., (the list is very long) added to the company's customer base.

M/s. Denso India, M/s. Dixon, M/s Toyota Tsusho & Aisin Automotive, M/s. Schneider Electric, Thailand, have shown interest in the company's products and are in the process of audits by both Indian and foreign team, sample collection, and related activities.

All these, domestic and international factors spur demand for your company's products in the long term. Therefore, the future outlook for RR Shramik brand products is very good.

## **D) Opportunities and threats:**

### **D.1 Opportunities:**

Union budget 2022 focuses on energy transition from fossil fuel to renewable energy and storage systems. By 2030 an ambitious target of 280 GW of installed capacity of solar energy has been set. The huge requirement of charging infrastructure to implement the Gatishakti masterplan, Governments determination on Atmanirbharta, especially in defence and Make in India will open up more opportunities for growth of the electrical and allied electronic industry which in turn will boost the demand for winding wires.

Per capita consumption of electricity is a measure of the growth of the electrical Industry and the country's development. The official data reported a consistent growth of per capita consumption from 914 kWh, in FY 2012-2013 to 1208, as on 31<sup>st</sup> March, 2020, which is an impressive growth of 32%. Still, India's per capita consumption is about one-third of the world average. Therefore, there is a very large scope for demand for winding wires in India.

### **D.2. Threats:**

COVID-19 pandemic and its variants continue to disrupt economic activity globally. Over and above, the Global economy is grappled with slow down, high inflation, elevated prices of essential raw materials, and supply chain disruptions due to persistent geo-political tensions and sanctions. The extent of the negative impact on the global economy is unclear and uncertain under the present circumstances. Strengthening of Dollar against Indian rupee and the consequent rise in cost of imported raw material and consumables, rising cost of production, due to wage increase and price increase of inputs, fluctuating copper prices in the international market, and intense competition in prices from the handful of other manufacturers are major threats to the profitability of your company.

**E) Performance Review:**

During the financial year 2021-22, revenue from operations including other income on standalone basis is ₹ 2,01,951.27 Lakhs as against ₹ 1,38,945.42 Lakhs in the previous year. Profit After tax for the current year is ₹ 4,867.71 Lakhs as against ₹ 1,351.00 Lakhs in the previous year.

On Consolidated Basis revenue from operations including other income is ₹ 2,29,523.77 Lakhs as against ₹ 1,52,966.92 Lakhs in the previous year. Profit After tax for the current year is ₹ 5,417.65 Lakhs as against ₹ 1,572.56 Lakhs in the previous year.

**Key Financial Ratios**

Ratios	Standalone	
	FY 2021-22	FY 2020-21
Debtors Turnover Ratio	7.34	6.18
Inventory Turnover Ratio	17.74	13.14
Interest Coverage Ratio	2.18	1.20
Current Ratio	1.60	1.32
Debt Equity Ratio	0.77	1.56
Operating Profit Margin%	4.24%	2.70%
Net Profit Margin%	2.42%	0.97%
Return on Net Worth (RONW)	18.37%	6.84%

Explanations for variance in ratios by more than 25%:

- Inventory turnover Ratio has improved due to increase in revenue and optimized inventory management.
- Interest Coverage Ratio and Debt Equity Ratio have improved due to better profitability and also reduction of Debt of Company.
- Operating Profit Margin, Net Profit Margin and Return on Net Worth ratios have improved due to better profitability during the year.

**F) Internal Control Systems and their Adequacy:**

The Company has in place adequate internal financial controls and it is monitored periodically by the Management of the Company and improvements are made in the same on continuous basis and as per amendments in the laws and regulations. These internal controls are also evaluated and monitored by the Internal and Statutory Auditors of the Company and their reports are placed before the Audit Committee together with the status of the management actions or replies for their review and corrective actions and suggestions if any required. In the opinion of the Board, the existing internal financial controls framework is adequate and commensurate to the size and nature of the business of the Company.

**G) Human Resources Development:**
**Training & Industrial Relations:**

The Company views human resource as its biggest asset and regularly conducts various training programs to groom its employees at all levels with new skills and empowering them to realize their full potential to ensure competence. The Company provides infrastructure for safe and healthy working conditions for all the employees. The Company is committed to maintain healthy, cordial and harmonious industrial relations at all levels. The Company employed 830 number of permanent employees on its Roll as on 31<sup>st</sup> March, 2022.

**References / Sources:**

- IEEMA Journal - various editions
- Economic Survey 2021-22 (Ministry of Finance)
- RBI Monetary Policy Statement 2022-23

For and on behalf of the Board of Directors

**Tribhuvanprasad Kabra**

Chairman

DIN - 00091375

Place: Mumbai

Date: 10<sup>th</sup> August, 2022

## INDEPENDENT AUDITOR'S REPORT

To  
The Members,  
**Ram Ratna Wires Limited**

### Report on the Audit of the Standalone Financial Statements

#### 1. Opinion

We have audited the accompanying Standalone Financial Statements of Ram Ratna Wires Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and its profit, total comprehensive income, its cash flows and the changes in equity for the year then ended.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements in paragraph 6 below of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

#### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matter	How our audit addressed the key audit matter
<b>Revenue Recognition</b> (Refer note 1 (c) (xii) and 40 of the Standalone Financial Statements)  Revenue is the main profit driver and therefore susceptible to misstatement. There is inherent risk of incorrect timing of recognition of revenue and related rate difference, discounts in reporting period. Cut-off on the reporting date is the key assertion insofar as revenue is concern, any in-appropriate method can result in misstatement of results for the year.	Our audit incorporated the following procedures with regard to Revenue Recognition :- <ul style="list-style-type: none"> <li>• assessing the process, internal controls and testing the effectiveness of key controls;</li> <li>• testing the accuracy of cut-off with substantive analytical procedures supplemented with third party confirmation, delivery acknowledgment, delivery terms, estimation for delivery time based on historical records;</li> <li>• judgments and estimations made for discounts, rebates, appropriate authorisation, historical trends, credit and debit notes issued after the balance sheet date, inventory reconciliation and receivable balance confirmations.</li> </ul>



<p><b>Impairment of Investments</b></p> <p>The investments in subsidiaries are reported in the financial statements at cost. In case of subsidiary has cash losses and / or accumulated losses as on reporting date with further commitments for additional investment, in our view is area of key matter for assessment of impairment of investment.</p>	<p>Our audit incorporated the following procedures with regard to assessment of impairment of investments :-</p> <ul style="list-style-type: none"> <li>• reviewing the approach adopted for testing impairment including method used for determination of value in use;</li> <li>• performing substantive testing in respect of financial projections for their accuracy;</li> <li>• reviewing the valuation report of qualified valuer, if any;</li> <li>• reviewing the assumptions used in the financial projection;</li> <li>• discussions with key person of the Company and of that subsidiary and ascertaining the factors contributing towards such performance and strategy to overcome it, business expectation;</li> <li>• discussions on company's management perception regarding business, market condition, expected market size, future planning, financial strength, support and intention of other investors.</li> </ul>
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#### 4. **Information Other than the Financial Statements and Auditor's Report thereon**

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

Our opinion on the financial statements does not cover other information and we do not express any form of assurance, conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read other information comprises the information included in the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### 5. **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 Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flow and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

#### 6. **Auditor's responsibilities for the audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in

the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## **7. Report on other Legal and Regulatory Requirements**

- (i) As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive loss), the Cash Flow Statement and the Statement of Changes in Equity 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 Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the

Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2022 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"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact, if any, of pending litigations as at 31<sup>st</sup> March, 2022 on its financial position in its Standalone Financial Statements - Refer Note 30 to the Standalone Financial Statements;
  - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv) (a) The management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall :
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (iv) (a) and (b) above, contain any material mis-statement.
  - v) The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.
- (ii) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "B"**, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

For **Bhagwagar Dalal & Doshi**  
Chartered Accountants  
(Firm Registration No.128093W)

UDIN: 22124528AJLSXU6700  
Place : Mumbai  
Date : 23<sup>rd</sup> May, 2022

**Jatin V. Dalal**  
Partner  
Membership No. 124528

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**Referred to in paragraph (i) (f) under the "Report on other Legal and Regulatory Requirements" in the Independent Auditor's Report of even date to the members of Ram Ratna Wires Limited**

**1. Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of Ram Ratna Wires Limited ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

**2. 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 Act.

**3. Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**4. Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial controls 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 controls over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

**5. Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## 6. Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022 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 **Bhagwagar Dalal & Doshi**  
Chartered Accountants  
(Firm Registration No.128093W)

UDIN: 22124528AJLSXU6700  
Place : Mumbai  
Date : 23<sup>rd</sup> May, 2022

**Jatin V. Dalal**  
Partner  
Membership No. 124528

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## ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

**Referred to in paragraph (ii) under "Report on Other Legal and Regulatory Requirements" in the Independent Auditor's Report of even date to the members of Ram Ratna Wires Limited**

- (i) (a) (1) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
(2) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, some of the fixed assets were physically verified during the year by the Management in accordance with a program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the Company including registered title deeds, we report that, the title deeds, comprising all the immovable properties (other than immovable properties where the Company is the lessee and the Lease Agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the Balance Sheet date.
- (d) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including right to Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) As explained to us, the Company has conducted physical verification of inventories except goods in transit during the year at reasonable intervals. In our opinion, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business. No discrepancies were noticed between the physical verification of inventories and the book records that were more than 10% in the aggregate each class of inventories.
- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has been sanctioned working capital limits in excess of rupees five crore in aggregate, from banks or financial institution on the basis of security of current assets. In our opinion, the quarterly statements or returns filed by the Company with the Bank or financial institution are in agreement with the books of account of the Company of the quarters.
- (iii) The Company has granted loans to a subsidiary company during the year. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or granted

loans or provided security to firms, limited liability partnership or any other parties. The Company has not made investments, provided any guarantee or security or granted any advance in nature of loans, secured or unsecured to the companies, firm, limited liability partnership or other any other party during year.

- (a) Based on audit procedure carried out by us and as per the information and explanation given to us, the Company has provided loans to a subsidiary for an amount aggregating to rupees eight crores during the year and same is outstanding at the Balance Sheet date.
- (b) In our opinion the terms and conditions of the loans granted are, prima facie, not prejudice to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of the examination of the records of the Company, no loan has been fallen due during the year.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, as applicable, in respect of investments made and loans, guarantees and securities given by it.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the Public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records & Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate and/or complete.
- (vii) According to the information and explanations given to us and on the basis of our examinations of the records of the Company, in respect of statutory dues: -
  - (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Custom Duty, Cess and any other material statutory dues applicable to it with appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.
  - (c) There are no dues with respect to Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Customs Duty, Excise Duty, and any other material statutory dues applicable to it, which have not been deposited on account of any dispute other than the following: -

Name of the Statute	Forum where matter is pending	Period to which the amount relates	Nature of Dues	Amount (₹ in Lakhs)
Central Excise Act, 1944	High Court	April, 2001 to May 2013	Excise Duty	616.78
	Tribunal	Various periods from 2006-07 to 2017-18	Excise Duty & Service Tax	129.64
	Commissioner (Appeals)	Various periods from 2006-07 to 2008-09	Excise Duty & Service Tax	16.61



Value Added Tax	Commissioner	2013-2014	Value Added Tax	350.29
Goods and Service Tax	Commissioner	2017-18	Goods and Service Tax	25.35
Stamp Duty	Supreme Court	2017-18 to 2019-20	Stamp Duty	22.42

- (viii) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to banks or financial institutions as during the year. Further, the Company did not have any outstanding loans or borrowings from any other lenders during the year.
- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government authority.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the Company, term loan availed during the year was applied for the purpose for which the loan was obtained.
- (d) According to the information and explanations given to us and the procedure performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short- term basis have been utilised for the long-term purpose.
- (e) According to information and explanations given to us and on the basis of overall examination of the financial statements of the Company, we report that the Company has not taken any fund from any entity or person on account of or to meet the obligation of its subsidiaries or joint venture. Accordingly, sub-clauses (e) of clause 3 (ix) of the Order is not applicable to the Company.
- (f) According to information and explanations given to us and on the basis of examination of the records of the Company, we report that the Company has not granted loans during the year on the pledge of securities held in its subsidiaries and joint venture.
- (x) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, sub clause (a) of clause 3 (x) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debenture (fully, partly or optionally) during the year. Accordingly, sub clause (b) of clause 3 (x) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies, Act 2013 has been filed in Form ADT -4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to representation given to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and on the basis of examination of the books and records of the Company carried out by us, all the transactions with the related parties are in compliance with the provisions of section 177 and 188 of the Act, where applicable. The details thereof have been disclosed in the financial statements as required under Indian Accounting Standards.

- (xiv) (a) In our opinion, the Company has adequate internal audit system commensurate with the size and the nature of its business.  
(b) we have considered, the internal audit reports issued by the Company during the year and covering the period approved 31<sup>st</sup> March, 2022.
- (xv) In our opinion and according to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with such directors and hence, provisions of section 192 of the Act are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45IA of the RBI Act, 1934. Accordingly, reporting under sub clauses (a) and (b) of clause 3(xvi) of the Order is not applicable to the Company.  
(b) The Company is not Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India. Accordingly, reporting under sub clause (c) of clause 3(xvi) of the Order is not applicable to the Company.  
(c) According to representation given to us by the management, there are 2 (Two) Core Investment Companies (CICs) in the Group based on "Companies in the Group" as defined in Core Investment Companies (Reserve Bank) Directions 2016.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of examination of the financial ratios, ageing and expected date of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and the management plan and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future liability of the Company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharge by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanation given to us the Company has fully spend the required amount towards corporate social responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule-VII to the Act or special account in compliance with the provision of section of sub-section (6) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

**For Bhagwagar Dalal & Doshi**  
Chartered Accountants  
(Firm Registration No.128093W)

UDIN: 22124528AJLSXU6700  
Place : Mumbai  
Date : 23<sup>rd</sup> May, 2022

**Jatin V. Dalal**  
Partner  
Membership No. 124528

**BALANCE SHEET as at 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	2A	11,765.13	12,974.57
Capital Work-in-Progress	2B	244.33	-
Intangible Assets	2C	8.84	30.25
Right of Use Assets	2D	33.60	28.98
Financial Assets			
Investments	3	7,693.13	4,919.82
Loans	4A	809.99	0.92
Other Financial Assets	5A	17.01	28.86
Income Tax Assets (Net)	6	9.34	20.69
Other Assets	7A	307.00	633.95
		<b>20,888.37</b>	<b>18,638.04</b>
<b>CURRENT ASSETS</b>			
Inventories	8	9,313.84	11,267.82
Financial Assets			
Trade Receivables	9	28,799.95	26,004.37
Cash and Cash Equivalents	10B	713.67	139.52
Other Balances with Banks	10B	154.52	94.52
Loans	4B	28.24	13.69
Other Financial Assets	5B	121.92	44.97
Other Assets	7B	1,737.39	1,438.71
Assets Held for Sale	2E	682.95	17.00
		<b>41,552.48</b>	<b>39,020.60</b>
<b>TOTAL ASSETS</b>		<b>62,440.85</b>	<b>57,658.64</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	11	1,100.00	1,100.00
Other Equity	12	25,399.31	18,642.39
		<b>26,499.31</b>	<b>19,742.39</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	13A	8,154.80	7,321.03
Lease Liabilities	14A	23.90	6.93
Other Financial Liabilities	15A	22.22	5.00
Provisions	16A	82.63	80.55
Deferred Tax Liability (Net)	17	1,696.25	1,023.44
Deferred Income	18	28.17	21.88
		<b>10,007.97</b>	<b>8,458.83</b>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	13B	12,235.86	23,555.32
Lease Liabilities	14B	9.31	23.01
Trade Payables			
- Micro & Small Enterprises	19	35.70	86.31
- Others	19	11,707.32	4,141.20
Other Financial Liabilities	15B	1,543.92	1,185.14
Other Liabilities	20	181.73	370.54
Provisions	16B	139.79	22.93
Income Tax Liabilities (Net)	21	79.94	72.97
		<b>25,933.57</b>	<b>29,457.42</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>62,440.85</b>	<b>57,658.64</b>
Significant Accounting Policies	1		
See accompanying Notes to the Financial Statements	1-49		

**As per our Report of even date**
**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**
**Tribhuvanprasad Kabra Mahendrakumar Kabra**

Chairman

Managing Director

DIN - 00091375

DIN - 00473310

**Hemant Kabra**

President &amp; CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006

**STATEMENT OF PROFIT & LOSS for the year ended on 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Note No.	2021-22	2020-21
<b>Revenue from Operations</b>			
Sale of Products	22	<b>2,00,064.85</b>	1,36,923.19
Other Operating Revenues	22	<b>1,192.48</b>	1,774.93
Other Income	23	<b>693.94</b>	247.30
<b>Total Revenue</b>		<b>2,01,951.27</b>	1,38,945.42
Cost of Materials Consumed	24	<b>1,80,456.02</b>	1,29,728.48
Changes in Inventories	25	<b>2,127.73</b>	(4,106.51)
Employee Benefits Expense	26	<b>3,446.91</b>	2,887.43
Finance Costs	27	<b>2,018.12</b>	1,951.14
Depreciation & Amortisation Expense	28	<b>1,622.54</b>	1,640.92
Other Expenses	29	<b>5,772.94</b>	5,055.20
<b>Total Expenses</b>		<b>1,95,444.26</b>	1,37,156.66
<b>Profit Before Tax</b>		<b>6,507.01</b>	1,788.76
Tax Expenses:	17		
Current Tax		<b>1,594.37</b>	497.85
Short Tax Provision of earlier years		<b>11.23</b>	5.24
Deferred Tax Expense / (Income)		<b>33.70</b>	(65.33)
		<b>1,639.30</b>	437.76
<b>Profit After Tax</b>		<b>4,867.71</b>	1,351.00
<b>Other Comprehensive Income (OCI)</b>			
<b>A</b> (i) Items that will not be reclassified to Profit or Loss			
a) Remeasurement benefit of defined benefit plans		<b>(24.99)</b>	42.06
b) Fair value gain on investment in equity instrument through OCI		<b>2,773.31</b>	965.37
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		<b>(639.11)</b>	(229.27)
<b>B</b> (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive Income (OCI) (A+B)</b>		<b>2,109.21</b>	778.16
<b>Total Comprehensive Income for the year</b>		<b>6,976.92</b>	2,129.16
<b>Earnings per Equity Share of ₹ 5/- each (Note 39)</b>			
Basic		<b>22.13</b>	6.14
Diluted		<b>22.13</b>	6.14
Significant Accounting Policies	1		
See accompanying Notes to the Financial Statements	1-49		

**As per our Report of even date**
**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**
**Tribhuvanprasad Kabra Mahendrakumar Kabra**

Chairman

DIN - 00091375

Managing Director

DIN - 00473310

**Hemant Kabra**

President &amp; CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006

**STATEMENT OF CHANGES IN EQUITY for the year ended on 31<sup>st</sup> March 2022**

(₹ in Lakhs)

<b>EQUITY SHARE CAPITAL</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Balance at the beginning of the year	<b>1,100.00</b>	1,100.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	<b>1,100.00</b>	1,100.00

(₹ in Lakhs)

<b>OTHER EQUITY</b>	<b>Reserves &amp; Surplus</b>			<b>Equity Instruments through OCI</b>	<b>Total</b>
	<b>Security Premium</b>	<b>General Reserve</b>	<b>Retained Earnings</b>		
<b>Balance as at 1<sup>st</sup> April, 2020 (A)</b>	763.20	513.00	13,663.52	1,683.51	16,623.23
Additions during the year					
Profit for the year	-	-	1,351.00	-	1,351.00
Add/(Less): Items of OCI for the year, net of tax :					
Remeasurement benefit of defined benefit plans	-	-	31.47	-	31.47
Net fair value loss on investment in equity instruments through OCI	-	-	-	746.69	746.69
<b>Total Comprehensive Income For the year 2020-21 (B)</b>	-	-	<b>1,382.47</b>	<b>746.69</b>	<b>2,129.16</b>
Reductions during the year					
Dividend	-	-	(110.00)	-	(110.00)
Income Tax on Dividend	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-
<b>Total (C)</b>	-	-	<b>(110.00)</b>	-	<b>(110.00)</b>
<b>Balance as at 31<sup>st</sup> March, 2021 (D) = (A+B+C)</b>	<b>763.20</b>	<b>513.00</b>	<b>14,935.99</b>	<b>2,430.20</b>	<b>18,642.39</b>
Additions during the year					
Profit for the year	-	-	4,867.71	-	4,867.71
Add/(Less): Items of OCI for the year, net of tax :					
Remeasurement benefit of defined benefit plans	-	-	(18.70)	-	(18.70)
Net fair value gain on investment in equity instruments through OCI	-	-	-	2,127.91	2,127.91
<b>Total Comprehensive Income For the year 2021-22 (E)</b>	-	-	<b>4,849.01</b>	<b>2,127.91</b>	<b>6,976.92</b>
Reductions during the year					
Dividends	-	-	(220.00)	-	(220.00)
Transfer to General Reserve	-	-	-	-	-
<b>Total (F)</b>	-	-	<b>(220.00)</b>	-	<b>(220.00)</b>
<b>Balance as at 31<sup>st</sup> March, 2022 (D+E+F)</b>	<b>763.20</b>	<b>513.00</b>	<b>19,565.00</b>	<b>4,558.11</b>	<b>25,399.31</b>

**As per our Report of even date**
**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**
**Tribhuvanprasad Kabra Mahendrakumar Kabra**

Chairman

Managing Director

DIN - 00091375

DIN - 00473310

**Hemant Kabra**

President &amp; CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006

**CASH FLOW STATEMENT for the year ended 31<sup>st</sup> March, 2022**
**(₹ in Lakhs)**

Particulars	2021-22	2020-21
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	6,507.01	1,788.76
Adjustments for:		
Depreciation & amortisation	1,622.54	1,640.92
Grant related to property, plant & equipment	(45.15)	(75.51)
Finance costs	2,018.12	1,951.14
Interest income	(14.77)	(6.18)
Dividend income	(34.11)	-
Others	-	13.52
Allowance for doubtful debts and bad debts written off	(86.28)	123.41
Unrealised foreign exchange loss (net)	(75.79)	6.44
Loss on sale of property, plant & equipment (net)	2.70	2.43
<b>Operating Profit before working capital changes</b>	<b>9,894.27</b>	<b>5,444.93</b>
Adjustments for (increase)/decrease :		
Trade receivables	(2,681.79)	(7,301.33)
Financial assets	(61.43)	(25.41)
Other assets	(58.20)	7.48
Inventories	1,953.98	(3,411.08)
Trade payables	7,515.43	2,011.20
Financial liabilities	419.33	73.14
Other liabilities & provisions	(94.86)	(47.94)
<b>Cash generated / (used in) from Operating activities</b>	<b>16,886.73</b>	<b>(3,249.01)</b>
Income Tax paid (net of refund)	(1,607.66)	(460.12)
<b>Net cash flow / (used in) from Operating activities (A)</b>	<b>15,279.07</b>	<b>(3,709.13)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant & equipment (including WIP)	(1,163.06)	(886.13)
Sale of property, plant & equipment (including assignment)	12.37	89.85
Purchase of non-current investment- Subsidiary	-	(296.74)
Refund of share application money- Joint Venture	-	2.37
(Investment) / Proceed from fixed deposits (net)	(61.12)	(3.83)
Dividend received	34.11	-
Interest received	14.80	6.44
<b>Net cash (used in) Investing activities (B)</b>	<b>(1,162.90)</b>	<b>(1,088.04)</b>



(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non current borrowing (net)	<b>833.77</b>	2,249.93
Proceeds /(Repayment) from current borrowing (net)	<b>(11,319.46)</b>	4,685.60
Repayment of lease liabilities	<b>(27.60)</b>	(23.64)
Finance costs paid	<b>(2,008.73)</b>	(1,948.18)
Intercompany Loan Given	<b>(800.00)</b>	-
Dividend paid (Inclusive of income tax on dividend)	<b>(220.00)</b>	(110.00)
<b>Net cash flow (used in) / from Financing activities (C)</b>	<b>(13,542.02)</b>	4,853.71
<b>(D) Net increase /(decrease) in cash and cash equivalents ( A+B+C )</b>	<b>574.15</b>	56.54
Add: Cash and cash equivalents as at 1 <sup>st</sup> April	<b>139.52</b>	82.98
Cash and cash equivalents as at 31 <sup>st</sup> March	<b>713.67</b>	139.52

Notes:

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

b) Cash and Cash Equivalent comprises of :

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash on hand	<b>1.97</b>	2.39
Balance with banks	<b>711.70</b>	137.13
	<b>713.67</b>	139.52

c) Reconciliation of liabilities arising from financing activities :

(₹ in Lakhs)

Particulars	As at 01.04.2021	Cash flows	Non cash changes		As at 31.03.2022
			fair value changes	Current/Non-Current Classification	
Borrowings- Non Current	7,321.03	2,713.83	-	(1,880.06)	<b>8,154.80</b>
Borrowings- Current	23,555.32	(13,199.52)	-	1,880.06	<b>12,235.86</b>

**As per our Report of even date**

**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**

**Tribhuvanprasad Kabra Mahendrakumar Kabra**

Chairman

DIN - 00091375

Managing Director

DIN - 00473310

**Hemant Kabra**

President & CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006

## **NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022**

### **CORPORATE INFORMATION**

Ram Ratna Wires Limited ('the Company') is a public company limited by shares incorporated and domiciled in India with its registered office in Mumbai, Maharashtra. The Company is listed on the Bombay Stock Exchange (BSE).

The Company is a leading manufacturer of winding wires, mainly enamelled copper wires. The Company offers unique product range of all gauges of winding wires including super fine wires. The product portfolio of the Company includes enamelled copper wire and strips, enamelled aluminium wires and strips, submersible winding wires, fiber glass covered copper and aluminium strips and paper cover round wires. The Company has manufacturing facilities located at Silvassa and Dadra and Nagar Haveli (Union Territory). The Standalone Financial Statements ("the Financial Statements") as at 31<sup>st</sup> March, 2022 present the financial position of the Company. The Financial Statements were approved by the Board of Directors and authorised for issue on 23<sup>rd</sup> May, 2022.

The functional and presentation currency of the Company is Indian Rupees (₹) which is the currency of the primary economic environment in which the Company operates.

### **1. SIGNIFICANT ACCOUNTING POLICIES & KEY ACCOUNTING ESTIMATES & JUDGEMENTS**

#### **(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

##### **(i) Basis of preparation:**

The Financial Statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The Financial Statements have been prepared on accrual and going concern basis.

The Financial Statements includes Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit & Loss including Other Comprehensive Income, Cash Flows Statement, Statement of Change in Equity for the year ended 31<sup>st</sup> March, 2022 and significant accounting policy and other explanatory information.

##### **(ii) Basis of Measurement:**

The Financial Statements have been prepared and presented under the historical cost convention except for certain financial assets and financial liabilities that are required to be measured at fair values at the end of each reporting period by Ind AS.

Historical cost is generally based on 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.

##### **(iii) Recent pronouncements:**

- (a) The Ministry of Corporate Affairs ("MCA") has amended the Schedule III of the Act, vide notification dated 24<sup>th</sup> March, 2021, applicable with effect from 1<sup>st</sup> April, 2021. The Company has given the effect of the amendment by inclusion of the relevant disclosures by way of additional notes or explanatory notes.
- (b) MCA has notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23<sup>rd</sup> March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1<sup>st</sup> April 2022, as below:

##### **Ind AS 103 - Business Combination**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its Financial Statements.

##### **Ind AS 16 - Property, Plant and Equipment**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in statement of profit or loss. The Company does not expect the amendments to have any significant impact in its recognition of its property, plant and equipment in its financial statements.

### **Ind AS 37- Provisions, Contingent Liabilities and contingent assets**

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April, 2022, although early adoption is permitted.

#### **(iv) Current/ Non- Current Classification:**

Any asset or liability is classified as current or non-current based on company's normal- operating cycle and other criteria as set out in the Division II of schedule III to the Act.

Asset/ Liability is classified as current, if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of product and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

#### **(b) KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and the accompanying disclosures in notes including disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods. The estimates and the associated assumptions are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances as available at the time of preparation of the Financial Statement. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. The estimates and the associated assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognised prospectively.

Significant judgements and estimates have been made by the Company relating to

- Amount and Timing of recognising of revenue from contract at a point in time with customers, identifying performance obligations in a sales transactions and volume rebate that gives rise to variable consideration in a sales contract.
- Useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

- Impairment of property, plant and equipment and intangible assets
- Impairment of Investments in subsidiaries & Joint Venture
- Provision for employee benefits and other provisions
- Provision for Income Tax including payment of advance Tax
- Recoverability of deferred tax assets
- Fair Value Measurements of Financial Instruments
- Identification of Lease, assessing lease terms (including anticipated renewals) and applicable discount rate
- Commitments and contingencies

**(c) SIGNIFICANT ACCOUNTING POLICIES****i) Property, Plant and Equipment**

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to the costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount or rebate is deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the statement of profit and loss as and when incurred.

Capital work-in-progress includes cost of property, plant and equipment not ready for the intended use as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'capital advances' under other non-current assets.

The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the property, plant and equipment and the resultant gains or losses are recognised in the statement of profit and loss. Property, plant and equipment to be disposed of are reported at the lower of the carrying value or the fair value less cost of disposal.

The Company had elected to continue with the carrying value of all of its property, plant and equipment appearing in the financial statements prepared as per accounting standards notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Generally Accepted Accounting Standards "Previous GAAP") as the deemed cost of the property, plant and equipment in the opening balance sheet under Ind AS effective 1st April, 2016.

Exchange differences arising on translation of long-term foreign currency monetary items recognised in the Previous GAAP financial statements in respect of which the Company has elected to recognise such exchange differences as a part of cost of assets is allowed under Ind AS 101. Such differences are added/deducted to/ from the cost of assets and are recognised in the statement of profit and loss on a systematic basis as depreciation over the balance life of the assets.

**ii) Intangible Assets**

Intangible assets acquired are initially measured at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets with defined useful lives

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

are carried at cost less accumulated amortization and accumulated impairment loss, if any. Internally generated intangibles are not capitalized and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Computer Software an intangible asset is measured on initial recognition at cost. Costs comprise of license fees and cost of system integration services and development.

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. On de-recognition the intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the statement of profit and loss.

Expenditure incurred by the Company on development of products are recognised as an intangible asset if and only if, expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and use or sell the assets otherwise such expenses are recognised in the Statement of Profit and Loss as incurred. Subsequent to initial recognition, the assets are measured at cost less accumulated amortisation and any accumulated impairment losses, if any. Expenditures incurred on research are charged to the Statement of Profit and Loss as incurred.

Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Property, Plant & Equipment and Intangible Assets.

### iii) Depreciation on Property, Plant and Equipment and Amortisation of intangible Assets

Depreciation on property, plant and equipment is provided on pro rata basis using the straight-line method based on useful life of the assets as prescribed in Schedule II to the Act in consideration with useful life of the assets as estimated by the management.

Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

The estimated useful lives, residual values and methods of depreciation of property, plant & equipment are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if any.

The estimated useful life of items of property, plant and equipment and intangible Assets are:

Particulars	Years	Particulars	Years
Factory Buildings (including Roads)	10 to 30	Office and Other Equipment	5 to 10
Workers Quarters	60	Computers/ Laptops/ Computers Hardware	3
Plant and Machineries	3 to 40	Computer Servers	6
Laboratory Equipment	10	Computer Software	5
Electrical Installations	10	Vehicles	8 to 10
Furniture and Fixtures	10		

### iv) Impairment of Assets

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).

An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)****v) Leases****The Company as a Lessee**

The Company's lease assets classes primary consists of leases for premises. The Company assesses whether a contract is qualifies to be a lease at the inception of contract. A contract is, or contains, a lease, if the contract conveys the right to control the use of an assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of identified asset, the Company assess whether, throughout the period of use, the Company has both of the following: -

- right to obtain substantially all of the economic benefits from use of the identified assets
- right to direct the use of the identified assets

Identification of lease requires significant judgment including judgement to assess the lease terms (including anticipated renewals) and the applicable discount rate. The Company determines the lease terms as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease, if the Company is reasonably certain to excise that option; and period covered by an option to terminate the lease, if the Company is reasonably certain not to exercise that option. In assessing, whether the Company is reasonably certain to exercise the option to extend a lease, or not to exercise an option to terminate a lease, the Company consider all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revise the lease term if there is a change in the non-cancellable period of lease terms.

At the date of the commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease contracts in which it is a lessee, except for leases contract for a period of twelve months or less (short term leases), variable leases and low value leases, in those cases the lease payments are recognised in the statement of profit and loss on a straight-line basis over the term of the lease.

ROU is initially recognized at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU is depreciated from the commencement date on a straight-line basis over the lease term or useful life of the underlining asset, whichever is shorter. ROU is tested for impairment and account for as per impairment of assets policy of the Company.

The lease liability is initially measure at the present value of the future lease payments, which comprises of the fixed payments, variable lease payments, guaranteed residual value or exercise price of purchase option, if the Company is reasonably certain to exercise the option. The lease payments are discounted using interest rate implicit in the lease or, if not readily determinable, using incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet. Interest expense on lease liability is reported as finance cost in the statement of profit and loss account and lease payments have been classified as financing cash flows.

**The Company as a Lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases mainly of workers quarters are recognised in the statement of profit and loss on straight line basis.

**vi) Investment in Subsidiaries and Joint Venture**

Investment in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exits, the carrying amount of the investments is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.



## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### vii) Inventories:

- Raw Materials, Work-in-progress and Finished goods are valued at the lower of cost or net realizable value. The cost is determined using FIFO method.
- The cost of Inventories of work-in-progress and finished goods comprises the cost of purchases and the cost of conversion and in case of finished goods it also includes the cost of packing materials.

The cost of purchase comprises of the purchase price including duties and taxes (other than those subsequently recoverable by the Company from the taxing authorities), freight inward and other expenditure directly attributable to the acquisition but net of trade discount, rebates, duties for import under advance licenses and other similar items.

The cost of conversion comprises of depreciation and repairs and maintenance of factory buildings and plant and machineries, power and fuel, factory management and administration expenses and consumable stores and spares.

- Packing Materials, Consumable Stores and Spares and Fuel are valued at lower of cost or net realizable value. The cost is determined using FIFO method.
- Scrap is valued at net realizable value.

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

### viii) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition and adjusted for transaction costs that are attributable to the acquisition or issues of financial assets and financial liabilities in case of financial assets or financial liabilities not at fair value through profit or loss account.

Where the fair value of financial assets and financial liabilities at initial recognition is different from its transaction price, the difference between the fair value and transaction price is recognised in the statement of profit and loss.

However, trade receivables that do not contain a significant financing component are initially measured at transaction price.

#### a) Financial Assets

##### Cash and bank balances

Cash and bank balances consist of:

- **Cash and cash equivalents** - which include cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- **Other bank balances** - which include balances and deposits with banks that are restricted for withdrawal and usage.

##### Financial assets measured at amortised cost

A financial asset is subsequently measured at amortised cost if both of the following conditions are met:

- If it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to trade receivables, loans and other financial assets of the Company measured using

## **NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

the Effective Interest Rate (EIR) method less impairment, if any, and the amortisation of EIR and loss arising from impairment, if any is recognised in the statement of profit and loss.

### **Financial assets measured at fair value**

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- If it is held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell these financial assets, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income.

The Company in respect of equity instruments (other than equity instruments of subsidiaries and joint venture) which are not held for trading has made an irrevocable election to present the subsequent changes in fair value of such equity instruments in other comprehensive income. Such an election is made by the Company on an instrument-by-instrument basis at the time of initial recognition of such equity investments. On de-recognition, cumulative gain or loss previously recognised in other comprehensive income is reclassified from the equity to retained earnings in the statement of changes in equity.

A financial asset not classified as either amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

### **Impairment of Financial Assets**

The Company applies loss allowance using the expected credit loss (ECL) model for the financial assets which are measured at amortised cost or fair value through other comprehensive income. Loss allowance for trade receivables with no significant financing component is measured following simplified approach wherein an amount equal to lifetime ECL is measured and recognised as a loss allowance.

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

For all other financial assets, ECLs are measured at an amount equal to 12-month ECL, unless there has been a significant increase in credit risk for initial recognition in which case those are measured at lifetime ECL.

### **De-recognition of Financial Assets**

A financial asset is de-recognised only when

- The contractual rights to cash flows from the financial asset expire;
- The Company has transferred the contractual rights to receive cash flows from the financial asset or;
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## **b) Financial Liabilities**

### **Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the

## **NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### **Equity Instrument**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

### **Financial Liability**

Trade and other payables are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Interest bearing loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost using effective interest rate method. Any difference between proceeds (net of transaction cost) and the settlement amount of borrowing is recognised over the terms of the borrowings in the statement of profit and loss

### **De-recognition**

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or has expired.

#### **c) Financial Guarantee Contracts**

Financial guarantee contracts are those contracts that require specific payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 or the amount recognised less cumulative amortisation.

#### **d) Derivative financial instruments**

The Company enters into derivative financial contracts in the nature of forward currency contracts with banks to reduce business risks which arise from its exposures to foreign exchange. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any change therein is generally recognised in the statement of profit and loss. Derivatives are carried as financial assets when fair value is positive and as financial liabilities when fair value is negative.

#### **e) Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **ix) Fair Value Measurement**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows:-

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

### x) **Non-Current Assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell and are presented separately from other assets in the balance sheet. The liabilities related to the assets held for sale are presented separately from other liabilities in the balance sheet. Non-current assets held for sale are not depreciated or amortized.

### xi) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present legal 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 reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for a contingent liability is made when there is a possible obligation or present 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 and where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognised nor disclosed in the financial statements.

### xii) **Revenue**

Revenue from contracts with customer is recognized when the Company satisfies a performance obligation by transferring the promised goods or services to a customer at a transaction price. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is to be allocated. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer as per contract, excluding amount of taxes collected on behalf of the government. The transaction price is adjusted of trade discount, cash discount, volume rebate and other variable considerations as per the terms of contract which is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Consideration payable to customers is accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Company.

#### **Sale of Goods**

Revenue from sale of products is recognised at a point in time when the control on the goods have been transferred to a

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

customer i.e. when material is delivered to the customer or as per shipping terms, as may be specified in the contract.

### **Job Work**

Revenue from Job work is recognised when intended job work is carried out and goods are ready for transfer to the owner of the goods.

### **Export Incentives**

Eligible export incentives are recognised in the year in which the conditions precedents are met and there is no significant uncertainty about the collectability.

### **xiii) Other Income**

#### **Interest Income**

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

#### **Rental Income**

Rental income is recognised in the statement of profit and loss on straight line basis.

#### **Dividend Income**

Dividend Income from investments is recognised when shareholder's rights to receive payment have been established.

#### **Commission Income**

Guarantee commission income (notional) for the financial guarantee issued by the Company to the bank in respect of credit facility granted by the bank to the dealers of the Company is recognised over the period of guarantee.

### **xiv) Government Grant**

Government grants are recognised when there is reasonable assurance that the grant will be received and the company will comply with all the attached conditions. When the grant relates to revenue expense, it is recognised as an income on a systematic basis over the period necessary to match it with the expenses that it is intended to compensate. Government grant related to expenditure on property, plant and equipment is included as cost of property, plant and equipment and is credited to the statement of profit and loss over the useful lives of qualifying assets or credited to the statement of profit and loss over the period in which the corresponding export obligation is fulfilled. Total grants availed less the amounts credited to the statement of profit and loss at the balance sheet date are included in the balance sheet as deferred income.

### **xv) Foreign Currency Transactions**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The functional and presentation currency of the Company is Indian Rupees (₹).

Transactions denominated in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary items is restated at the closing exchange rates. Non-monetary items are recorded at exchange rate prevailing on the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the statement of profit and loss.

The forward exchange contracts are marked to market and gain/loss on such contracts are recognised in the statement of profit and loss at the end of each reporting period.

The Company as per previous GAAP elected to recognise as part of cost of assets, exchange differences arising on translation of long-term foreign currency monetary items and this method of recognition of such exchange difference is followed by the Company as allowed under Ind AS 101. Such differences are added/deducted to/ from the cost of assets and are recognised in the statement of profit and loss on a systematic basis as depreciation over the balance life of the assets.

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### xvi) Employee Benefits

#### a) Short Term Obligations

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### b) Post-Employment Benefits

##### i) Defined benefit plan

Gratuity liability is a defined benefit obligation and recognized based on actuarial valuation carried out using the Projected Unit Credit Method. The scheme is maintained and administered by Life Insurance Corporation of India to which the Company makes periodical contributions through its trustees.

##### ii) Defined contribution plan

A Defined Contribution Plan is plan under which the Company makes contribution to Employee's Provident Fund administrated by the Central Government. The Company's contribution is charged to the statement of profit and loss.

#### c) Other Long Term Employee Benefits - Leave Salary

The liability towards leave salary which is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related services is recognized based on actuarial valuation carried out using the Projected Unit Credit Method.

### xvii) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized. All other borrowing costs are expensed in the period in which they occur.

### xviii) Income Taxes

Tax expenses for the year comprises current tax and deferred tax.

#### Current Tax

Current tax is the amount of income tax payable in respect of taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because taxable profit is adjusted for items of income or expenses which are taxable or deductible in other years and also for items which are not taxable or deductible under the Income Tax Act, 1961 ("the IT Act").

The Company's liability for current tax is calculated using tax rates and tax laws in force.

#### Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit under the IT Act.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affects neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.



**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow entire or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws in force. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity, in which case, the tax is recognised in other comprehensive income or directly in equity, respectively.

**MAT**

Minimum Alternate Tax ('MAT') under the provisions of the IT Act is recognised as deferred tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such asset is reviewed at each Balance Sheet date.

**xix) Segment Reporting**

Operating segment is a component of an entity whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decision about resource to be allocated to the segment and assess its performance. The Company has no separate reportable segment.

**xx) Statement of Cash Flow**

Cash flow statement is reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of cash flow statement cash and cash equivalents consist of cash and short-term deposits, as defined above.

**xxi) Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions which existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**xxii) Earnings per Share**

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

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

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### Note 2

#### A) PROPERTY, PLANT & EQUIPMENT

Description	Gross Carrying Amount				Depreciation			Net Carrying Amount	
	As at 01.04.2021	Additions	Deductions/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	Deductions / Adjustments	As at 31.03.2022	As at 31.03.2022
Land - Free Hold	2,220.95	-	665.95	1,555.00	-	-	-	-	1,555.00
Factory Buildings	4,030.56	-	-	4,030.56	523.00	162.40	-	685.40	3,345.16
Residential Buildings	158.29	-	-	158.29	15.46	3.09	-	18.55	139.74
Plant & Machineries	11,746.35	728.47	36.91	12,437.91	5,412.86	1,265.01	29.17	6,648.70	5,789.21
Laboratory Equipments	337.02	25.81	-	362.83	109.68	29.76	-	139.44	223.39
Electrical Installations	113.65	-	-	113.65	36.14	10.04	-	46.18	67.47
Furniture & Fixtures	167.55	3.46	-	171.01	44.83	14.52	-	59.35	111.66
Office & Other Equipments	298.49	38.33	1.40	335.42	175.50	48.43	0.80	223.13	112.29
Vehicles	347.08	252.37	20.56	578.89	127.90	43.61	13.83	157.68	421.21
<b>Total</b>	<b>19,419.94</b>	<b>1,048.44</b>	<b>724.82</b>	<b>19,743.56</b>	<b>6,445.37</b>	<b>1,576.86</b>	<b>43.80</b>	<b>7,978.43</b>	<b>11,765.13</b>
<b>B) Capital Work - in - Progress</b>	<b>-</b>	<b>244.33</b>	<b>-</b>	<b>244.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244.33</b>

Deduction/adjustment in land -free hold is on account of land transferred to assets held for sale (Note 2 (E))

Description	Gross Carrying Amount				Depreciation			Net Carrying Amount	
	As at 01.04.2020	Additions	Deductions/ Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	Deductions / Adjustments	As at 31.03.2021	As at 31.03.2021
Land - Free Hold	2,220.95	-	-	2,220.95	-	-	-	-	2,220.95
Factory Buildings	4,007.63	22.93	-	4,030.56	362.16	160.84	-	523.00	3,507.56
Residential Buildings	158.29	-	-	158.29	12.37	3.09	-	15.46	142.83
Plant & Machineries	11,219.39	566.98	40.02	11,746.35	4,161.92	1,278.08	27.14	5,412.86	6,333.49
Laboratory Equipment	264.04	72.98	-	337.02	78.91	30.77	-	109.68	227.34
Electrical Installations	113.65	-	-	113.65	25.60	10.54	-	36.14	77.51
Furniture & Fixtures	166.53	1.02	-	167.55	29.43	15.40	-	44.83	122.72
Office & Other Equipment	279.59	22.99	4.09	298.49	125.20	51.81	1.51	175.50	122.99
Vehicles	381.97	33.80	68.69	347.08	131.01	43.82	46.93	127.90	219.18
<b>Total</b>	<b>18,812.04</b>	<b>720.70</b>	<b>112.80</b>	<b>19,419.94</b>	<b>4,926.60</b>	<b>1,594.35</b>	<b>75.58</b>	<b>6,445.37</b>	<b>12,974.57</b>
<b>B) Capital Work - in - Progress</b>	<b>13.52</b>	<b>53.41</b>	<b>66.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

#### C) INTANGIBLE ASSETS

Description	Gross Carrying Amount				Amortisation Amount			Net Carrying Amount (₹ in Lakhs)
	As at 01.04.2021	Additions	Deductions/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	Deductions / Adjustments	
	As at 01.04.2021	Additions	Deductions/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	Deductions / Adjustments	
Computer Software	109.16	-	-	109.16	78.91	21.41	-	8.84
<b>Total</b>	109.16	-	-	109.16	78.91	21.41	-	8.84

Description	Gross Carrying Amount				Amortisation			Net Carrying Amount (₹ in Lakhs)
	As at 01.04.2020	Additions	Deductions/ Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	Deductions / Adjustments	
	As at 01.04.2020	Additions	Deductions/ Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	Deductions / Adjustments	
Computer Software	112.26	13.52	16.62	109.16	56.78	23.06	0.93	30.25
<b>Total</b>	112.26	13.52	16.62	109.16	56.78	23.06	0.93	30.25

#### D) RIGHT OF USE ASSETS\*

Description	Gross Carrying Amount				Amortisation			Net Carrying Amount (₹ in Lakhs)
	As at 01.04.2021	Additions	Deductions/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	Deductions / Adjustments	
	As at 01.04.2021	Additions	Deductions/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	Deductions / Adjustments	
Office Premises	77.05	28.89	-	105.94	48.07	24.27	-	33.60
<b>Total</b>	77.05	28.89	-	105.94	48.07	24.27	-	33.60

Description	Gross Carrying Amount				Amortisation			Net Carrying Amount (₹ in Lakhs)
	As at 01.04.2020	Additions	Deductions/ Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	Deductions / Adjustments	
	As at 01.04.2020	Additions	Deductions/ Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	Deductions / Adjustments	
Office Premises	64.10	12.95	-	77.05	24.56	23.51	-	28.98
<b>Total</b>	64.10	12.95	-	77.05	24.56	23.51	-	28.98

\* Refer Note 46(a) Ind As 116 " Leases".

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### E) ASSETS HELD FOR SALE

(₹ in Lakhs)

Description	Gross Carrying Amount			Amortisation			Net Carrying Amount
	As at 01.04.2021	Additions	Deductions/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	As at 31.03.2022
Land - Free Hold	17.00	665.95	-	682.95	-	-	682.95
<b>Total</b>	17.00	665.95	-	682.95	-	-	682.95

(₹ in Lakhs)

Description	Gross Carrying Amount			Amortisation			Net Carrying Amount
	As at 01.04.2020	Additions	Deductions/ Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	As at 31.03.2021
Land - Free Hold	17.00	-	-	17.00	-	-	17.00
<b>Total</b>	17.00	-	-	17.00	-	-	17.00

- 2.1 The details of property, plant & equipment hypothecated against borrowings are presented in Note 13.3 to 13.8.
- 2.2 The amount of contractual commitments for the acquisition of property, plant & equipment is disclosed in Note 29 B (i).
- 2.3 Amount of Foreign Exchange Difference & Interest capitalised during the year is NIL (P.Y. NIL).
- 2.4 All Property, Plant & Equipment are held in the name of the Company. The Title deeds of all immovable properties are in the name of Company.
- 2.5 All lease agreements are duly executed in favour of the Company.
- 2.6 Capital-work-in progress ageing schedule:

(₹ in Lakhs)

Particulars	As at 31.03.2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital Work in progress	31.03.2021	244.33	-	-	-	244.33
		-	-	-	-	-

- 2.7 Capital-work-in progress, whose completion is overdue or has exceeded its cost compare to its original plan : NIL (P.Y. NIL)
- 2.8 Capital-work-in progress, project temporarily suspended : NIL (P.Y. NIL)
- 2.9 No Proceeding against the Company has been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2.10 Revaluation of Property Plant & Equipment, Rights to Use Assets and Intangible Assets : NIL (P.Y. NIL)
- 2.11 Land classified as held for sale are the assets available for sale in its present condition and management is intending to conclude the sale within a period of 12 months of the Balance Sheet date and measured at the lower of its carrying value or fair value less cost of sale.

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Note 3: INVESTMENTS	Nos.	Face Value	Non-Current	
			As at 31.03.2022	As at 31.03.2021
Investments in Equity Instruments				
Unquoted Equity Shares (Fully Paid up)				
i) Subsidiaries (measured at cost, Note 1 (c) (vi))				
- Global Copper Private Limited (60%)	6,46,134	₹ 10	979.54	979.54
- Epavo Electricals Private Limited (74%)	29,67,400	₹ 10	296.74	296.74
ii) Joint Venture (measured at cost, Note 1 (c) (vi))				
- R R Imperial Electricals Limited- Bangladesh (10%)	63,40,244	Taka 10	467.72	467.72
iii) Other Entity				
- R R Kabel Limited (measured at fair value and designated as FVOCI)	3,41,120	₹ 10	5,949.13	3,175.82
			7,693.13	4,919.82
Aggregate amount of unquoted investments at cost			1,744.00	1,744.00
Aggregate amount of unquoted investments at fair value (Note 3.6)			5,949.13	3,175.82
Aggregate value of impairment in value of investments			-	-

- 3.1 For estimated amount of capital commitments- Note 30 B (ii)
- 3.2 The Board of Directors of the Company has agreed to provide the Corporate Guarantee to Epavo Electricals Private Limited, a Subsidiary for an amount of ₹ 2,500/- Lakhs (P.Y. Nil) for the purpose of availing lending facilities from the banks for the purpose of business of the subsidiary. However, no Corporate Guarantee has been executed by the Company as on the reporting date.
- 3.3 Guarantees are issued by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder. Details of guarantees issued and outstanding - Note 30.2
- 3.4 The Company has complied with the provision of section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layer) Rules, 2017.
- 3.5 The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- 3.6 Fair value of Equity Investment is based on the valuation report of a registered valuer as defined under rule 2 of the Companies (Registered Valuers & Valuation) Rules, 2017.
- 3.7 Investments are held in the name of the Company and its nominees. The company has not pledged its investments to raised loans.
- 3.8 Information on financial information, Company's ownership interest and other information's of subsidiaries and joint venture - Note 39 of the Consolidated Financial Statements.

(₹ in Lakhs)

Note 4A: LOANS	Non-Current	
	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>		
Loans to Related Party (Note 4.1)	800.00	-
Loan to Employees	9.99	0.92
	809.99	0.92

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

Note 4B: LOANS	Current	
	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>		
Loans to Related Party	-	-
Loan to Employees	28.24	13.69
	<b>28.24</b>	<b>13.69</b>

4.1 Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of Companies Act, 2013

4.1.1. Amount of loans/ advances in the nature of loans to Subsidiaries & Joint Venture

**(₹ in Lakhs)**

Particulars	Due on	Interest Rate	Percentage	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>					
<b>Subsidiary</b>					
Epavo Electricals Private Limited	August, 2024 to March, 2025	10% p.a.	100%	800.00	-
				<b>800.00</b>	<b>-</b>

4.1.2 Maximum Outstanding Loans

**(₹ in Lakhs)**

	2021-22	2020-21
Epavo Electricals Private Limited	800.00	-

4.1.3. Details of investments made and outstanding are given in Note 3 and Note 41.

4.2 Loans or advances to Promoters, Directors & KMPs : NIL (P.Y. NIL).

4.3 Loans given to subsidiary are out of accumulated profit and profit for the year and not from the borrowed fund.

4.4 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other person or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security of the like to or on behalf of the Ultimate Beneficiaries.

4.5 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding, whether recorded in writing or otherwise, that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**(₹ in Lakhs)**

Note 5A: OTHER FINANCIAL ASSETS	Non-Current	
	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>		
Electricity & Other Deposits	7.73	7.88
Security Deposits	8.93	20.73
Term Deposits with bank held as margin money or security against Borrowing, Guarantees or other Commitments having maturity more than 12 months	0.35	0.25
	<b>17.01</b>	<b>28.86</b>



**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>Note 5B: OTHER FINANCIAL ASSETS</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Unsecured, Considered good :</b>		
Security Deposits	11.00	3.50
Interest accrued on term deposits held as margin money or security against Borrowing, Guarantees or other Commitments	3.41	3.44
Forward Exchange Contracts (Net)	28.10	-
Others	79.41	38.03
	<b>121.92</b>	<b>44.97</b>

(₹ in Lakhs)

<b>Note 6: INCOME TAX ASSETS (NET)</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Advance payment of Income Tax (net)	9.34	20.69
	<b>9.34</b>	<b>20.69</b>

(₹ in Lakhs)

<b>Note 7A: OTHER ASSETS</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Unsecured, Considered good :</b>		
Capital Advances	130.94	217.41
Other Advances :		
Balances with government authorities		
Cenvat Credit Receivable	29.40	37.04
VAT Receivable (Note 30A)	129.76	372.73
Advance receivable in cash or in kind	16.90	6.77
	<b>307.00</b>	<b>633.95</b>

(₹ in Lakhs)

<b>Note 7B: OTHER ASSETS</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Unsecured, Considered good :</b>		
Other Advances :		
Balances with government authorities		
GST Receivable	189.65	578.36
Export Incentives Receivable	69.19	69.39
Excise Duty Refundable	19.26	19.26
Advance receivable in cash or in kind	231.19	168.27
Advances to Suppliers	1,227.11	602.92
Advance to Employees (net)	0.99	0.51
	<b>1,737.39</b>	<b>1,438.71</b>

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>Note 8: INVENTORIES</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Raw Materials	<b>1,511.08</b>	1,298.43
Raw Material-in-Transit	-	79.02
Work-in-Progress	<b>1,784.73</b>	3,164.14
Finished Goods	<b>576.52</b>	1,948.13
Finished Goods-in-Transit	<b>5,206.35</b>	4,544.26
<b>Others:</b>		
Packing Materials	<b>146.05</b>	112.41
Scrap	<b>18.65</b>	57.45
Consumable Stores & Spares	<b>55.91</b>	52.76
Fuel	<b>14.55</b>	11.22
	<b>9,313.84</b>	11,267.82

8.1 The cost of inventories recognised as an expense during the year is disclosed in Note 24 and 25.

8.2 The cost of inventories written down during the year NIL (P.Y. NIL).

8.3 The inventories are hypothecated as the security as disclosed in Note 13.3 &amp; 13.4.

(₹ in Lakhs)

<b>Note 9: TRADE RECEIVABLES</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Secured - considered good	<b>220.41</b>	717.56
Unsecured - considered good	<b>28,579.54</b>	25,286.81
Unsecured - credit impaired	<b>33.14</b>	176.91
Unsecured - significant increase in credit risk	-	363.23
	<b>28,833.09</b>	26,544.51
Less: Allowance for credit impaired (doubtful debts)	<b>33.14</b>	176.91
Less: Allowance for significant increase in credit risk (doubtful debts)	-	363.23
	<b>28,799.95</b>	26,004.37

(₹ in Lakhs)

<b>9.1 Due from Directors, Firm or Private Limited Company</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Due from Directors or other officers of the Company	-	-
Due from a Private Company in which two of the Directors are Director	<b>0.09</b>	-
Due from a Firm in which a Director is a Partner	-	179.53

9.2 The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:

(₹ in Lakhs)

<b>Particulars</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
At the beginning of the year	<b>540.14</b>	540.14
Provision/ (Provision Reversal) for the year (net)	<b>(86.28)</b>	(123.41)
Bad debts written off (net)	<b>420.72</b>	123.41
At the end of the year	<b>33.14</b>	540.14

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- 9.3 Trade Receivables are generally non-interest bearing with credit period of 60 days to 90 days.
- 9.4 The Company has arranged channel financing facility for its customers from banks and a financial Institution against which a sum of ₹ 5,052.26 Lakhs (P.Y. ₹ 5,219.45 Lakhs) has been received (net of advances) as on the date of balance sheet and correspondingly the trade receivables stand reduced by the said amount. Also refer Note 30.2.
- 9.5 Trade receivables have been pledged as a security against secured borrowing from bank, the terms related to the same disclosed in Note 13.3 & 13.4.
- 9.6 The Company's exposure to credit risk, currency risk and market risk related to trade receivables are disclosed in Note 40(C).
- 9.7 Accounting policies on financial instruments - Note 1 (C)(viii)
- 9.8 Unbilled receivables NIL (P.Y. NIL), hence the same is not disclosed in the ageing schedule below.
- 9.9 **Trade Receivables ageing schedule** (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					31.03.2022
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Secured	220.41	-	-	-	-	220.41
Unsecured						
Undisputed- considered good	28,478.29	79.13	11.58	10.54	-	28,579.54
Undisputed- significant increase in credit risk	-	-	-	-	-	-
Undisputed- credit impaired	26.12	3.29	3.00	0.73	-	33.14
Disputed- considered good	-	-	-	-	-	-
Disputed- significant increase in credit risk	-	-	-	-	-	-
Disputed- credit impaired	-	-	-	-	-	-
Less :- Impairment allowance for Trade Receivables						-
<b>Total Trade Receivables</b>						<b>28,833.09</b>

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					31.03.2021
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Secured	717.56					717.56
Unsecured						
Undisputed- considered good	25,071.32	55.02	141.02	19.45	-	25,286.81
Undisputed- significant increase in credit risk	24.98	-	338.25	-	-	363.23
Undisputed- credit impaired	14.66	4.27	56.89	89.85	11.24	176.91
Disputed- considered good	-	-	-	-	-	-
Disputed- significant increase in credit risk	-	-	-	-	-	-
Disputed- credit impaired	-	-	-	-	-	-
Less :- Impairment allowance for Trade Receivables						-
<b>Total Trade Receivables</b>						<b>26,544.51</b>

(₹ in Lakhs)

Note 10A: CASH AND BANK BALANCES	Non-Current	
	As at 31.03.2022	As at 31.03.2021
<b>Other Balance with Banks</b>		
Term Deposits held as Margin money or security against Borrowing, Guarantees or other Commitments having maturity more than 12 months	0.35	0.25
Less: Amount included under the head Other Financial Assets	0.35	0.25
	-	-

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

(₹ in Lakhs)

Note 10B: CASH AND BANK BALANCES	Current	
	As at 31.03.2022	As at 31.03.2021
<b>(A) Cash &amp; Cash Equivalents</b>		
(a) Balance with Banks		
Over Drawn / Current Accounts	211.70	137.13
Deposits with original maturity of less than 3 months (Note 10.1)	500.00	-
Cheques, draft on hand	-	-
(b) Cash on hand	1.97	2.39
	<b>713.67</b>	<b>139.52</b>
<b>(B) Other Balances with Banks</b>		
(a) Unclaimed Dividend Accounts (Note 10.2)	28.35	29.37
(b) Term deposits held as margin money or security against Borrowing, Guarantees or other Commitments having original maturity of more than 3 months and less than 12 months	126.17	65.15
	<b>154.52</b>	<b>94.52</b>

10.1 Deposits with maturity of 7 days to 10 days.

10.2 The Company can utilise these balances only towards settlement of unclaimed dividend.

(₹ in Lakhs)

Note 11: EQUITY SHARE CAPITAL	As at 31.03.2022	As at 31.03.2021
<b>Authorised Capital</b>		
3,00,00,000 Equity Shares of ₹ 5/- each	1,500.00	1,500.00
<b>Issued, Subscribed and Paid Up Capital</b>		
2,20,00,000 Equity Shares of ₹ 5/- each fully paid-up	1,100.00	1,100.00
	<b>1,100.00</b>	<b>1,100.00</b>

### 11.1 Reconciliation of Equity Shares outstanding at the beginning & at the end of the year

Fully Paid up Equity Shares	As at 31.03.2022		As at 31.03.2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
As at the beginning of the year	2,20,00,000	1,100.00	2,20,00,000	1,100.00
Add/(Less):- Change during the year	-	-	-	-
As at the end of the year	<b>2,20,00,000</b>	<b>1,100.00</b>	<b>2,20,00,000</b>	<b>1,100.00</b>

### 11.2 Details of Shareholders holding more than 5% Equity Shares #

Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Ram Ratna Research & Holdings Private Limited	34,00,000	15.45	34,00,000	15.45
Mahendrakumar Kabra	18,67,966	8.49	18,67,966	8.49
TMG Global FZCO	14,00,000	6.36	14,00,000	6.36
Rameshwarlal Kabra - As Karta of Rameshwarlal Kabra (HUF)	12,41,000	5.64	12,41,000	5.64

# As per the records of the company, including its register of members

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### 11.3 Details of Shares held by Promoters

Promoters Name	As at 31.03.2022		As at 31.03.2021		% of Changes
<b>Promoter:</b>					
Mahendrakumar Kabra	18,67,966	8.49	18,67,966	8.49	-
Tribhuvanprasad Kabra	6,35,466	2.89	4,35,466	1.98	0.91
<b>Promoter Group:</b>					
Ram Ratna Research & Holdings Pvt. Ltd.	34,00,000	15.45	34,00,000	15.45	-
TMG Global FZCO	14,00,000	6.36	14,00,000	6.36	-
Rameshwarlal Kabra - As Karta of Rameshwarlal Kabra (HUF)	12,41,000	5.64	12,41,000	5.64	-
Late Umadevi Kabra	10,95,000	4.98	10,95,000	4.98	-
Mahhesh Kabra	9,68,848	4.40	6,02,800	2.74	1.66
R R Kabel Ltd.	14,10,768	6.41	14,10,768	6.41	-
Sumeet Kabra	8,81,855	4.01	3,70,700	1.69	2.32
Hemant Kabra	8,81,855	4.01	1,29,600	0.59	3.42
Jag-Bid Finvest Pvt. Ltd.	7,37,686	3.35	7,37,686	3.35	-
Vvidhi Kabra	7,05,000	3.20	3,05,000	1.39	1.82
MEW Electricals Limited	4,00,000	1.82	4,00,000	1.82	-
Ram Ratna Infrastructure Pvt. Ltd.	99,100	0.45	99,100	0.45	-
Asha Muchhal	96,800	0.44	96,800	0.44	-
Rajesh Kabra	79,005	0.36	5,31,000	2.41	(2.05)
Kirti Kabra	79,005	0.36	9,82,200	4.46	(4.11)
Kabel Buildcon Solutions Pvt. Ltd.	40,000	0.18	40,000	0.18	-
Priti Saboo	40,000	0.18	40,000	0.18	-
Rameshwarlal Kabra	-	-	1,05,200	0.48	(0.48)
Ratnidevi Kabra	-	-	65,800	0.30	(0.30)
Shreegopal Kabra	-	-	7,03,268	3.20	(3.20)

### 11.4 Terms/ rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having face value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The Dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

As per the Companies Act, 2013 the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts in the event of the liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

11.5 There were no buy back of shares or issue of bonus shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years immediately preceding the reporting date.

11.6 The Board of Directors of the Company have proposed a dividend of ₹ 5/- per equity share of face value of ₹ 5/- each for the year ending 31<sup>st</sup> March, 2022 (P.Y. ₹ 1.00/- per equity share) subject to approval of members at the forthcoming Annual General Meeting.

### 11.7 Details of Dividend

Particulars	for the year	BOD Approval Date	AGM Approval Date	% of Face Value of ₹ 5/-	Amount
Dividend on Equity Shares	2020-21	29.06.2021	17.09.2021	20%	2,20,00,000
	2019-20	29.07.2020	24.09.2020	10%	1,10,00,000

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Note 12: OTHER EQUITY	Reserves and Surplus			Equity Instruments through OCI	Total
	Security Premium	General Reserve	Retained Earnings		
<b>Balance as at 1<sup>st</sup> April, 2020 (A)</b>	763.20	513.00	13,663.52	1,683.51	<b>16,623.23</b>
Additions during the year:					
Profit for the year	-	-	1,351.00	-	<b>1,351.00</b>
Add/(Less): Items of OCI for the year, net of tax :					
Remeasurement benefit of defined benefits plans	-	-	31.47	-	<b>31.47</b>
Net fair value loss on investment in equity instruments through OCI	-	-	-	746.69	<b>746.69</b>
<b>Total Comprehensive Income For the year 2020-21 (B)</b>	-	-	1,382.47	746.69	<b>2,129.16</b>
Reductions during the year					
Dividends	-	-	(110.00)	-	<b>(110.00)</b>
Income Tax on Dividend	-	-	-	-	<b>-</b>
Transfer to General Reserve	-	-	-	-	<b>-</b>
<b>Total (C)</b>	-	-	(110.00)	-	<b>(110.00)</b>
<b>Balance as at 31<sup>st</sup> March, 2021 (D) = (A+B+C)</b>	763.20	513.00	14,935.99	2,430.20	<b>18,642.39</b>
Additions during the year:					
Profit for the year	-	-	4,867.71	-	<b>4,867.71</b>
Add/(Less): Items of OCI for the year, net of tax :					
Remeasurement benefit of defined benefits plans	-	-	(18.70)	-	<b>(18.70)</b>
Net fair value gain on investment in equity instruments through OCI	-	-	-	2,127.91	<b>2,127.91</b>
<b>Total Comprehensive Income For the year 2021-22 (E)</b>	-	-	4,849.01	2,127.91	<b>6,976.92</b>
Reductions during the year					
Dividend	-	-	(220.00)	-	<b>(220.00)</b>
<b>Total (F)</b>	-	-	(220.00)	-	<b>(220.00)</b>
<b>Balance as at 31<sup>st</sup> March, 2022 (D+E+F)</b>	<b>763.20</b>	<b>513.00</b>	<b>19,565.00</b>	<b>4,558.11</b>	<b>25,399.31</b>

**12.1 Security Premium**

Security premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**12.2 General Reserve**

General Reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. Under the Companies Act, 2013 there is no mandatory requirement for transfer of a specific percentage of net profit to general reserve which was required under the erstwhile Companies Act, 1956.

**12.3 Equity Instruments through Other Comprehensive Income (OCI)**

This represents the cumulative gains/(losses) arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, it will be reclassified to retained earnings when such assets are disposed off.



**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>Note 13A: BORROWINGS</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Secured</b>		
Term Loans from Bank		
Ruppee Loans	<b>6,395.63</b>	5,686.01
Vehicle Loans	<b>159.16</b>	34.74
<b>Unsecured</b>		
Loan from Directors	<b>774.73</b>	904.59
Loan from Promoters & Relatives	<b>825.28</b>	661.69
Inter Corporate Loan	-	34.00
	<b>8,154.80</b>	7,321.03

(₹ in Lakhs)

<b>Note 13B: BORROWINGS</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Secured</b>		
Working Capital Loans from Banks		
Ruppee Loans		
Short Term	<b>6,489.00</b>	13,386.00
Repayable on demand	<b>566.80</b>	2,153.36
<b>Unsecured</b>		
Working Capital Loans from Banks		
Ruppee Loans		
Short Term	<b>3,300.00</b>	5,831.00
<b>Current maturities of long term borrowings</b>		
Ruppee Loans (Note 13.1)	<b>1,843.71</b>	2,169.44
Vehicle Loans (Note 13.2)	<b>36.35</b>	15.52
	<b>12,235.86</b>	23,555.32

(₹ in Lakhs)

<b>Note 13.1: Term Loans</b>	<b>Rate of Interest</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Term Loan I	MCLR+ 0.95%	-	774.04
Term Loan II	MCLR+ 0.95%	-	746.09
Term Loan III	MCLR+ 0.95%	-	147.10
Term Loan IV - 7 Quarterly Installments	MCLR+ 0.80%	<b>1,661.29</b>	2,610.17
Term Loan V - 48 Monthly Installments	EBLR+ 0.00%	<b>3,578.05</b>	3,578.05
Term Loan VI - 48 Monthly Installments	REPO+ 2.00%	<b>3,000.00</b>	-
		<b>8,239.34</b>	7,855.45
Less : Current maturities of long term borrowings (Note 13B)		<b>1,843.71</b>	2,169.44
		<b>6,395.63</b>	5,686.01

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>Note 13.2: Vehicle Loans</b>	<b>Rate of Interest</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Vehicle Loan - I - 7 Monthly Installment	8.85% p.a.	<b>2.53</b>	6.58
Vehicle Loan - II - 29 Monthly Installment	9.20% p.a.	<b>32.21</b>	43.68
Vehicle Loan - III - 56 Monthly Installment	7.25% p.a.	<b>19.16</b>	-
Vehicle Loan - IV - 58 Monthly Installment	7.25% p.a.	<b>17.00</b>	-
Vehicle Loan - V - 59 Monthly Installment	7.25% p.a.	<b>19.13</b>	-
Vehicle Loan - VI - 46 Monthly Installment	9.90% p.a.	<b>105.48</b>	-
		<b>195.51</b>	50.26
Less : Current maturities of long term borrowings (Note 13B)		<b>36.35</b>	15.52
		<b>159.16</b>	34.74

**13.3 (i) The Term loans IV is secured by:**

- First pari passu charge on immovable assets of the Company located at Survey No. 212/2 and Survey No 316 at Dadra, Silvassa, Survey No. 16/1 at Village Sayli, Silvassa and Survey No. 205, 206, 207/1, 207/2, 193/1, 193/2 and 327/2/P2 at Waghodia, Dist. Vadodara.
- First pari passu charge on both present and future movable assets (except vehicles) of the Company.
- Second pari passu charge on entire current assets of the Company both present and future.
- Personal guarantees of Chairman and Managing Director of the Company and their relative.

**(ii) The Term loan V & VI are secured by**

- Primary Guarantee of National Credit Guarantee Trustee Limited and approved under ECLGS scheme.
- Second pari passu charge on immovable assets of the Company located at Survey No. 212/2 and Survey No 316 at Dadra, Silvassa, Survey No. 16/1 at Village Sayli, Silvassa and Survey No. 205, 206, 207/1, 207/2, 193/1, 193/2 and 327/2/P2 at Waghodia, Dist. Vadodara.
- Second pari passu charge on both present and future movable assets (except vehicles) of the Company.
- Second pari passu charge on entire current assets of the Company both present and future.
- Charge has not been created and registered in respect of Term Loan VI, pending the execution of necessary documents. (Note 13.9)

**13.4 The working capital loans are secured by:**

- First pari passu charge on entire current assets of the Company both present and future.
- Second pari passu charge on immovable assets of the Company located at Survey No. 212/2 and Survey No 316 at Dadra, Silvassa, Survey No. 16/1 at Village Sayli, Silvassa and Survey No. 205, 206, 207/1, 207/2, 193/1, 193/2 and 327/2/P2 at Waghodia, Dist. Vadodara and both present and future movable assets (except vehicles) of the Company.
- Personal guarantees of Chairman and Managing Director of the Company and their relative.

13.5 Personal guarantees have been given by the Chairman & Managing Director of the Company and their relative for unsecured working capital loans from banks. (Note 35.1 & 35.2)

13.6 Vehicle loans are secured by way of hypothecation of specific vehicle.

13.7 Other Unsecured Loans carry interest rates from 9% to 10% with different tenures.

13.8 Charges in respect of secured borrowings have been created in favour of Security Trustee and no separate charge has been created for each of the secured borrowings.

13.9 All the charges were registered with the Registrar of Company within the statutory period, except creation of charge in respect of Term Loan VI, pending the execution of necessary documents.

13.10 Loans availed during the year have been applied for the purpose for which they have availed. The Company has not taken any loan from any entity or person on account of or to meet the obligation of its subsidiaries and joint venture.

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

13.11 Quarterly Returns / stock statements of the current assets filed by the Company with its bankers are in agreement with the books of accounts.

13.12 Fund raised on short term basis have not been utilised for long term purpose.

13.13 Default in terms of repayment of Principal and Interest - NIL

13.14 The Company has not been declared as Wilful Defaulter by bank or financial institution or other lender or government authority.

(₹ in Lakhs)

Note 14A: LEASE LIABILITIES	Non-Current	
	As at 31.03.2022	As at 31.03.2021
Lease Liabilities (Note 46 (a))	23.90	6.93
	23.90	6.93

(₹ in Lakhs)

Note 14B: LEASE LIABILITIES	Current	
	As at 31.03.2022	As at 31.03.2021
Lease Liabilities (Note 46 (a))	9.31	23.01
	9.31	23.01

The maturity analysis of lease liabilities is disclosed in Note 46 (a).

(₹ in Lakhs)

Note 15A: OTHER FINANCIAL LIABILITIES	Non-Current	
	As at 31.03.2022	As at 31.03.2021
Security Deposit	3.50	5.00
Other Payable	18.72	-
	22.22	5.00

(₹ in Lakhs)

Note 15B: OTHER FINANCIAL LIABILITIES	Current	
	As at 31.03.2022	As at 31.03.2021
<b>Investor Education &amp; Protection Fund</b>		
Unclaimed dividends*	28.35	29.37
<b>Other Payables :</b>		
Interest accrued and due	72.43	123.03
Interest accrued but not due	36.73	-
Accrued Salary & Benefits **	434.13	206.91
Creditors for Expenses	909.95	730.47
Forward Exchange Contracts (Net)	-	19.90
Creditors for Capital Expenditure	55.27	63.81
Other Payable	7.06	11.65
	1,543.92	1,185.14

\* There is no amount due and outstanding to be transferred to the Investor Education & Protection Fund (IEPF) as at 31<sup>st</sup> March, 2022. Unclaimed Dividends, shall be transferred to IEPF as and when they become due.

\*\* Includes amount of ₹ 209.47 Lakhs (P.Y. ₹ 0.56 Lakhs) payable to the Managing Director on account of Commission on profit. (Note: 35)

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Note 16A: PROVISIONS	Non-Current	
	As at 31.03.2022	As at 31.03.2021
<b>Provision for Employee Benefits</b>		
- Leave Encashment (Note 38)	82.63	80.55
	<b>82.63</b>	80.55

(₹ in Lakhs)

Note 16B: PROVISIONS	Current	
	As at 31.03.2022	As at 31.03.2021
<b>Provision for Employee Benefits</b>		
- Leave Encashment (Note 38)	26.72	22.93
<b>Others</b>	113.07	-
	<b>139.79</b>	22.93

(₹ in Lakhs)

Note 17: INCOME TAXES	As at 31.03.2022	As at 31.03.2021
<b>A. The major components of income tax expenses for the year are as under :</b>		
(i) <b>Income Tax Expenses recognised in the Statement of Profit &amp; Loss</b>		
(a) <b>Current Tax :</b>		
In respect of current year	1,594.37	497.85
Short provision of earlier years	11.23	5.24
(b) <b>Deferred Tax :</b>		
In respect of current year	33.70	(65.33)
	<b>1,639.30</b>	437.76
(ii) <b>Income tax expenses recognised in the OCI</b>		
<b>Deferred Tax :</b>		
Deferred Tax expenses on fair value of equity instruments through OCI	645.40	218.68
Deferred Tax benefit on remeasurements of defined benefit plans	(6.29)	10.59
	<b>639.11</b>	229.27
<b>B. Reconciliation of estimated income tax expenses and the accounting profit for the year is as under:</b>		
Profit before tax	6,507.01	1,788.76
Statutory Income Tax rates in India	25.168%	25.168%
Expected Income tax expense at statutory income tax rate	1,637.68	450.20
Tax effect on non deductible expenses (net)	(84.91)	63.51
Others	41.60	(15.86)
<b>Current Tax expense as per Statement of Profit and Loss for the year</b>	<b>1,594.37</b>	497.85

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>C: The major components of deferred tax liabilities/ (assets) are as follows:</b>	<b>As at 31.03.2021</b>	<b>Profit and Loss 2021-22</b>	<b>OCI 2021-22</b>	<b>As at 31.03.2022</b>
<b>Deferred Tax Liabilities</b>				
Difference between written down value/ capital work in progress of property, plant & equipment and intangible assets as per the books of accounts & Income Tax Act, 1961	482.38	(61.82)	-	420.56
Others	17.08	19.98	-	37.06
Difference in carrying value and tax base of investments in equity measured at FVTOCI	723.51	-	645.40	1,368.91
<b>Deferred Tax Assets</b>				
Provision for expenses allowed for tax purpose on payment basis (net)	(56.54)	(12.55)	-	(69.09)
Allowance for doubtful debts	(135.95)	127.60	-	(8.35)
Difference in Right-of-use asset and lease liabilities	(0.90)	0.51	-	(0.39)
Deposit	(0.04)	0.02	-	(0.02)
Others	-	(40.04)	-	(40.04)
Remeasurement benefit of defined benefit plans	(6.10)	-	(6.29)	(12.39)
<b>Deferred Tax Expenses</b>		<b>33.70</b>	<b>639.11</b>	
<b>Net Deferred Tax Liabilities</b>	<b>1,023.44</b>			<b>1,696.25</b>

- 17.1 Details of transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961) : NIL (P.Y. NIL).
- 17.2 The Company does not have any unrecorded income and assets related to previous years which are required to be recorded during the year.

(₹ in Lakhs)

<b>Note 18: DEFERRED INCOME</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Grants Related to property, plant & equipment	28.17	21.88
	28.17	21.88

- 18.1 Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants are recognised in the statement of profit and loss based on fulfilment of related export obligations.

(₹ in Lakhs)

<b>Note 19: TRADE PAYABLES</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Trade Payables</b>		
Micro, Small & Medium Enterprises (Note 32)	35.70	86.31
Others	11,707.32	4,141.20
	11,743.02	4,227.51

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

19.1 Includes Amount of ₹ 8,228.94 Lakhs (P.Y. ₹ 3,259.60 Lakhs) paid to suppliers through usance letter of credit issued by the bank under non-fund based working capital limits to the Company. The Company continue to recognise those liabilities till the settlement with the banks which are normally effected within a period of 60 days.

19.2 Unbilled Trade Payable NIL (P.Y. NIL), hence the same is not disclosed in the ageing schedule below.

### 19.3 Trade Payables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment				As at 31.03.2022
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	35.70	-	-	-	35.70
Undisputed- Others	11,707.32	-	-	-	11,707.32
Disputed- MSME	-	-	-	-	-
Disputed- Others	-	-	-	-	-

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment				As at 31.03.2021
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	86.31	-	-	-	86.31
Undisputed- Others	4,139.82	1.38	-	-	4,141.20
Disputed- MSME	-	-	-	-	-
Disputed- Others	-	-	-	-	-

19.4 Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) (Note 32)

(₹ in Lakhs)

Note 20: OTHER LIABILITIES	Current	
	As at 31.03.2022	As at 31.03.2021
<b>Revenue Received in advance</b>		
Contract Liabilities (Note 42)	96.07	301.58
<b>Statutory Taxes/ dues Payable</b>		
Towards Provident Fund and Professional Tax	19.50	19.07
Towards TDS/TCS Payable	57.39	49.89
<b>Others</b>	8.77	-
	<b>181.73</b>	<b>370.54</b>

(₹ in Lakhs)

Note 21: INCOME TAX LIABILITIES (NET)	Current	
	As at 31.03.2022	As at 31.03.2021
Provision for Income Tax (net of Advance Tax)	79.94	72.97
	<b>79.94</b>	<b>72.97</b>



**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

<b>Note 22: REVENUE FROM OPERATIONS</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Sale of Products</b>	<b>2,00,064.85</b>	1,36,923.19
<b>Other Operating Revenues :</b>		
Sale of Scrap	<b>1,132.77</b>	1,621.90
Processing Charges	<b>3.56</b>	2.12
Export Incentive (net)	-	74.40
Grant related to property, plant & equipment (EPCG)	<b>45.15</b>	75.51
Bad Debts Recovered	<b>11.00</b>	1.00
	<b>2,01,257.33</b>	1,38,698.12

**(₹ in Lakhs)**

<b>Note 23: OTHER INCOME</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Interest Income on Financial assets carried at amortised cost</b>		
Bank Deposits	<b>14.77</b>	6.18
Others	<b>167.81</b>	99.21
<b>Dividend Income</b>		
Dividend from unquoted equity investments measured at fair value through OCI	<b>34.11</b>	-
Sundry Balances Written Back	<b>32.76</b>	7.83
Rent	<b>51.26</b>	35.14
Guarantee Commission	<b>66.65</b>	54.45
Foreign Exchange Gain (Net)	<b>311.33</b>	-
Miscellaneous Income	<b>15.25</b>	44.49
	<b>693.94</b>	247.30

**(₹ in Lakhs)**

<b>Note 24: COST OF MATERIALS CONSUMED</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Raw Materials Consumption</b>		
Copper	<b>1,70,632.29</b>	1,22,284.87
Others	<b>8,404.57</b>	6,197.67
Packing Materials	<b>1,419.16</b>	1,245.94
	<b>1,80,456.02</b>	1,29,728.48

24.1 For determination of cost (Note 1(c)(vii))

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

<b>Note 25: CHANGE IN INVENTORIES</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Inventories at the end of the year:</b>		
Finished Goods	<b>576.52</b>	1,948.13
Finished Goods in Transit	<b>5,206.35</b>	4,544.26
Work-in-Progress	<b>1,784.73</b>	3,164.14
Scrap	<b>18.65</b>	57.45
<b>(A)</b>	<b>7,586.25</b>	9,713.98
<b>Less:- Inventories at the beginning of the year</b>		
Finished Goods	<b>1,948.13</b>	2,897.92
Finished Goods in Transit	<b>4,544.26</b>	1,197.99
Work-in-Progress	<b>3,164.14</b>	1,431.53
Scrap	<b>57.45</b>	80.03
<b>(B)</b>	<b>9,713.98</b>	5,607.47
<b>(B-A)</b>	<b>2,127.73</b>	(4,106.51)

**(₹ in Lakhs)**

<b>Note 26: EMPLOYEE BENEFITS EXPENSE</b>	<b>2021-22</b>	<b>2020-21</b>
Salaries, Wages and Incentives	<b>2,830.09</b>	2,521.52
Directors' Remuneration*	<b>354.67</b>	109.81
Contributions to -		
Provident Fund (Note 38-B)	<b>129.14</b>	121.14
Gratuity Fund (Note 38-A)	<b>50.29</b>	56.11
Employees' Covid Care	<b>19.46</b>	-
Staff Welfare Expenses	<b>63.26</b>	78.85
	<b>3,446.91</b>	2,887.43

\* Including Managing Director's Commission ₹ 209.47 Lakhs (P.Y. ₹ 0.56 Lakhs).

**(₹ in Lakhs)**

<b>Note 27: FINANCE COSTS</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Interest on financial liabilities carried at amortised cost</b>		
Interest on Borrowings	<b>1,930.03</b>	1,859.50
Other Borrowing costs	<b>64.83</b>	68.18
Interest on Lease liabilities (Note 46 (a))	<b>2.86</b>	3.35
Interest on Income Tax	<b>20.40</b>	20.11
	<b>2,018.12</b>	1,951.14

**(₹ in Lakhs)**

<b>Note 28: DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>2021-22</b>	<b>2020-21</b>
Depreciation of Property, Plant & Equipment (Note 2A)	<b>1,576.86</b>	1,594.35
Amortisation of Intangible Assets (Note 2C)	<b>21.41</b>	23.06
Depreciation of Right of Use Assets (Note 2D) (Note 46(a))	<b>24.27</b>	23.51
	<b>1,622.54</b>	1,640.92

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>Note 29: OTHER EXPENSES</b>	<b>2021-22</b>	<b>2020-21</b>
Auditors' Remuneration (Note 31)	42.15	42.15
Bank Charges	36.71	43.00
Consumption of Consumable Stores and Spares	402.72	328.91
Power and Fuel	2,489.29	2,439.19
Freight & Handling Charges	1,192.67	1,046.85
Foreign Exchange Loss (net)	-	11.89
Corporate Social Responsibility Expenses (Note 34 & 35.3)	42.50	58.88
Donations (Note 35.3)	59.51	75.00
Insurance	132.42	73.98
Loss on Sale of Property Plant & Equipment	2.70	2.43
Legal & Professional Fees	89.88	93.20
Allowance for doubtful debts		
Allowance provided during the year	-	-
Amount written off	420.72	123.41
Less: Allowance reversed during the year	(507.00)	-
Rent (Note 46(a))	5.85	4.75
Repairs and Maintenance of :		
Buildings	67.54	30.43
Plant and Machinery	354.26	335.89
Others	75.59	54.41
Rates and Taxes	394.07	25.14
Commission on Sales	45.05	52.87
Business Promotion	17.97	10.73
Travelling	36.55	10.70
Miscellaneous Expenses	371.79	191.39
	<b>5,772.94</b>	<b>5,055.20</b>

(₹ in Lakhs)

<b>Note 30 : CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>A. Contingent Liabilities</b>		
Claims against the Company not acknowledged as debts (Note 30.1)		
Central Excise Act & Service Tax Demands	763.03	794.77
Value Added Tax	350.29	-
Goods And Service Tax	25.35	-
Gujarat Stamp Act, 1958	22.42	-
<b>B. Commitments</b>		
(i) Estimated amount of contracts remaining to be executed and not provided for - On Capital Account (Net of advance)	132.13	258.83
(ii) Estimated amount of Investment	-	-
(iii) Letter of credit and bank guarantees issued by the banks	8,828.64	3,854.90
(iv) For Lease commitments (Note 46(a))	-	-
(v) For Derivative contracts (Note 36)	-	-

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

- 30.1 The Company is contesting the demands and the management believes that the Company's position will likely to be upheld in the appellate process and accordingly, no provision has been made in the financial statements for the tax demands raised. The management believes that the ultimate outcome of these proceedings will not have material adverse effect on the Company's financial position and results of operations.
- 30.2 The amount of Company's Channel Financing facility utilised as on the date of balance sheet includes ₹ 4,072.88 Lakhs (P.Y. ₹ 5,278.53 Lakhs) with recourse.
- 30.3 The Company has agreed to provide the Corporate Guarantee to Epavo Electricals Private Limited, a Subsidiary for an amount of ₹ 2,500/- Lakhs (P.Y. NIL) for the purpose of availing lending facilities from the banks for the purpose of business of the subsidiary. However, no Corporate Guarantee has been executed by the Company as on the reporting date.

**(₹ in Lakhs)**

<b>Note 31: AUDITORS' REMUNERATION (EXCLUDING GST)</b>	<b>2021-22</b>	<b>2020-21</b>
Statutory Audit Fees	<b>29.00</b>	29.00
Tax Audit	<b>7.00</b>	7.00
Others	<b>6.15</b>	6.15
	<b>42.15</b>	42.15

**(₹ in Lakhs)**

<b>Note 32: DISCLOSURE REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006</b>	<b>2021-22</b>	<b>2020-21</b>
Principal amount remaining unpaid to suppliers as at the end of the accounting year	<b>94.11</b>	106.17
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the suppliers beyond the appointed due day during the year	-	-
The amount of interest due and payable for the year	<b>0.25</b>	0.10
The amount of interest accrued and remaining unpaid at the end of the accounting year	<b>0.62</b>	0.53
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	<b>0.25</b>	0.16

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company. This has been relied upon by the auditors.

**(₹ in Lakhs)**

<b>Summary of Principal amount remaining unpaid to suppliers</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Trade Payables	<b>35.70</b>	86.31
Creditors for Capital Expenditure	<b>2.09</b>	18.05
Creditors for Expenses	<b>56.32</b>	1.81
	<b>94.11</b>	106.17

**(₹ in Lakhs)**

<b>Note 33: DIVIDEND</b>	<b>2021-22</b>	<b>2020-21</b>
Dividend on equity shares paid during the year at ₹ 1/- (P.Y. ₹ 0.50/-) per equity share of ₹ 5/- each	<b>220.00</b>	110.00

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### Proposed Dividend :

The Board of Directors at its meeting held on 23<sup>rd</sup> May, 2022 have recommended a payment of dividend of ₹ 5/- per equity share of face value of ₹ 5/- each for the financial year ended 31<sup>st</sup> March, 2022. The same amounts to ₹ 1,100.00 Lakhs. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

(₹ in Lakhs)

Note 34: EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES	2021-22	2020-21
<b>Gross amount required to be spent by the Company during the year as per the provisions of section 135 of the Act</b>		
- 2% of the average net profit for last three financial years, calculated as per section 198 of the Act	<b>42.42</b>	58.26
Add/ (Less) : Unspent/(Excess) of Preceding years	-	0.43
Less : Amount Spent during the year		
i) Construction/acquisition of any asset of the Company	-	-
ii) On purposes other than (i) above		
- Promotion of Education*	<b>42.50</b>	58.00
- Promotion of Sports	-	-
- Hostels for Orphanage	-	-
- Upliftment of tribal areas	-	0.88
<b>Balance (excess)/unspent amount</b>	<b>(0.08)</b>	(0.19)

\* Contributed to a Charitable Trust in which two of the Directors of the Company and their relatives are Trustees. ( Note 35.3)

### Note 35: Disclosure in respect of Related Parties pursuant to Ind AS - 24 "Related Party Disclosures"

List of Related Parties with whom transactions have taken place - (as certified by Management)

#### a) Key Management Personnel

Shri Tribhuvanprasad Kabra	- Chairman
Shri Mahendrakumar Kabra	- Managing Director
Shri Hemant Kabra	- President & CFO (w.e.f. 29 <sup>th</sup> June, 2021)

#### Non Executive Directors

Shri Ramesh Chandak	Shri Upendra Kamath(resigned w.e.f. 09 <sup>th</sup> June, 2021)
Shri Sandeep Jhanwar	Smt. Kirtdevi Kabra (resigned w.e.f. 29 <sup>th</sup> June, 2021)
Shri R. Kannan	Smt. Payal Agarwal (Non-Executive Independent Women Director w.e.f. 30 <sup>th</sup> June, 2021)

#### b) Close Family Members of Key Management Personnel

Shri Rameshwarlal Kabra	- Father of Shri Tribhuvanprasad Kabra & Shri Mahendrakumar Kabra
Smt. Ratnidevi Kabra	- Mother of Shri Tribhuvanprasad Kabra & Shri Mahendrakumar Kabra
Shri Shreegopal Kabra	- Brother of Shri Tribhuvanprasad Kabra & Shri Mahendrakumar Kabra
Late Smt. Umadevi Kabra	- Wife of Shri Tribhuvanprasad Kabra
Shri Mahhesh Kabra	- Son of Shri Tribhuvanprasad Kabra
Shri Sumeet Kabra	- Son of Shri Mahendrakumar Kabra

#### c) Entities over which Key Management Personnel and their close family members are able to exercise significant influence

MEW Electricals Ltd.	R R Kabel Ltd.
Ram Ratna International	Ram Ratna Research & Holdings Pvt. Ltd.
Kabel Buildcon Solutions Pvt. Ltd.	Shreegopal Kabra (HUF)
Ram Ratna Infrastructure Pvt. Ltd.	Rameshwarlal Kabra (HUF)

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

Pratik Wire &amp; Cable Machines Pvt. Ltd.

Jag-Bid Finvest Pvt. Ltd.

TMG Global Fzco.

**d) Subsidiary & Joint Arrangement (Note 41)**

Global Copper Pvt. Ltd.

- Subsidiary

Epavo Electricals Pvt. Ltd.

- Subsidiary

RR-Imperial Electricals Ltd. (Bangladesh)

- Jointly Controlled Entity

**e) Other Related Party**

Ram Ratna Wires Limited Emp Group

Gratuity Scheme

- Post Employment Benefit Plan Entity

**Transactions with the related parties in the ordinary course of business (Excluding Reimbursement)**

(₹ in Lakhs)

Particulars	Referred in		Referred in		Referred in	
	(a) above		(b) above		(c), (d) & (e) above	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Purchases: Goods and Services</b>						
R R Kabel Ltd.	-	-	-	-	1,564.67	976.32
MEW Electricals Ltd.	-	-	-	-	10.34	11.68
Ram Ratna International	-	-	-	-	27.89	27.26
<b>Sales: Goods and Services</b>						
R R Kabel Ltd.	-	-	-	-	16.20	2.50
Ram Ratna International	-	-	-	-	6,226.99	4,986.00
MEW Electricals Ltd.	-	-	-	-	3.69	48.85
Global Copper Pvt. Ltd.	-	-	-	-	681.28	661.01
Epavo Electricals Pvt. Ltd.	-	-	-	-	23.45	1.70
<b>Capital Goods:</b>						
R R Kabel Ltd. (Purchases)	-	-	-	-	11.63	6.32
MEW Electricals Ltd. (Purchases)	-	-	-	-	-	61.21
Pratik Wire & Cable Machines Pvt. Ltd. (Purchases)	-	-	-	-	5.90	25.40
Epavo Electricals Pvt. Ltd. (Purchase)	-	-	-	-	2.19	-
Epavo Electricals Pvt. Ltd. (Sales & Assignment)	-	-	-	-	-	109.33
<b>Income :</b>						
Rent received : Epavo Electricals Pvt. Ltd.	-	-	-	-	31.80	13.16
Interest on Loan Given: Epavo Electricals Pvt. Ltd.	-	-	-	-	31.55	-
<b>Expenses:</b>						
Rent/Lease Liabilities Payment (Including GST)	3.30	2.40	5.56	4.74	27.40	23.48
Interest on Unsecured Loans	70.17	52.75	55.98	57.98	3.06	3.40
<b>Directors :</b>						
Sitting Fees	18.20	16.80	-	-	-	-
Shri Mahendrakumar Kabra - Remuneration	299.47	71.81	-	-	-	-
Shri Hemant Kabra - Remuneration	55.20	38.00	-	-	-	-
<b>Dividend :</b>						
Dividend Paid	33.85	17.08	29.46	14.71	87.29	43.64
Dividend Received - R R Kabel Ltd.	-	-	-	-	34.11	-



**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Particulars	Referred in		Referred in		Referred in	
	(a) above		(b) above		(c), (d) & (e) above	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Contribution Made :</b>						
Ram Ratna Wires Limited Emp Group Gratuity Scheme	-	-	-	-	100.08	28.11
<b>Finance &amp; Investment:</b>						
Epavo Electricals Pvt. Ltd. (Investment)	-	-	-	-	-	296.74
<b>Rental Deposit Accepted</b>						
Epavo Electricals Pvt. Ltd.	-	-	-	-	-	5.00
<b>Loans Given</b>						
Epavo Electricals Pvt. Ltd.	-	-	-	-	800.00	-
<b>Deposits / Loans Accepted</b>						
Shri Tribuvanprasad Kabra	30.00	-	-	-	-	-
Shri Mahendrakumar Kabra	-	400.00	-	-	-	-
Shri Hemant Kabra	-	204.00	-	-	-	-
Late Smt. Umadevi Kabra	-	-	-	53.00	-	-
Shri Mahhesh Kabra	-	-	216.59	42.00	-	-
<b>Deposits / Loans Repaid</b>						
Ram Ratna Research & Holdings Pvt. Ltd.	-	-	-	-	34.00	-
Shri Mahendrakumar Kabra	159.86	-	-	-	-	-
Late Smt. Umadevi Kabra	-	-	53.00	135.50	-	-

(₹ in Lakhs)

Particulars	Referred in		Referred in		Referred in	
	(a) above		(b) above		(c), (d) & (e) above	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Outstanding as at :</b>						
<b>Rental Deposits Receivable / (Payable) at carrying value</b>						
Late Smt. Umadevi Kabra	-	-	7.50	7.50	-	-
Shri Hemant Kabra	0.90	7.50	-	-	-	-
Shreegopal Kabra (HUF)	-	-	-	-	7.50	7.50
Kabel Buildcon Solutions Pvt. Ltd.	-	-	-	-	3.50	3.50
Epavo Electricals Pvt. Ltd.	-	-	-	-	(5.00)	(5.00)
<b>Trade and Others- Net (Payable)/Receivable</b>						
Ram Ratna International	-	-	-	-	(8.44)	172.52
MEW Electricals Ltd.	-	-	-	-	-	(1.31)
Epavo Electricals Pvt. Ltd.	-	-	-	-	-	0.06
Interest accrued & due on Deposits/Loans	-	-	-	(0.02)	-	-
Shri Mahendrakumar Kabra - Remuneration	(209.47)	(0.56)	-	-	-	-
Shri Hemant Kabra - Remuneration	(2.40)	-	-	-	-	-

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

Particulars	Referred in		Referred in		Referred in	
	(a) above		(b) above		(c), (d) & (e) above	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Loans Given</b>						
Epavo Electricals Pvt. Ltd.	-	-	-	-	800.00	-
<b>Loans Outstanding</b>						
Ram Ratna Research & Holdings Pvt. Ltd.	-	-	-	-	-	34.00
Late Smt. Umadevi Kabra	-	-	-	53.00	-	-
Shri Tribhuvanprasad Kabra	45.17	15.17	-	-	-	-
Shri Mahendrakumar Kabra	379.14	539.00	-	-	-	-
Shri Hemant Kabra	204.00	204.00	-	-	-	-
Smt. Kirtidevi Kabra	146.42	146.42	-	-	-	-
Smt. Ratnidevi Kabra	-	-	280.49	280.49	-	-
Shri Shreegopal Kabra	-	-	205.54	205.54	-	-
Shri Mahhesh Kabra	-	-	267.63	51.04	-	-
Shri Sumeet Kabra	-	-	14.08	14.08	-	-

- 35.1 Personal guarantees have been given by the Chairman, the Managing Director of the Company and their relative for the secured and unsecured borrowings by the Company to the tune of ₹ 26,454.00 Lakhs (P.Y. ₹ 34,870.00 Lakhs) and ₹ 7,551.00 Lakhs (P.Y. ₹ 4,600.00 Lakhs) respectively.
- 35.2 Personal guarantees have been given by the Chairman and the Managing Director of the Company for the unsecured borrowings by the Company to the tune of ₹ 6,500.00 Lakhs (P.Y. ₹ 5,000.00 Lakhs).
- 35.3 Contribution to charitable trust in which some of the directors and their relatives are trustees:

**(₹ in Lakhs)**

Particulars	As at 31.03.2022	As at 31.03.2021
CSR	42.50	58.00
Donation	50.00	-

**Note 36 : Exposure in Foreign Currency**

The Company uses forward contracts to mitigate the risks associated with foreign currency fluctuations. The Company does not enter into any forward contracts which are intended for trading or speculative purposes.

- a) The forward exchange contracts used for hedging foreign currency exposure and outstanding as at reporting date are as under:

**(Amount in Lakhs)**

Particulars	As at 31.03.2022		As at 31.03.2021	
	USD	INR	USD	INR
Booked against Import Creditors	-	-	14.04	1,051.40
Booked against firm commitments or highly probable forecasted transactions	48.00	3,700.12	8.00	590.78

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

b) The details of foreign currency monetary exposures that are not hedged by derivatives instruments:

(Amount in Lakhs)

Payables	As at 31.03.2022		As at 31.03.2021	
	USD	INR	USD	INR
Import Creditors	1.01	76.32	0.17	12.34

(Amount in Lakhs)

Receivables	As at 31.03.2022		As at 31.03.2021	
	USD	INR	USD	INR
Export Debtors	38.88	2,947.15	22.68	1,667.05

**Note 37: Financial Performance Ratios**

(₹ in Lakhs)

S. No.	Ratio	Calculation	As at 31.03.2022	As at 31.03.2021	% Variance
A)	<b>Liquidity Ratio</b>				
	<b>Current Ratio</b>	Current Assets = Current Liabilities	41,552.48 25,933.57 <b>1.60</b>	39,020.60 29,457.42 <b>1.32</b>	<b>20.96</b>
B)	<b>Leverage Ratios</b>				
1	<b>Debt Equity Ratio</b>	Total Borrowings = Shareholders Fund	20,390.66 26,499.31 <b>0.77</b>	30,876.35 19,742.39 <b>1.56</b>	<b>(50.80)</b>
2	<b>Debt Service Coverage Ratio</b>	Profit After Tax+ Interest and Depreciation = and Amortization Expense Debt Service = Interest + Current Maturities	8,508.37 3,898.18 <b>2.18</b>	4,943.06 4,136.10 <b>1.20</b>	<b>82.63</b>
C)	<b>Efficiency Ratio</b>				
1	<b>Inventory Turnover Ratio</b>	Cost of Goods Sold = Average Inventory	1,82,583.75 10,290.83 <b>17.74</b>	1,25,621.97 9,562.28 <b>13.14</b>	<b>35.05</b>
2	<b>Trade Receivable Turnover Ratio</b>	Revenue from Operations = Average Trade Receivables	2,01,257.33 27,402.16 <b>7.34</b>	1,38,698.12 22,435.91 <b>6.18</b>	<b>18.81</b>
3	<b>Trade Payable Turnover Ratio</b>	Net Purchases of Raw Materials and Packing Materials = Average Trade Payables	1,80,623.29 7,985.27 <b>22.62</b>	1,29,013.82 3,222.48 <b>40.04</b>	<b>(43.50)</b>
D)	<b>Profitability Ratios</b>				
1	<b>Net Profit Ratio</b>	Profit after Tax = Revenue from Operations	4,867.71 2,01,257.33 <b>2.42%</b>	1,351.00 1,38,698.12 <b>0.97%</b>	<b>148.31</b>
2	<b>Net capital turnover ratio</b>	Revenue from Operations = Closing Working capital	2,01,257.33 15,618.91 <b>12.89</b>	1,38,698.12 9,563.18 <b>14.50</b>	<b>(11.16)</b>

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

S. No.	Ratio	Calculation	As at 31.03.2022	As at 31.03.2021	% Variance
3	<b>Return on Capital Employed (ROCE)</b>	Profit before interest and Tax Closing capital Employed	= 8,525.13 36,507.28 <b>23.35%</b>	3,739.90 28,201.22 <b>13.26%</b>	<b>76.09</b>
4	<b>Return on Equity</b>	Profit after Tax Shareholders Fund	= 4,867.71 26,499.31 <b>18.37%</b>	1,351.00 19,742.39 <b>6.84%</b>	<b>168.43</b>
5	<b>Return on Investment</b>	Profit after Tax Average Total Assets	= 4,867.71 60,049.75 <b>8.11%</b>	1,351.00 52,183.75 <b>2.59%</b>	<b>213.11</b>

**Explanation for variance in ratios by more than 25%**

- Leverage ratios have improved due to better profitability and also reduction of Debt of Company.
- Inventory turnover Ratio has improved due to increase in revenue and optimized inventory management.
- Trade payable turnover ratio has changed due to increase in trade payable due to increase in procurement through usance letter of credit.
- Profitability ratios have improved due to better profitability during the year.

**Note 38: Employee Benefits**
**A) Defined Benefit Plan- Gratuity (Funded)**

The Employees' Gratuity Fund Scheme, is a defined benefit plan. The scheme is maintained and administered by Life Insurance Corporation of India (LIC) to which the Company makes periodical contributions. Under the said scheme, every employee who has completed at least five years of service usually gets gratuity on departure @ 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet :

(₹ in Lakhs)

Particulars		Gratuity	
		2021-22	2020-21
<b>i) Change in Defined Benefit Obligation</b>			
Obligation at the beginning of the year		473.32	453.27
Current Service Cost		54.61	59.42
Interest Cost		30.37	29.13
Past Service Cost		-	-
Benefits Paid		(33.97)	(23.49)
Remeasurement (gains)/losses		23.18	(45.01)
Defined Benefit Obligation at the end of the year		547.52	473.32
<b>ii) Change in Plan Assets</b>			
Fair value of plan assets at the beginning of the year		516.41	482.30
Expected Return on plan assets		34.69	32.44
Employer Contributions		100.08	28.11
Benefits Paid		(33.97)	(23.49)
Remeasurement (losses)/gains		(1.80)	(2.95)
Fair Value of Plan Assets at the end of the year		615.41	516.41

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Particulars		Gratuity	
		2021-22	2020-21
<b>iii) Amount recognized in the Balance Sheet</b>			
Present value of funded defined benefit obligation		547.52	473.32
Fair value of plan assets at the end of the year		615.41	516.41
Amount not recognized due to asset limit		-	-
Amount Recognized in the Balance Sheet		(67.90)	(43.09)
<b>iv) Expenses recognized in the Statement of Profit and Loss</b>			
Employee Benefits Expense			
Current Service Cost		54.61	59.42
Past Service Cost		-	-
Interest Cost including interest on value of asset ceiling		30.37	29.13
Expected Return on plan assets		(34.69)	(32.44)
(A)		50.29	56.11
<b>Other Comprehensive Income</b>			
(Gain)/ Loss on plan assets less interest on plan assets		1.80	2.95
Actuarial (gain)/loss arising from changes in financial assumption		(17.42)	(4.58)
Actuarial (gain)/loss arising from changes in demographic assumption		-	-
Actuarial (gain)/loss arising on account of experience changes		40.60	(40.43)
Actuarial (gain)/loss arising on account of adjustment to recognize the effect of asset ceiling		-	-
(B)		24.99	(42.06)
<b>Expenses recognised in the statement of profit and loss</b>	(A) + (B)	75.27	14.05
		<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>v) Investment details</b>			
LIC- Administrator of the plan fund		615.41	516.41
<b>vi) Principal assumption used in determining defined benefit obligation</b>			
Discount rate (per annum)		7.20%	6.85%
Salary escalation rate (per annum)		7.00%	7.00%
<b>vii) Sensitivity Analysis</b>			
<b>Increase in 50bps on DBO</b>			
Change in discounting rate		(23.29)	(21.82)
Change in Salary Escalation		24.74	23.53
<b>Decrease in 50bps on DBO</b>			
Change in discounting rate		25.18	23.68
Change in Salary Escalation		(23.11)	(21.89)
<b>viii) Maturity profile of defined benefit obligation</b>			
Within the next 12 months (next annual reporting period)		74.38	59.83
Between 2 and 5 years		122.00	98.84
Between 5 and 10 years		260.92	198.06

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- 1 The average duration of the defined benefit plan obligation at the end of the reporting period is 8.84 years (P.Y. 9.60 years)
- 2 The Company expects to contribute ₹ 40.00 Lakhs (P.Y. ₹ 40.00 Lakhs) to the plan during the next financial year.
- 3 The estimates of rate of escalation in salaries considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- 4 Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- 5 The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method.

### B) Defined Contribution Plan - Provident fund

The Company makes its contribution alongwith the share of employees' contribution deducted from salary on monthly basis to Employees' Provident Fund administered by the Central Government. The Company's Contribution is charged to Statement of Profit & Loss. The Company has no obligation for any further contribution in case of any shortfall. The details of contribution are as under :-

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Contribution to Provident Fund	129.14	121.14

Includes incentive of ₹ 12.94 Lakhs (P.Y. ₹ 13.50 Lakhs) under Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) & Aatmanirbhar Bharat Rojgar Yojana (ABRY).

### C) Other Employee benefits - Leave Encashment

The employees are entitled for the compensation in respect of unavailed leave as per the policy of the Company. The liability towards compensated absences is recognised based on actuarial valuation carried out using Projected Unit Credit method.

(₹ in Lakhs)		
Particulars	As at 31.03.2022	As at 31.03.2021
<b>Amount recognized in the Balance Sheet</b>		
Current Liability	26.72	22.93
Non- Current Liability	82.63	80.55

Note 39: Calculations of Earnings Per Share	2021-22	2020-21
Profit after Tax (₹ in Lakhs)	4,867.71	1,351.00
Weighted average number of equity shares outstanding during the year (Nos.)	2,20,00,000	2,20,00,000
Face value of equity share (in ₹)	5.00	5.00
<b>Earnings Per Share</b>		
Basic Earnings Per Share (in ₹)	22.13	6.14
Diluted Earnings Per Share (in ₹)	22.13	6.14



**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**Note 40: A) Category-wise classification of financial instruments**

(₹ in Lakhs)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>					
Investment in unquoted equity shares#	3	5,949.13	3,175.82	-	-
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>					
Forward exchange contract (net)	5B	-	-	28.10	-
<b>Financial assets measured at amortised cost</b>					
Loan to employees	4A & 4B	9.99	0.92	28.24	13.69
Loans to related party	4A	800.00	-	-	-
Electricity & other deposits	5A	7.73	7.88	-	-
Security deposits	5A & 5B	8.93	20.73	11.00	3.50
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5A	0.35	0.25	-	-
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	3.41	3.44
Others	5B	-	-	79.41	38.03
Trade receivables	9	-	-	28,799.95	26,004.37
Cash and cash equivalents	10B	-	-	713.67	139.52
Other balances with banks	10B	-	-	154.52	94.52

(₹ in Lakhs)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Financial Liabilities measured at fair value through profit or loss (FVTPL)</b>					
Forward exchange contract (net)	15B	-	-	-	19.90
<b>Financial Liabilities measured at amortised cost</b>					
Borrowings	13A & 13B	8,154.80	7,321.03	12,235.86	23,555.32
Lease liabilities	14A & 14B	23.90	6.93	9.31	23.01
Security deposit	15A	3.50	5.00	-	-
Other payables	15A & 15B	18.72	-	7.06	11.65
Unclaimed dividend	15B	-	-	28.35	29.37
Interest accrued and due	15B	-	-	72.43	123.03
Interest accrued but not due	15B	-	-	36.73	-
Accrued salary & benefits	15B	-	-	434.13	206.91
Creditors for expenses	15B	-	-	909.95	730.47
Creditors for capital expenditure	15B	-	-	55.26	63.81
Trade payables	19	-	-	11,743.03	4,227.51

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

# Investment in unquoted equity shares are not held for trading. Upon the application of Ind AS 109 - Financial Instruments, the Company has chosen to measure said investment in equity instrument at FVTOCI irrevocably as the management believes that presenting fair value gains and losses relating to the said investment in the statement of profit and loss may not be indicative of the performance of the Company.

### B) Fair Value Measurements

- (i) All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows:
- Level 1 — quoted (unadjusted) market prices 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 or indirectly.
- Level 3 — inputs that are unobservable for the asset or liability.
- (ii) The following tables provide the fair value measurement hierarchy of the Company's financial assets and liabilities:

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Financial Assets/ Financial Liabilities	Fair value as at 31.03.2022	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in unquoted equity shares (Note 3)	5,949.13	-	5,949.13	-
<b>Financial Assets measured at fair value through profit or loss (FVTPL)</b>				
Forward exchange contracts (net) (Note 5B)	28.10	28.10	-	-

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

Financial Assets/ Financial Liabilities	Fair value as at 31.03.2021	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in unquoted equity shares (Note 3)	3,175.82	-	3,175.82	-
<b>Financial Liabilities measured at fair value through profit or loss (FVTPL)</b>				
Forward exchange contracts (net) (Note 15B)	19.90	19.90	-	-

- (iii) Fair value of financial assets and liabilities measured at amortised cost:

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Electricity & other deposits	7.73	7.73	7.88	7.88
Security deposits	21.94	19.93	27.00	24.23
Loan to employees	40.61	38.23	14.84	14.61
Loans to related party	800.00	800.00	-	-
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	0.35	0.35	0.25	0.25
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	3.41	3.41	3.44	3.44

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Others	79.41	79.41	38.03	38.03
Trade receivables	28,799.95	28,799.95	26,004.37	26,004.37
Cash and cash equivalents	713.67	713.67	139.52	139.52
Other balances with banks	154.52	154.52	94.52	94.52
<b>Total Financial Assets</b>	<b>30,621.59</b>	<b>30,617.20</b>	26,329.85	26,326.85
<b>Financial Liabilities</b>				
Borrowings	20,391.15	20,390.66	30,876.83	30,876.35
Lease Liabilities	39.69	33.21	32.31	29.94
Security deposit	5.00	3.50	5.00	5.00
Unclaimed dividend	28.35	28.35	29.37	29.37
Interest accrued and due	72.43	72.43	123.03	123.03
Accrued salary & benefits	434.13	434.13	206.91	206.91
Creditors for expenses	909.95	909.95	730.47	730.47
Creditors for capital expenditure	55.26	55.26	63.81	63.81
Other payables	25.78	25.78	11.65	11.65
Trade payables	11,743.03	11,743.03	4,227.51	4,227.51
<b>Total Financial Liabilities</b>	<b>33,741.50</b>	<b>33,733.03</b>	36,306.88	36,304.03

The carrying amounts of financial assets (other than security deposits and loan to employees) and financial liabilities (Other than long term borrowings & lease liabilities) measured at amortised cost in the financial statements are reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the value that would eventually be received or settled.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

There have been no transfers between Level 1 and Level 2 for the years ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021.

**C) Financial Risk Management- Objectives and Policies**

The Company is exposed to: (a) Market Risks comprising of Interest Rate Risk, Currency Rate Risk, Commodity Price Risk and Equity Price Risk (b) Liquidity Risk and (c) Credit Risk comprising of trade receivable risk and financial instrument risk. The Company has well placed Risk Management Policy (RMP). The policy provide broad guidelines to identify the risk arising from these factors and provide guidelines to the team for its mitigation or at-least minimize its effect on income / expense on the Company is optimized. Team involved in RMP meets frequently to discuss the level of risk they foresee based on the conditions persisting.

The Company's exposure to Market Risk, Credit Risk and Liquidity Risk have been summarized below:

**i) Market Risk**
**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on short-term and long-term floating rate interest bearing liabilities. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by prevailing interest rates. These exposures are reviewed by the management on a periodic basis.

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

The exposure of the Company's financial liabilities to interest rate risk based on liabilities as at reporting date is as follows:

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	2021-22	2020-21
Increase in interest rate by 100 basis points	(201.95)	(308.26)
Decrease in interest rate by 100 basis points	201.95	308.26

(Calculated based on risk exposure outstanding as of date and assuming that all other variables, in particular foreign currency rates, remain constant).

### ii) Foreign Currency Risk

The Company is exposed to fluctuations in foreign currency exchange rates where transaction references more than one currency and/or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Exposures on foreign currency are managed through a hedging policy, which is reviewed periodically by the management. The Company usually enters into forward exchange contracts progressively based on their maturity to hedge the effects of movements in foreign currency exchange rates individually on assets and liabilities. The sources of foreign exchange risk for the Company are trade receivables, trade payables for imported materials & capital goods as well as foreign currency denominated borrowings. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk are to be hedged through forward exchange contracts.

The exposure of the Company's foreign currency risk based on unhedged exposure as at the reporting date is as follows:

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	2021-22	2020-21
Increase in exchange rates by 5%	143.54	82.74
Decrease in exchange rates by 5%	(143.54)	(82.74)

### iii) Commodity Price Risk

The Company is exposed to fluctuations in foreign currency exchange rates where transaction references more than one currency and/or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Exposures on foreign currency are managed through a hedging policy, which is reviewed periodically by the management. The Company usually enters into forward exchange contracts progressively based on their maturity to hedge the effects of movements in foreign currency exchange rates individually on assets and liabilities. The sources of foreign exchange risk for the Company are trade receivables, trade payables for imported materials & capital goods as well as foreign currency denominated borrowings. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk are to be hedged through forward exchange contracts.

The Company is exposed to the movement of copper and aluminium prices on the London Metal Exchange (LME). Any increase or decline in the prices of these commodities will have an impact on the profitability of the Company. As a general policy, the Company aims to purchase these commodities at prevailing market prices and also sell the products at price adjusted for prevailing market prices. The Company substantially ensures sale of products with simultaneous purchase of these commodities on back-to-back basis ensuring no or minimum price risk for the Company.

### iv) Equity Price Risk

Equity price risk relates to change in fair value of investments in the equity instruments measured at fair value through OCI. As at 31<sup>st</sup> March, 2022 the carrying value of such equity instruments recognised at fair value through OCI amounts to ₹ 5,949.13 Lakhs (P.Y. ₹ 3,175.82 Lakhs).

A sensitivity analysis demonstrating the impact of change in the carrying value of investment in equity instrument as at reporting date is given below:

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Particulars	Impact on OCI before tax	
	2021-22	2020-21
Increase by 5%	297.46	158.79
Decrease by 5%	(297.46)	(158.79)

**v) Liquidity Risk**

Liquidity risk refers to the risk that the Company encounter difficulty in raising fund to meet its financial commitments. The objective of liquidity risk management is to maintain the liquidity and to ensure that funds are available for short operational needs and to fund Company's expansion projects. The Company has availed credit facility from the banks & financial institutions to meet its financial commitment in timely and cost effective manner.

The Company remains committed to maintaining a healthy liquidity and gearing ratio and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 to 5 years	Total
<b>At 31<sup>st</sup> March, 2022</b>			
Borrowings (Note 13A & 13B)	12,235.86	8,154.80	20,390.66
Lease Liabilities (Note 14A & 14B)	9.31	23.90	33.21
Other Financial Liabilities (Note 15A & 15B)	1,543.91	22.22	1,566.13
Trade Payables (Note 19)	11,743.03	-	11,743.03

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 to 5 years	Total
<b>At 31<sup>st</sup> March, 2021</b>			
Borrowings (Note 13A & 13B)	23,555.32	7,321.03	30,876.35
Derivative Financial Liability (Note 15B)	19.90	-	19.90
Lease Liabilities (Note 14A & 14B)	23.01	6.93	29.94
Other Financial Liabilities (Note 15A & 15B)	1,165.23	5.00	1,170.23
Trade Payables (Note 19)	4,227.51	-	4,227.51

**vi) Credit Risk**

Credit risk refers to the risk that counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk for trade receivables and financial guarantees for dealers, derivative financial instruments and other financial assets.

The Company assess the counter party before entering into transactions and wherever necessary supplies are made against advance payment. The Company on continuous basis monitor the credit limit of the counter parties to mitigate or minimise the credit risk. The credit risk for the financial guarantees issued by the Company to bank for credit facilities availed by Company's dealers from bank is minimum as those parties have long vintage with the Company and they are also subject to credit risk assessment by bank on periodical basis. The credit risk on export receivables are limited as almost all export sales are made to parties having a long vintage with the Company and new parties are subject to necessary due diligence.

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on expected credit loss method. The movement in expected credit loss allowance on trade receivable is as under:

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

Particulars	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	540.14	540.14
Add/(Less): Allowance(reversal) for impairment for the year	(86.28)	(124.41)
Less:- Amount written off during the year	420.72	124.41
Balance at the end of the year	33.14	540.14

**Note 41 : Details of Subsidiary and Joint Venture**
**(₹ in Lakhs)**

Name of Company	Subsidiary/ Joint Arrangement	Country of Incorporation	% of Holding as on 31.03.2022	% of Holding as on 31.03.2021	Method used to account for the Investment
RR-Imperial Electricals Limited	Jointly Controlled Entity	Bangladesh	10%	10%	At Cost
Global Copper Private Limited	Subsidiary	India	60%	60%	At Cost
Epavo Electricals Private Limited	Subsidiary	India	74%	74%	At Cost

**Note 42: Revenue from Contracts with Customers**

Disaggregation of Revenue from Contract with Customers

The revenue is recognised at a point in time considering the contract terms and business practice. The following summary provides the disaggregation of revenue from contracts with customers :

**(₹ in Lakhs)**

Products :- Wires & Strips	2021-22	2020-21
<b>Sale of Products</b>		
India	1,82,189.88	1,24,770.87
Outside India	17,874.97	12,152.32
<b>Processing Fees</b>	3.56	2.12
<b>Sale of Scrap</b>	1,132.77	1,621.90
<b>Revenue from Contract with Customers</b>	<b>2,01,201.18</b>	<b>1,38,547.21</b>

**(₹ in Lakhs)**

Summary of Contract Balance	As at 31.03.2022	As at 31.03.2021
Trade Receivable (Note 9)	28,799.95	26,004.37
Contract Assets	-	-
Contract Liabilities (Note 20)	96.07	301.58

Trade receivables are non- interest bearing with credit terms of 60 days to 90 days. Contract liabilities are towards advance received from customers for goods to be delivered.

The Company has recognised revenue amounting to ₹ 296.42 lakhs in the current year that was included in the Contract Liability balance in the previous year i.e. as at 31<sup>st</sup> March, 2022.

Performance obligation is satisfied at a point in time which normally occurs on delivery of the goods as per the terms of contract in case of

## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

domestic sales and in case of export on the basis of shipping terms and with payment terms 30 days to 90 days or against advance payment. There is negligible obligation towards sales return.

### Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

(₹ in Lakhs)

Particulars	2021-22	2020-21
Contract Price	2,01,459.54	1,38,752.54
Less :		
Cash Discount	130.59	76.53
Quantity Discount	61.12	74.35
Incentives & Benefits	66.65	54.45
<b>Total Revenue from Sale of Product</b>	<b>2,01,201.18</b>	<b>1,38,547.21</b>

### Note 43 : Disclosure relating to provisions pursuant to Ind As 37 - "Provisions, Contingent Liabilities, Contingent Assets"

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Provision	1.31	12.86
Addition	113.07	15.02
Utilisation	1.31	26.57
Reversal	-	-
Closing Balance	113.07	1.31

- Provisions represent estimates made mainly for probable claim arising out of litigation / disputes pending with the authority under various statutes. The probability and timing of the outflow with regards to this matters depend on the final outflow.
- Opening provision of ₹ 1.31 Lakhs was on account of pending C Forms and has been utilised during the year. Addition to provision of ₹ 113.07 Lakhs during the year is on account of custom duty towards closure of Advance Licences.

### Note 44: Segment Information

- In accordance with Ind AS 108 the Company operates only in one segment and there is no separate reportable segment.
- Revenue from contract with external customers:

(₹ in Lakhs)

Particulars	2021-22	2020-21
- India	1,83,326.21	1,26,394.89
- Outside India	17,874.97	12,152.32
<b>Total Revenue</b>	<b>2,01,201.18</b>	<b>1,38,547.21</b>

- All non current assets of the Company are located in India.
- There is no transaction with single external customer which amounts to 10% or more of the Company's revenue.

### Note 45 : Details of Loans, Investments made & Guarantee given covered U/s 186(4) of the Companies Act, 2013

- Details of Investments made - Note 3.
- Details of Loans given are - Note 4.
- Financial guarantee has been given by the Company in respect of credit facility availed by the Company's dealers under channel financing arrangements (Note 30).



## NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### Note 46: Operating Lease:-

- a) Lease Contracts entered into by the Company are mainly in respect for office premises taken on the lease in the ordinary course of business. Lease Contracts are for the period of 3- 5 years.

The change in the Lease Liabilities for the year ended are as follows

(₹ in Lakhs)

Particulars	2021-22	2020-21
1 <sup>st</sup> April,	29.94	39.48
Addition	27.99	10.75
Finance cost accrued during year	2.86	3.35
Deletions	-	-
Payment of lease liabilities	27.58	23.64
31 <sup>st</sup> March	33.21	29.94

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis.

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Not later than 1 year	6.97	-
Later than 1 year but not later than 5 years	25.29	-

The following are the amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Depreciation expenses on right-of-use assets	24.27	23.51
Interest expenses on lease liabilities	2.86	3.35
Interest expenses on fair value of security deposits	0.46	-
Expense relating to short-term leases (included in other expenses)	5.85	4.75
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-

- b) Rental Income from the assets given on operating lease (Undiscounted)

(₹ in Lakhs)

Particulars	2020-21	2021-22
Factory Premises	26.64	11.10

### Note 47: Relationship with Struck off Companies

Details of Struck off companies with whom the company has transaction during the year or outstanding balance:

(₹ in Lakhs)

Name of Struck off Company	Nature of transaction with struck off Company	2021-22	2020-21	As at 31.03.2022	As at 31.03.2021
Associated Suppliers and Assistance Co. Private Limited	Dividend	0.20	0.10	-	-
	Unclaimed Dividend (net of TDS)	-	-	0.89	0.73

**NOTES to Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

**Below Struck off companies are equity shareholders of the company as on the Balance Sheet date**

Name of Struck of Company: Associated Suppliers and Assistance Co. Private Limited

**Note 48: Trade or investment in Crypto Currency or Virtual Currency: ₹ NIL (PY ₹ NIL)**

**Note 49: Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.**

**As per our Report of even date**

**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**

**Tribhuvanprasad Kabra Mahendrakumar Kabra**

Chairman

DIN - 00091375

Managing Director

DIN - 00473310

**Hemant Kabra**

President & CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006

## INDEPENDENT AUDITOR'S REPORT

To  
The Members,  
**Ram Ratna Wires Limited**

### Report on the Audit of the Consolidated Financial Statements

#### 1. Opinion

We have audited the accompanying Consolidated Financial Statements of Ram Ratna Wires Limited ("the Parent") and its subsidiaries- (i) Global Copper Private Limited (GCPL) and (ii) Epavo Electricals Private Limited (EEPL) (collectively referred as "the Subsidiaries") (the Parent and the Subsidiaries together referred to as "the Group") which includes its share of Profit in Joint Venture - RR-Imperial Electricals Limited ("the Joint Venture"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flows Statement and the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated 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 and based on the consideration of reports of other auditors on separate financial statements of GCPL and the Joint Venture referred below in paragraph 7 - Other Matters, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Joint Venture as at 31<sup>st</sup> March, 2022 and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### 2. Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements in paragraph 6 below of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules made 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 and the audit evidence obtained by the other auditors in terms of their reports referred below in paragraph 7 Other Matters, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

#### 3. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matter	How our audit addressed the key audit matter
<b>Revenue Recognition</b> (Refer note 1 (d) (xi) and 38 of the Consolidated Financial Statements) Revenue is the main profit driver and therefore susceptible to misstatement. There is inherent risk of incorrect timing of recognition of revenue and related rate difference, discounts in reporting period. Cut-off on the reporting date is the key assertion insofar as revenue is concern, any in-appropriate method can result in misstatement of results for the year.	Our audit incorporated the following procedures with regard to Revenue Recognition :- <ul style="list-style-type: none"> <li>assessing the process, internal controls and testing the effectiveness of key controls;</li> <li>testing the accuracy of cut-off with substantive analytical procedures supplemented with third party confirmation, delivery acknowledgment, delivery terms, estimation for delivery time based on historical records;</li> </ul>

<p><b>Impairment of Investment</b></p> <p>The investments in subsidiaries are reported in the financial statements at cost. In case of subsidiary has cash losses and / or accumulated losses as on reporting date with further commitments for additional investment, in our view is area of key matter for assessment of impairment of investment.</p> <p><b>Impairment of goodwill in Consolidated Financial Statements</b></p> <p>The consolidated financial statement reflects goodwill of ₹ 137.20 lakhs on acquisition of GCPL. Goodwill is required to be tested annually for impairment. The parent has estimated the recoverable amount of the Subsidiary to which goodwill is allocable based on value in use or fair value. Determination of value in use involves significant estimations, assumptions and judgments as regards to determination of value in use and susceptible to misstatements and therefore, area of key audit matter.</p>	<ul style="list-style-type: none"> <li>• judgments and estimations made for discounts, rebates, appropriate authorisation, historical trends, credit and debit notes issued after the balance sheet date, inventory reconciliation and receivable balance confirmations.</li> </ul> <p>Our audit incorporated the following procedures with regard to assessment of impairment of investments: -</p> <ul style="list-style-type: none"> <li>• reviewing the approach adopted for testing impairment including method used for determination of value in use;</li> <li>• performing substantive testing in respect of financial projections for their accuracy;</li> <li>• reviewing the valuation report of qualified Valuer, if any; reviewing the assumptions used in the financial projection;</li> <li>• discussions with key person of the Company and of that subsidiary and ascertaining the factors contributing towards such performance and strategy to overcome it, business expectation;</li> <li>• discussions on company's management perception regarding business, market condition, expected market size, future planning, financial strength, support and intention of other investors.</li> </ul> <p>Our audit incorporated the following procedures with regard to assessment of impairment of goodwill on acquisition of the Subsidiary: -</p> <ul style="list-style-type: none"> <li>• reviewing the approach adopted for testing impairment including method used for determination of value in use;</li> <li>• performing substantive testing in respect of financial projections for their accuracy;</li> <li>• Checking the fair valuation considered by the Parent and considering the bases of assessment of fair valuation;</li> <li>• performing substantive testing in respect of financial projections for their accuracy and reviewing same with the historical performance;</li> </ul>
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#### 4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Parent's Management and Board of Directors is responsible for other information. Other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's reports thereon. Other information comprises the information included in the Annual Report are expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Consolidated Financial Statements does not cover other information and we do not express any form of assurance, conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, when it becomes available and compare with the financial statements of the Subsidiaries and the Joint Venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read other information comprises the information included in the Annual Report, if we conclude based on the work we have performed and the report of the other auditors as furnished to us, referred below paragraph 7- Other Matters, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **5. Management's Responsibility for the Consolidated Financial Statements**

The Parent's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flow and consolidated changes in equity of the Group including the Joint Venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Parent, the Subsidiaries and the Joint Venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and the Joint Venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Board of Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements the respective Board of Directors of the Parent, the Subsidiaries and the Joint Venture are responsible for assessing the ability of the Group and the Joint Venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Parent, the Subsidiaries and the Joint Venture are also responsible for overseeing the financial reporting process of the Group and of the Joint Venture.

## **6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and of the Joint Venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of Parent and other entity included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## **7. Other Matters**

We did not audit the financial statements and other financial information of GCPL included in the Consolidated Financial Statements, whose financial statements reflects total gross assets of ₹ 9,489.24 Lakhs as at 31<sup>st</sup> March, 2022, total gross revenue ₹ 28,162.88 Lakhs and net cash inflows amounting to ₹ 629.40 Lakhs for the year then ended, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Parent's share of net profit of ₹ 119.48 Lakhs for the year ended 31<sup>st</sup> March, 2022, as considered in the Consolidated Financial Statements, in respect of the Joint Venture. The financial statements including other financial information of GCPL has been audited by other auditors whose reports have been furnished to us by the Management. The financial statements including other financial information of the Joint Venture located in Bangladesh have been restated by the management of the Parent in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India based on audited financial statements and report thereon of other auditor which were prepared following International Financial Reporting Standards and Generally Accepted Accounting Practices prevalent in Bangladesh. We have audited these restated conversion financial statements including other financial information. Our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of GCPL and the Joint Venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to GCPL and the Joint Venture is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements in paragraph 8 below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

## **8. Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on the separate financial statement and other information of the Subsidiaries and the Joint Venture, as referred above in paragraph 7 - Other Matters, to the extent applicable 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 of Consolidated Financial Statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated

Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Parent as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors and the report of the statutory auditors of the Subsidiaries, none of the directors are disqualified as on 31<sup>st</sup> 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 over financial reporting and the operating effectiveness of such controls; refer to our separate Report in Annexure which is based on the auditor's report of the Parent and the Subsidiaries. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of the Parent and the Subsidiaries.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Consolidated Financial Statements disclosed the impact, if any, of pending litigations as at 31<sup>st</sup> March, 2022 on its consolidated financial position of the Group and the Joint Venture - Refer Note 30 to the Consolidated Financial Statements.
  - (ii) The Group and the Joint Venture did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Parent or the Subsidiaries.
  - (iv) (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall :
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the Subsidiaries, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (iv) (a) and (b) above, contain any material mis-statement.



- (v) The dividend declared or paid during the year by the Parent is in compliance with section 123 of the Act. The subsidiary companies have neither declared nor paid any dividend during the year.
- (vi) With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO/ the Order) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements.

For **Bhagwagar Dalal & Doshi**  
Chartered Accountants  
(Firm Registration No.128093W)

UDIN : 22124528AJLTFK2508  
Place : Mumbai  
Date : 23<sup>rd</sup> May, 2022

**Jatin V. Dalal**  
Partner  
Membership No. 124528

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## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

**Referred to in paragraph (f) under the "Report on Other Legal and Regulatory Requirements" in the Independent Auditors' Report of even date to the members of Ram Ratna Wires Limited**

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

In conjunction with our audit of the Consolidated Financial Statements of the Group as and for the year ended 31<sup>st</sup> March, 2022 we have audited the internal financial controls over financial reporting of Ram Ratna Wires Limited ("the Parent") and its subsidiaries - Global Copper Private Limited (GCPL) and Epavo Electricals Private Limited (EEPL) ("collectively referred as the Subsidiaries"), as of that date.

**1. Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and the Subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**2. Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and the Subsidiaries 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors of GCPL in terms of their report referred to in Other Matters paragraph 6 below, is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Parent and the Subsidiaries.

**3. Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial controls 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 controls 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.

**4. Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**5. Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of the auditor of GCPL referred to in Other Matters paragraph 6 below, the Parent and the Subsidiaries have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022 based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**6. Other Matters**

Our aforesaid report under section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting in so far as it relates to GCPL, is based on the corresponding report of the auditor of the GCPL. Our opinion is not modified in respect of the above matter.

**For Bhagwagar Dalal & Doshi**  
Chartered Accountants  
(Firm Registration No.128093W)

UDIN : 22124528AJLTFK2508  
Place : Mumbai  
Date : 23<sup>rd</sup> May, 2022

**Jatin V. Dalal**  
Partner  
Membership No. 124528

**CONSOLIDATED BALANCE SHEET as at 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	2A	14,912.58	15,641.18
Capital Work-in-Progress	2B	564.69	342.75
Goodwill	2C	137.20	137.20
Intangible Assets	2D	26.40	36.89
Intangible Assets under development	2E	133.52	1.83
Right of Use Assets	2F	33.60	28.98
Financial Assets			
Investments			
Investment in Joint Venture	3	618.09	490.15
Other Investments	3	5,949.38	3,222.37
Loans	4A	9.99	0.92
Other Financial Assets	5A	64.57	29.21
Income Tax Assets (Net)	6	46.87	56.09
Other Assets	7A	399.18	702.94
		<b>22,896.07</b>	<b>20,690.51</b>
<b>CURRENT ASSETS</b>			
Inventories	8	12,585.57	13,344.29
Financial Assets			
Trade Receivables	9	31,413.61	28,408.30
Cash and Cash Equivalents	10B	1,473.15	397.76
Other Balances with Banks	10B	154.52	94.52
Loans	4B	31.12	15.93
Other Financial Assets	5B	122.59	44.97
Other Assets	7B	2,180.99	1,603.97
Assets Held for Sale	2G	682.95	17.00
		<b>48,644.50</b>	<b>43,926.74</b>
		<b>71,540.57</b>	<b>64,617.25</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	11	1,100.00	1,100.00
Other Equity	12	26,043.24	18,925.90
		<b>27,143.24</b>	<b>20,025.90</b>
Non-Controlling Interest		1,051.99	852.36
		<b>28,195.23</b>	<b>20,878.26</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	13A	11,269.92	10,596.03
Lease Liabilities	14A	23.90	6.93
Other Financial Liabilities	15A	18.72	-
Provisions	16A	87.91	81.25
Deferred Tax Liability (Net)	17	1,895.21	1,170.79
Deferred Income	18	28.17	21.88
		<b>13,323.83</b>	<b>11,876.88</b>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	13B	15,663.74	25,486.86
Lease Liabilities	14B	9.31	23.01
Trade Payables			
- Micro & Small Enterprises	19	91.04	103.55
- Others	19	11,878.12	4,374.76
Other Financial Liabilities	15B	1,853.58	1,360.57
Other Liabilities	20	288.54	396.10
Provisions	16B	142.28	23.92
Income Tax Liabilities (Net)	21	94.90	93.34
		<b>30,021.51</b>	<b>31,862.11</b>
		<b>71,540.57</b>	<b>64,617.25</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
Significant Accounting Policies	1		
See accompanying Notes to the Consolidated Financial Statements	1-45		

**As per our Report of even date**
**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**
**Tribhuvanprasad Kabra Mahendrakumar Kabra**

Chairman

Managing Director

DIN - 00091375

DIN - 00473310

**Hemant Kabra**

President &amp; CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006

**CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended on 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Note No.	2021-22	2020-21
Revenue from Operations			
Sale of Products	22	2,28,225.87	1,51,479.51
Other Operating Revenues	22	631.51	1,214.75
Other Income	23	666.39	272.66
<b>Total Revenue</b>		<b>2,29,523.77</b>	<b>1,52,966.92</b>
Cost of Materials Consumed	24	2,04,388.79	1,40,427.41
Purchases of Stock-in-Trade		210.66	1,225.49
Changes in Inventories	25	2,059.32	(4,155.44)
Employee Benefits Expense	26	4,043.51	3,217.29
Finance Costs	27	2,709.62	2,540.90
Depreciation & Amortisation Expense	28	1,768.32	1,759.58
Other Expenses	29	7,205.76	5,867.86
<b>Total Expenses</b>		<b>2,22,385.98</b>	<b>1,50,883.09</b>
<b>Profit for the year before share of Profit in Jointly Controlled Entity</b>		<b>7,137.79</b>	<b>2,083.83</b>
Add : Share of Profit of Jointly Controlled Entity		119.48	31.64
<b>Profit Before Tax</b>		<b>7,257.27</b>	<b>2,115.47</b>
Tax Expenses:	17		
Current Tax		1,741.43	550.85
Short Tax Provision of earlier years		13.57	5.15
Deferred Tax Expense / (Income)		84.62	(13.09)
		<b>1,839.62</b>	<b>542.91</b>
<b>Profit After Tax</b>		<b>5,417.65</b>	<b>1,572.56</b>
<b>Other Comprehensive Income (OCI)</b>			
A (i) Items that will not be reclassified to Profit or Loss			
a) Remeasurement benefit of defined benefit plans		(22.65)	50.85
b) Fair value gain on investment in equity instrument through OCI		2,773.31	965.37
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		(639.80)	(231.72)
B (i) Items that will be reclassified to Profit or Loss			
Exchange difference arising on translation of foreign operations		8.46	(13.41)
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive Income (OCI) (A+B)</b>		<b>2,119.32</b>	<b>771.09</b>
<b>Total Comprehensive Income for the year</b>		<b>7,536.97</b>	<b>2,343.65</b>
<b>Profit for the year attributable to</b>			
- Owners of the Company		5,218.72	1,490.05
- Non-Controlling Interest		198.93	82.51
<b>Other Comprehensive Income for the year attributable to</b>			
- Owners of the Company		2,118.62	768.55
- Non-Controlling Interest		0.70	2.54
<b>Total Comprehensive Income for the year attributable to</b>			
- Owners of the Company		7,337.34	2,258.60
- Non-Controlling Interest		199.63	85.05
<b>Earnings per Equity Share of ₹ 5/- each (Note 31)</b>			
Basic		23.72	6.77
Diluted		23.72	6.77
Significant Accounting Policies	1		
See accompanying Notes to the Consolidated Financial Statements	1-45		

**As per our Report of even date**
**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**
**Tribhuvanprasad Kabra Mahendrakumar Kabra**

Chairman

DIN - 00091375

Managing Director

DIN - 00473310

**Hemant Kabra**

President &amp; CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended on 31<sup>st</sup> March, 2022

(₹ in Lakhs)

EQUITY SHARE CAPITAL		As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year		1,100.00	1,100.00
Changes in equity share capital during the year		-	-
Balance at the end of the year		1,100.00	1,100.00

(₹ in Lakhs)

OTHER EQUITY	Reserves & Surplus			Equity Instruments through OCI	Foreign Currency Transnational Reserve	Total attributable to Owners of the Company	Non Controlling Interest
	Security Premium	General Reserve	Retained Earnings				
<b>Balance as at 1<sup>st</sup> April, 2020</b>	763.20	513.00	13,722.02	1,683.51	95.57	16,777.30	663.05
Additions during the year	-	-	-	-	-	-	-
Non Controlling Interest as on date of acquisition/investment	-	-	-	-	-	-	104.26
Profit for the year	-	-	1,490.05	-	-	1,490.05	82.51
Add/(Less): Items of OCI for the year, net of tax :	-	-	-	-	-	-	-
Exchange difference arising on translation of foreign operation	-	-	-	-	(13.41)	(13.41)	-
Remeasurement benefit of defined benefits plans	-	-	35.27	-	-	35.27	2.54
Remeasurement benefit of defined benefits plans	-	-	-	-	-	-	-
Net fair value loss on investment in equity instruments through OCI	-	-	-	746.69	-	746.69	-
<b>Total Comprehensive Income For the year 2020-21</b>	-	-	1,525.32	746.69	(13.41)	2,258.60	189.31
Reductions during the year	-	-	-	-	-	-	-
Dividends	-	-	(110.00)	-	-	(110.00)	-
<b>Total</b>	-	-	(110.00)	-	-	(110.00)	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	763.20	513.00	15,137.34	2,430.20	82.16	18,925.90	852.36
Additions during the year	-	-	-	-	-	-	-
Profit for the year	-	-	5,218.72	-	-	5,218.72	198.93
Add/(Less): Items of OCI for the year, net of tax :	-	-	-	-	-	-	-
Exchange difference arising on translation of foreign operation	-	-	-	-	8.46	8.46	-
Remeasurement benefit of defined benefits plans	-	-	(17.75)	-	-	(17.75)	0.70
Remeasurement benefit of defined benefits plans	-	-	-	-	-	-	-
Net fair value gain on investment in equity instruments through OCI	-	-	-	2,127.91	-	2,127.91	-
<b>Total Comprehensive Income For the year 2021-22</b>	-	-	5,200.97	2,127.91	8.46	7,337.34	199.63
Reductions during the year	-	-	-	-	-	-	-
Dividend	-	-	(220.00)	-	-	(220.00)	-
<b>Total</b>	-	-	(220.00)	-	-	(220.00)	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	763.20	513.00	20,118.31	4,558.11	90.62	26,043.24	1,051.99

For and on behalf of the Board of Directors

As per our Report of even date

For Bhagwagar Dalal &amp; Doshi

Chartered Accountants

(Firm Registration No. 128093W)

Jatin V. Dalal

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

Tribhuvanprasad Kabra  
Chairman  
DIN - 00091375

Mahendrakumar Kabra  
Managing Director  
DIN - 00473310

Hemant Kabra  
President & CFO  
DIN - 01812586

Saurabh Gupta  
Company Secretary  
ACS - 53006

**CONSOLIDATED CASH FLOW STATEMENT for the year ended on 31<sup>st</sup> March, 2022**
**(₹ in Lakhs)**

Particulars	2021-22	2020-21
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	7,257.27	2,115.47
Adjustments for:		
Depreciation & amortisation	1,768.32	1,759.58
Grant related to property, plant & equipment	(45.15)	(75.51)
Share of Gain from Jointly Controlled Entity	(119.48)	(31.64)
Finance costs	2,709.62	2,540.90
Interest income	(16.30)	(6.49)
Dividend income	(34.16)	-
Others	-	13.52
Allowance for doubtful debts and bad debts written off	(46.28)	173.41
Unrealised foreign exchange loss (net)	(75.79)	6.44
Gain on Mutual Funds	(0.67)	(3.05)
Loss on sale of property, plant & equipment (net)	2.70	2.43
<b>Operating Profit before working capital changes</b>	<b>11,400.08</b>	<b>6,495.06</b>
Adjustments for (increase)/decrease :		
Trade receivables	(2,931.52)	(6,823.28)
Financial assets	(62.25)	(20.64)
Other assets	(336.21)	47.90
Inventories	758.72	(3,149.03)
Trade payables	7,490.77	1,345.85
Financial liabilities	528.61	75.47
Other liabilities & provisions	(5.19)	(42.73)
<b>Cash generated from/ (used in) Operating activities</b>	<b>16,843.01</b>	<b>(2,071.40)</b>
Income Tax paid (net of refund)	(1,764.59)	(492.82)
<b>Net cash flow from/ (used in) Operating activities (A)</b>	<b>15,078.42</b>	<b>(2,564.22)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant & equipment (including WIP)	(1,907.25)	(1,400.04)
Purchases of Asset held for Sale	-	-
Sale of property, plant & equipment	12.37	31.86
Sale of Investment	46.96	-
Refund of share application money- Joint Venture	-	2.37
(Investment) / Proceed from fixed deposits (net)	(108.15)	(3.29)
Dividend received	34.16	-
Interest received	15.66	6.75
<b>Net cash (used in) Investing activities (B)</b>	<b>(1,906.25)</b>	<b>(1,362.35)</b>

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from equity share capital of non-controlling interest	-	104.26
Proceeds from non current borrowing (net)	<b>673.89</b>	3,034.53
Proceeds /(Repayment) from current borrowing (net)	<b>(9,823.12)</b>	3,826.47
Repayment of lease liabilities	<b>(27.60)</b>	(23.64)
Finance costs paid	<b>(2,699.95)</b>	(2,605.02)
Dividend paid (Inclusive of income tax on dividend )	<b>(220.00)</b>	(110.00)
<b>Net cash flow from/(used in) Financing activities (C)</b>	<b>(12,096.78)</b>	4,226.60
<b>(D) Net increase in cash and cash equivalents ( A+B+C )</b>	<b>1,075.39</b>	300.03
<b>Add: Cash and cash equivalents as at 1<sup>st</sup> April</b>	<b>397.76</b>	97.73
<b>Cash and cash equivalents as at 31<sup>st</sup> March</b>	<b>1,473.15</b>	397.76

Notes:

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

b) Cash and Cash Equivalents comprises of :

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash on hand	<b>2.22</b>	5.44
Balance with banks	<b>1,470.93</b>	392.32
	<b>1,473.15</b>	397.76

c) Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

Particulars	As at 31.03.2021	Cash (used in) / flow	Non cash changes		As at 31.03.2022
			Fair value changes	Current/Non-Current Classification	
Borrowings- Non Current	10,596.03	2,761.27	-	(2,087.38)	<b>11,269.92</b>
Borrowings- Current	25,486.86	(11,910.50)	-	2,087.38	<b>15,663.74</b>

**As per our Report of even date**
**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**
**Tribhuvanprasad Kabra Mahendrakumar Kabra**

Chairman

Managing Director

DIN - 00091375

DIN - 00473310

**Hemant Kabra**

President &amp; CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006



## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### CORPORATE INFORMATION

The consolidated financial statements comprise consolidated financial statements of Ram Ratna Wires Limited ('the Parent'), its subsidiaries a) Global Copper Private Limited b) Epavo Electrical Private Limited ('the Subsidiaries') (collectively 'the Group') and Group share in Jointly Controlled Entity RR-Imperial Electricals Limited for the year ended 31<sup>st</sup> March, 2022.

The Parent is a public company limited by shares incorporated and domiciled in India with its registered office in Mumbai, Maharashtra. The Parent is listed on the Bombay Stock Exchange (BSE).

The Parent and its jointly controlled entity are mainly engaged in the business of manufacturing of enamelled winding wires and strips, Global Copper Private Limited is engaged in the business of trading and manufacturing of copper tubes & pipes and Epavo Electricals Limited is engaged in the business of manufacturing of BLDC motors for Air conditioner, Hub, HVLS Fan and Submersible Pumps etc. and related products.

The Consolidated Financial Statements ("the Consolidated Financial Statements") as at 31<sup>st</sup> March, 2022 present the consolidated financial position of the Group as well as its interest in jointly controlled entity. The Consolidated Financial Statements were approved by the Board of Directors and authorised for issue on 23<sup>rd</sup> May, 2022.

The functional and presentation currency of the Group is Indian Rupees (₹) which is the currency of the primary economic environment in which the Group operates.

### 1. SIGNIFICANT ACCOUNTING POLICIES & KEY ACCOUNTING ESTIMATES & JUDGEMENTS

#### (a) BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

##### (i) Basis of preparation:

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The Consolidated Financial Statements have been prepared on accrual and going concern basis. The accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Consolidated Financial Statements includes Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit & Loss including Other Comprehensive Income, Cash Flows Statement, Statement of Change in Equity for the year ended 31<sup>st</sup> March, 2022 and significant accounting policy and other explanatory information.

##### (ii) Basis of Measurement:

The Consolidated Financial Statements have been prepared and presented under the historical cost convention except for certain consolidated financial assets and consolidated financial liabilities that are required to be measured at fair values at the end of each reporting period by Ind AS.

Historical cost is generally based on 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.

##### (iii) Recent Pronouncements:

(a) The Ministry of Corporate Affairs ("MCA") has amended the Schedule III of the Act vide notification dated 24<sup>th</sup> March, 2021, applicable with effect from 1<sup>st</sup> April, 2021. The Group has given the effect of the amendment by inclusion of the relevant disclosures by way of additional notes or explanatory notes.

(b) MCA has notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23<sup>rd</sup> March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1<sup>st</sup> April 2022, as below:

#### **Ind AS 103 – Business Combination**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its Financial Statements.

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### Ind AS 16 – Property, Plant and Equipment

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in statement of profit or loss. The Group does not expect the amendments to have any significant impact in its recognition of its property, plant and equipment in its financial statements.

### Ind AS 37– Provisions, Contingent Liabilities and contingent assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1<sup>st</sup> April, 2022, although early adoption is permitted.

#### (iv) Current/ Non- Current Classification:

Any asset or liability is classified as current or non-current based on Group's normal- operating cycle and other criteria as set out in the Division II of schedule III to the Act.

Asset/ Liability is classified as current, if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Group's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of product and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

#### (b) KEY ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and the accompanying disclosures in notes including disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods. The estimates and the associated assumptions are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances as available at the time of preparation of the Financial Statement. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements. The estimates and the associated assumptions are reviewed on ongoing basis. Changes in accounting estimates are recognised prospectively.

Significant judgements and estimates have been made by the Group relating to

- Amount and Timing of recognising of revenue from contract at a point in time with customers, identifying performance obligations in a sales transactions and volume rebate that gives rise to variable consideration in a sales contract.
- Useful lives of property, plant and equipment and intangible assets at the end of each reporting period.
- Impairment of property, plant and equipment and intangible assets

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- Impairment of Investments
- Provision for employee benefits and other provisions
- Provision for Income Tax including payment of advance Tax
- Recoverability of deferred tax assets
- Fair Value Measurements of Financial Instruments
- Identification of Lease, assessing lease terms (including anticipated renewals) and applicable discount rate
- Commitments and contingencies

### (c) Basis of Consolidation

#### (i) Consolidation of Subsidiaries

The Consolidated Financial Statements incorporate the financial statements of the Parent and entities controlled by the Parent i.e. Subsidiaries.

Control is achieved when the Company has

- Power over the investee;
- is exposed to or has rights to the variable returns of the entity and;
- has the ability to affect those returns through its power over the entity.

Generally, there is presumption that a majority of voting rights results in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an entity, the Company considers all relevant facts and circumstances in assessing whether it has power over an entity, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Company's voting rights and potential voting rights;
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the company gains control until the date the company ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies. The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on 31<sup>st</sup> March. When the end of the reporting period of the Parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the Financial Statements of the Parent to enable the Parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

#### Consolidation Procedure

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of the Subsidiaries. For this purpose, income and expenses of the Subsidiaries are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.
- Offset (eliminate) the carrying amount of the Parent's investment in the Subsidiaries and the Parent's portion of equity of the Subsidiaries. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- Non-controlling interests in the net assets (excluding goodwill) of the Subsidiaries is identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

### (ii) Consolidation of Joint Venture (Jointly Controlled entity)

The joint venture is an arrangement in which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decision about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investment in jointly controlled entity is accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint arrangement since the acquisition date. Goodwill, if any relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of profit and loss reflects the Group's share of the results of jointly controlled entity. Any change in OCI of the jointly controlled entity is presented as part of the Group's OCI. Unrealised gains and losses resulting from inter-group transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If Group's share of losses of a joint venture exceeds its interest in that joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognized.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and then recognises the loss as share of profit of a joint venture in the consolidated statement of profit or loss.

## (d) SIGNIFICANT ACCOUNTING POLICIES

### (i) Property, Plant and Equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount or rebate is deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the statement of profit and loss as and when incurred.

Capital work-in-progress includes cost of property, plant and equipment not ready for the intended use as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'capital advances' under other non-current assets.

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost of disposal.

The Group had elected to continue with the carrying value of all of its property, plant and equipment appearing in the financial statements prepared as per accounting standards notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Generally Accepted Accounting Standards "Previous GAAP") as the deemed cost of the property, plant and equipment in the opening balance sheet under Ind AS effective 1<sup>st</sup> April, 2016.

Exchange differences arising on translation of long-term foreign currency monetary items recognised in the Previous GAAP financial statements in respect of which the Group has elected to recognise such exchange differences as a part of cost of assets is allowed under Ind AS 101. Such differences are added/deducted to/ from the cost of assets and are recognised in the statement of profit and loss on a systematic basis as depreciation over the balance life of the assets.

### (ii) Intangible Assets

Intangible assets acquired are initially measured at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets with defined useful lives are carried at cost less accumulated amortization and accumulated impairment loss, if any. Internally generated intangibles are not capitalized and the related expenditure is reflected in consolidated statement of profit and loss in the period in which the expenditure is incurred.

Computer Software an intangible asset is measured on initial recognition at cost. Costs comprise of license fees and cost of system integration services and development.

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. On de-recognition the intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the statement of profit and loss.

Expenditure incurred by the Group on development of products are recognised as an intangible asset if and only if, expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and use or sell the assets otherwise such expenses are recognised in the Statement of Profit and Loss as incurred. Subsequent to initial recognition, the assets are measured at cost less accumulated amortisation and any accumulated impairment losses, if any. Expenditures incurred on research are charged to the Statement of Profit and Loss as incurred.

Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Property, Plant & Equipment and Intangible Assets.

### (iii) Depreciation on Property, Plant and Equipment and Amortisation of Intangible Assets: -

Depreciation on property, plant and equipment is provided on pro rata basis using the straight-line method based on useful life of the assets as prescribed in Schedule II to the Act in consideration with useful life of the assets as estimated by the management.

Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

The estimated useful lives, residual values and methods of depreciation of property, plant & equipment are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if any.

The estimated useful life of items of property, plant and equipment and intangible Assets are:

Particulars	Years	Particulars	Years
Factory Buildings (including roads)	10 to 30	Office & Other Equipment	5 to 10
Workers Quarters	60	Computers/ Laptops/ Computers Hardware	3
Plant & Machineries	3 to 40	Computer Servers	6
Laboratory Equipment	10	Computer Software	5
Electrical Installations	10	Vehicle	8 to 10
Furniture & Fixtures	10		

## **NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

### **Impairment of Assets**

At each balance sheet date, the Group reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).

An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

### **(iv) Leases**

#### **The Group as Lessee**

The Group's lease assets classes primary consists of leases for premises. The Group assesses whether a contract is qualifies to be a lease at the inception of contract. A contract is, or contains, a lease, if the contract conveys the right to control the use of an assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of identified asset, the Group assess whether, throughout the period of use, the Group has both of the following:-

- right to obtain substantially all of the economic benefits from use of the identified assets
- right to direct the use of the identified assets

Identification of lease requires significant judgment including judgement to assess the lease terms (including anticipated renewals) and the applicable discount rate. The Group determines the lease terms as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease, if the Group is reasonably certain to exercise that option; and period covered by an option to terminate the lease, if the Group is reasonably certain not to exercise that option. In assessing, whether the Group is reasonably certain to exercise the option to extend a lease, or not to exercise an option to terminate a lease, the Group consider all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revise the lease term if there is a change in the non-cancellable period of lease terms.

At the date of the commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease contracts in which it is a lessee, except for leases contract for a period of twelve months or less (short term leases), variable leases and low value leases, in those cases the lease payments are recognised in the statement of profit and loss on a straight-line basis over the term of the lease.

ROU is initially recognized at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU is depreciated from the commencement date on a straight-line basis over the lease term or useful life of the underlining asset, whichever is shorter. ROU is tested for impairment and account for as per impairment of assets policy of the Group.

The lease liability is initially measure at the present value of the future lease payments, which comprises of the fixed payments, variable lease payments, guaranteed residual value or exercise price of purchase option, if the Group is reasonably certain to exercise the option. The lease payments are discounted using interest rate implicit in the lease or, if not readily determinable, using incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet. Interest expense on lease liability is reported as finance cost in the statement of profit and loss account and lease payments have been classified as financing cash flows.

#### **The Group as Lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.



## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

All other leases are classified as operating leases. For operating leases mainly of workers quarters are recognised in the statement of profit and loss on straight line basis.

### (v) Inventories:

- Raw Materials, Work-in-progress, Stock-in Trade and Finished goods are valued at the lower of cost or net realizable value. The cost is determined using FIFO method.
- The cost of Inventories of work-in-progress and finished goods comprises the cost of purchases and the cost of conversion and in case of finished goods it also includes the cost of packing materials.

The cost of purchase comprises of the purchase price including duties and taxes (other than those subsequently recoverable by the Group from the taxing authorities), freight inward and other expenditure directly attributable to the acquisition but net of trade discount, rebates, duties for import under advance licenses and other similar items.

The cost of conversion comprises of depreciation and repairs and maintenance of factory buildings and plant and machineries, power and fuel, factory management and administration expenses and consumable stores and spares.

- Packing Materials, Consumable Stores & Spares and Fuel are valued at lower of cost or net realizable value.

The cost is determined using FIFO method.

- Scrap is valued at net realizable value.

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

### (vi) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition and adjusted for transaction costs that are attributable to the acquisition or issues of financial assets and financial liabilities in case of financial assets or financial liabilities not at fair value through profit or loss account.

Where the fair value of financial assets and financial liabilities at initial recognition is different from its transaction price, the difference between the fair value and transaction price is recognised in the statement of profit and loss.

However, trade receivables that do not contain a significant financing component are initially measured at transaction price.

#### a) Financial Assets: -

##### Cash and bank balances

Cash and bank balances consist of:

- **Cash and cash equivalents** - which includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- **Other bank balances** - which includes balances and deposits with banks that are restricted for withdrawal and usage.

##### Financial assets measured at amortised cost

A financial asset is subsequently measured at amortised cost if both of the following conditions are met:

- If it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to trade receivables, loans and other financial assets of the Group measured using the Effective Interest Rate (EIR) method less impairment, if any, and the amortisation of EIR and loss arising from impairment, if any is recognised in the statement of profit and loss.



## **NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

### **Financial assets measured at fair value**

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- If it is held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell these financial assets, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income.

The Group in respect of equity instruments (other than equity instruments of subsidiaries and joint venture) which are not held for trading has made an irrevocable election to present the subsequent changes in fair value of such equity instruments in other comprehensive income. Such an election is made by the Group on an instrument-by-instrument basis at the time of initial recognition of such equity investments. On de-recognition, cumulative gain or loss previously recognised in other comprehensive is reclassified from the equity to retained earnings in the statement of changes in equity.

A financial asset not classified as either amortised cost or at fair value through other comprehensive income is carried at fair value through the consolidated statement of profit & loss.

### **Impairment of Financial Assets**

The Group applies loss allowance using the expected credit loss (ECL) model for the financial assets which are measured at amortised cost and fair value through other comprehensive income. Loss allowance for trade receivables with no significant financing component is measured following simplified approach wherein an amount equal to lifetime ECL is measured and recognised as a loss allowance.

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

For all other consolidated financial assets, ECLs are measured at an amount equal to 12-month ECL, unless there has been a significant increase in credit risk for initial recognition in which case those are measured at lifetime ECL.

### **De-recognition of Financial Assets**

A financial asset is de-recognised only when

- The contractual rights to cash flows from the financial asset expires
- The Group has transferred the contractual rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## **b) Financial Liabilities**

### **Classification as debt or equity**

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

### Financial Liability

Trade and other payables are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the consolidated statement of profit and loss.

Interest bearing loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost using effective interest rate method. Any difference between proceeds (net of transaction cost) and the settlement amount of borrowing is recognised over the terms of the borrowings in the consolidated statement of profit and loss

### De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or has expired.

#### c) Financial Guarantee Contracts

Financial guarantee contracts are those contracts that require specific payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation

#### d) Derivative Financial Instruments

The Group enters into derivative financial contracts in the nature of forward currency contracts with banks to reduce business risks which arise from its exposures to foreign exchange. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any changes therein are generally recognised in the consolidated statement of profit & loss. Derivatives are carried as financial assets when fair value is positive & as financial liabilities when fair value is negative.

#### e) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### (vii) Fair Value Measurement

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows: -

- Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — inputs other than quoted prices included within Level that are observable for the asset or liability, either directly or indirectly
- Level 3 — inputs that are unobservable for the asset or liability

## **NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

### **(viii) Non-Current Assets held for sale**

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets held for sale are not depreciated or amortized.

### **(ix) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Group has a present legal 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 reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for a contingent liability is made when there is a possible obligation or present 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 Group and where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

### **(x) Revenue**

Revenue from contracts with customer is recognized when the Group satisfies a performance obligation by transferring the promised goods or services to a customer at a transaction price. The Group assesses promises in the contract that are separate performance obligations to which a portion of transaction price is to be allocated. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer as per contract, excluding amount of taxes collected on behalf of the government. The transaction price is adjusted of trade discount, cash discount, volume rebate and other variable considerations as per the terms of contract which is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Consideration payable to a customer is accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Group.

#### **Sale of Goods**

Revenue from sale of products is recognised at a point in time when the control on the goods have been transferred to a customer i.e. when material is delivered to the customer or as per shipping terms, as may be specified in the contract.

#### **Job Work**

Revenue from Job work is recognised when intended job work is carried out and goods are ready for transfer to the owner of the goods.

## **NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

### **Export Incentives**

Eligible export incentives are recognised in the year in which the conditions precedents are met and there is no significant uncertainty about the collectability.

### **(xi) Other Income**

#### **Interest Income**

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

#### **Rental Income**

Rental income is recognised in the statement of profit & loss on straight line basis.

#### **Dividend Income**

Dividend Income from investments is recognised when shareholder's rights to receive payment have been established.

#### **Commission Income**

Guarantee commission income (notional) for the financial guarantee issued by the Company to the bank in respect of credit facility granted by the bank to the dealers of the Company is recognised over the period of guarantee.

### **(xii) Government Grant**

Government grants are recognised when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions. When the grant relates to revenue expense, it is recognised as an income on a systematic basis over the period necessary to match it with the expenses that it is intended to compensate. Government grant related to expenditure on property, plant & equipment is included as cost of property, plant & equipment and is credited to the statement of profit & loss over the useful lives of qualifying assets or credited to the statement of profit & loss over the period in which the corresponding export obligation is fulfilled. Total grants availed less the amounts credited to the statement of profit and loss at the balance sheet date are included in the balance sheet as deferred income.

### **(xiii) Foreign Currency Transactions**

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The functional and presentation currency of the Group is Indian Rupees (₹).

Transactions denominated in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary items is restated at the closing exchange rates. Non-monetary items are recorded at exchange rate prevailing on the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the consolidated statement of profit and loss.

The forward exchange contracts are marked to market and gain/loss on such contracts are recognised in the statement of profit and loss at the end of each reporting period.

The Group as per previous GAAP elected to recognise as part of cost of assets, exchange differences arising on translation of long-term foreign currency monetary items and this method of recognition of such exchange difference is followed by the Group as allowed under Ind AS 101. Such differences are added/deducted to/ from the cost of assets and are recognised in the statement of profit and loss on a systematic basis as depreciation over the balance life of the assets.

For the purpose of presenting in consolidated financial statements the share of profit/(loss) in the foreign joint venture (jointly controlled entity) is express in rupees derived using average exchange rate during the period and net share in the assets of the jointly controlled entity is derived using closing exchange rate as on reporting date. The exchange differences arising are recognised in other comprehensive income and accumulated in a separate component of equity. On disposal of foreign operation, all the accumulated exchange differences in respect of that operation

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

attributable to the Group are reclassified to the consolidated statement of profit and loss. Goodwill and fair value adjustments arising on the acquisition of foreign operation if any, are treated as assets & liabilities of the foreign operation and translated at the closing rate.

### (xiv) Employee Benefits

#### a) Short Term Obligations

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### b) Post-Employment Benefits

##### i) Defined benefit plan

Gratuity liability is a defined benefit obligation and recognized based on actuarial valuation carried out using the Projected Unit Credit Method. The scheme for all the group companies except one subsidiary is maintained and administered by Life Insurance Corporation of India to which each group company makes periodical contributions. The scheme is separate for each group company.

##### ii) Defined contribution plans

A Defined Contribution Plan is plan under which the Group makes contribution to Employee's Provident Fund administrated by the Central Government. The Group's contribution is charged to the consolidated statement of profit and loss.

#### c) Other Long Term Employee Benefits – Leave Encashment

The liability towards leave encashment which is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related services is recognized based on actuarial valuation carried out using the Projected Unit Credit Method.

### (xv) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized. All other borrowing costs are expensed in the period in which they occur.

### (xvi) Income Taxes

Tax expenses for the year comprises current tax and deferred tax.

#### Current Tax

Current tax is the amount of income tax payable in respect of taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because taxable profit is adjusted for items of income or expenses which are taxable or deductible in other years and also for items which are never taxable or deductible.

The Group's liability for current tax is calculated using tax rates and tax laws that are in force.

#### Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and joint venture, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow entire or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws in force.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Parent and the Subsidiary Companies, as per their applicable laws and then aggregated.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity in which case the tax is recognised in Other Comprehensive Income or directly in equity, respectively.

**MAT**

Minimum Alternate Tax ('MAT') as per the provisions of the Act is recognised as deferred tax in the statement of profit and loss. The credit available as per tax laws in India in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the credit can be carried forward for set off against the normal tax liability. Such asset is reviewed at each Balance Sheet date.

**(xvii) Segment Reporting**

Operating segment is a component of an entity whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) of the Parent to make decision about resource to be allocated to the segment and assess its performance.

**(xviii) Statement of Cash Flow**

Cash flow statement is reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Group are segregated.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of cash flow statement cash and cash equivalents consist of cash and short-term deposits, as defined above.

**(xix) Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**(xx) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity share outstanding during the period.

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

## **NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

### **(xxi) Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Company's cash generating units (CGUs) that are expected to benefit from the combination. A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired; by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Group recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

### **(xxii) Business Combination**

Business combination is accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination is measured and recognized in accordance with the requirements of Ind AS 12 "Income Taxes" and Ind AS 19 "Employee Benefits", respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the statement of profit and loss in the period in which they are incurred.

In case of business combination involving entities under common control, the above policy does not apply. Business combinations involving entities under common control is accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.



# **NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

## **Note 2**

### **A) PROPERTY, PLANT & EQUIPMENT**

Description	Gross Carrying Amount				Depreciation			Net Carrying Amount
	As at 01.04.2021	Additions	Deductions/Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	Deductions/Adjustments	As at 31.03.2022
Land - Free Hold	2,747.07	-	665.95	2,081.12	-	-	-	2,081.12
Factory Buildings	4,634.25	10.08	-	4,644.33	598.62	184.40	-	783.02
Residential Buildings	158.29	-	-	158.29	15.46	3.09	-	18.55
Plant & Machineries	13,457.22	1,250.35	36.91	14,670.66	5,659.49	1,347.80	29.17	6,978.12
Laboratory Equipments	398.29	40.94	-	439.23	116.83	32.87	-	149.70
Electrical Installations	233.34	2.30	-	235.64	107.12	28.59	-	135.71
Furniture & Fixtures	189.55	14.75	-	204.30	51.24	17.01	-	68.25
Office & Other Equipments	333.24	58.45	1.40	390.29	197.59	62.07	0.80	258.86
Vehicles	373.28	298.06	20.56	650.78	137.00	46.68	13.83	169.85
<b>Total</b>	<b>22,524.53</b>	<b>1,674.93</b>	<b>724.82</b>	<b>23,474.64</b>	<b>6,883.35</b>	<b>1,722.51</b>	<b>43.80</b>	<b>8,562.06</b>
<b>B) Capital Work - in - Progress</b>	<b>342.75</b>	<b>596.32</b>	<b>374.38</b>	<b>564.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>564.69</b>

Deduction/adjustment in land -free hold is on account of land transferred to assets held for sale (Note 2G)

Description	Gross Carrying Amount				Depreciation			Net Carrying Amount
	As at 01.04.2020	Additions	Deductions/Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	Deductions/Adjustments	As at 31.03.2021
Land - Free Hold	2,747.07	-	-	2,747.07	-	-	-	2,747.07
Factory Buildings	4,557.50	76.75	-	4,634.25	417.64	180.98	-	598.62
Residential Buildings	158.29	-	-	158.29	12.37	3.09	-	15.46
Plant & Machineries	12,814.46	682.38	39.62	13,457.22	4,340.58	1,346.00	27.09	5,659.49
Laboratory Equipment	300.25	98.04	-	398.29	85.73	31.10	-	116.83
Electrical Installations	230.36	2.98	-	233.34	78.60	28.52	-	107.12
Furniture & Fixtures	184.38	5.17	-	189.55	33.92	17.32	-	51.24
Office & Other Equipment	295.04	38.20	-	333.24	138.41	59.18	-	197.59
Vehicles	400.75	41.22	68.69	373.28	137.24	46.69	46.93	137.00
<b>Total</b>	<b>21,688.10</b>	<b>944.74</b>	<b>108.31</b>	<b>22,524.53</b>	<b>5,244.49</b>	<b>1,712.88</b>	<b>74.02</b>	<b>6,883.35</b>
<b>B) Capital Work - in - Progress</b>	<b>58.49</b>	<b>352.12</b>	<b>67.86</b>	<b>342.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>342.75</b>

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

Description	Gross Carrying Amount				Amortisation/Impairment		Net Carrying Amount
	As at 01.04.2021	Additions	Deductions/Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	As at 31.03.2022
<b>C) Goodwill</b>							
Goodwill (On Business Combination)	137.20			137.20	-		137.20
<b>D) Intangible Assets</b>							
Computer Software	116.86	14.55	-	131.41	79.97	25.04	26.40
<b>E) Intangible Asset under development</b>							
Trade Marks	1.83	133.57	1.88	133.52	-	-	133.52

Description	Gross Carrying Amount				Amortisation/Impairment		Net Carrying Amount
	As at 01.04.2020	Additions	Deductions/Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	As at 31.03.2021
<b>C) Goodwill</b>							
Goodwill (On Business Combination)	137.20	-	-	137.20	-	-	137.20
<b>D) Intangible Assets</b>							
Computer Software	112.26	18.12	13.52	116.86	56.78	23.19	36.89
<b>E) Intangible Asset under development</b>							
Trade Marks	0.76	1.07	-	1.83	-	-	1.83

**F) RIGHT OF USE ASSETS\***

Description	Gross Carrying Amount				Amortisation/Impairment		Net Carrying Amount
	As at 01.04.2021	Additions	Deductions/Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	As at 31.03.2022
Office Premises	77.05	28.89	-	105.94	48.07	24.27	33.60
<b>Total</b>	77.05	28.89	-	105.94	48.07	24.27	33.60

Description	Gross Carrying Amount				Amortisation/Impairment		Net Carrying Amount
	As at 01.04.2020	Additions	Deductions/Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	As at 31.03.2021
Office Premises	64.10	12.95	-	77.05	24.56	23.51	28.98
<b>Total</b>	64.10	12.95	-	77.05	24.56	23.51	28.98

\* Refer Note 41 Ind As 116 "Leases".

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### G) ASSETS HELD FOR SALE

(₹ in Lakhs)

Description	Gross Carrying Amount			Amortisation			Net Carrying Amount
	As at 01.04.2021	Additions	Deductions/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the Year	As at 31.03.2022
Land - Free Hold	17.00	665.95	-	682.95	-	-	682.95
<b>Total</b>	<b>17.00</b>	<b>665.95</b>	<b>-</b>	<b>682.95</b>	<b>-</b>	<b>-</b>	<b>682.95</b>

(₹ in Lakhs)

Description	Gross Carrying Amount			Amortisation			Net Carrying Amount
	As at 01.04.2020	Additions	Deductions/ Adjustments	As at 31.03.2021	As at 01.04.2020	For the Year	As at 31.03.2021
Land - Free Hold	17.00	-	-	17.00	-	-	17.00
<b>Total</b>	<b>17.00</b>	<b>-</b>	<b>-</b>	<b>17.00</b>	<b>-</b>	<b>-</b>	<b>17.00</b>

- 2.1 The details of property, plant & equipment hypothecated against borrowings are presented in Note 13.3 to 13.9.
- 2.2 The amount of contractual commitments for the acquisition of property, plant & equipment is disclosed in Note 30 B (i).
- 2.3 Amount of Foreign Exchange Difference & Interest capitalised during the year is : NIL ( P.Y. NIL).
- 2.4 All Property, Plant & Equipment are held in the name of the Group. The Title deeds of all the immovable properties are also in the name of the Group.
- 2.5 All lease agreements are duly executed in favour of the group.
- 2.6 Capital-work-in progress ageing schedule:

(₹ in Lakhs)

Particulars	As at 31.03.2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital Work in progress	31.03.2021	467.91	96.78	-	-	564.69
		342.75	-	-	-	342.75

- 2.7 Capital-work-in progress, whose completion is overdue or has exceeded its cost compare to its original plan : None ( P.Y. None)
- 2.8 Capital-work-in progress, project temporarily suspended : None ( P.Y. None)
- 2.9 No Proceeding against the Group has been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988(45 of 1988) and rules made thereunder.
- 2.10 Revaluation of Property Plant & Equipment, Rights of Use Assets and Intangible Assets : NIL ( P.Y. NIL)
- 2.11 Land classified as held for sale are the assets available for sale in its present condition and management is expected to conclude the sale within a period of 12 months of the Balance Sheet date and measured at the lower of its carrying value or fair value less cost of sale.

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

Note 3: INVESTMENTS	Nos.	Face Value	Non-Current	
			As at 31.03.2022	As at 31.03.2021
Investments in Equity Instruments:				
Unquoted Equity Shares (Fully Paid up)				
i) Joint Venture (Note 39)				
- R R Imperial Electricals Limited- Bangladesh (10%)	63,40,244	Taka 10	<b>618.09</b>	490.15
ii) Other Entity				
- R R Kabel Limited	3,41,120	₹ 10	<b>5,949.13</b>	3,175.82
(measured at fair value and designated as FVOCI)				
- The Saraswat Co-operative Bank Limited	2,500	₹ 10	<b>0.25</b>	0.25
(measured at fair value and designated as FVTPL)				
Investments in Quoted Mutual Funds			-	46.30
(measured at fair value and designated as FVTPL)				
			<b>6,567.47</b>	3,712.52
Aggregate amount of quoted investments at fair value			-	46.30
Aggregate amount of unquoted investments at fair value			<b>5,949.38</b>	3,176.07
Aggregate value of impairment in value of investments			-	-

3.1 For estimated amount of capital commitments - Note 30 B (ii)

3.2 The Board of Directors of the Parent has agreed to provide the Corporate Guarantee to the subsidiary Epavo Electricals Private Limited for an amount of ₹ 2,500/- Lakhs (P.Y. NIL) for the purpose of availing lending facilities from the banks for the purpose of business of the subsidiary. However, no guarantee has been executed by the Parent as on reporting date.

3.3 Guarantees are issued by the Parent in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder. Details of guarantees issued and outstanding refer Note 30.2.

3.4 The Group has complied with the provision of section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layer) Rules, 2017.

3.5 The Group has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

3.6 Investments are held in the name of the Group and its nominees. The Group has not pledged its investments to raised loans.

3.7 Information on financial information, Company's ownership interest and other information's of subsidiaries and joint venture - Note 39 of the Consolidated Financial Statements.

**(₹ in Lakhs)**

Note 4A: LOANS	Non-Current	
	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>		
Loan to Employees	<b>9.99</b>	0.92
	<b>9.99</b>	0.92

**(₹ in Lakhs)**

Note 4B: LOANS	Current	
	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>		
Loan to Employees	<b>31.12</b>	15.93
	<b>31.12</b>	15.93

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

4.1 Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013 - as per the Standalone Financial Statement :

4.1.1. Amount of loans/ advances in the nature of loans to Subsidiaries & Joint Venture

(₹ in Lakhs)

Particulars	Due on	Interest Rate	Percentage	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>					
<b>Subsidiary</b>					
Epavo Electricals Private Limited	August, 2024 to March, 2025	10% p.a.	100%	800.00	-
				800.00	-

4.1.2 Maximum Outstanding Loans

(₹ in Lakhs)

	2021-22	2020-21
Epavo Electricals Private Limited	800.00	-

4.1.3. Details of investments made and outstanding are given in Note 3 and Note 39.

4.2 Loans or advances to Promoters, Directors & KMPs : NIL (P.Y. NIL).

4.3 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security of the like to or on behalf of the Ultimate Beneficiaries.

4.4 The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(₹ in Lakhs)

Note 5A: OTHER FINANCIAL ASSETS	Non-Current	
	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>		
Electricity & Other Deposits	7.78	7.93
Security Deposits	9.11	20.73
Term Deposits with bank held as margin money or security against Borrowing, Guarantees or other Commitments having maturity more than 12 months	47.68	0.55
	64.57	29.21

(₹ in Lakhs)

Note 5B: OTHER FINANCIAL ASSETS	Current	
	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good :</b>		
Security Deposits	11.00	3.50
Interest accrued on term deposits held as margin money or security against Borrowing, Guarantees or other Commitments	4.08	3.44
Forward Exchange Contracts (Net)	28.10	-
Others	79.41	38.03
	122.59	44.97

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

<b>Note 6: INCOME TAX ASSETS (NET)</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Advance payment of Income Tax (net)	<b>46.87</b>	56.09
	<b>46.87</b>	56.09

**(₹ in Lakhs)**

<b>Note 7A: OTHER ASSETS</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Unsecured, Considered good :</b>		
Capital Advances	<b>222.86</b>	285.81
Other Advances :		
Balances with government authorities		
Cenvat Credit Receivable	<b>29.40</b>	37.04
VAT Receivable (Note 30)	<b>129.76</b>	372.73
Advance receivable in cash or in kind	<b>17.16</b>	7.36
	<b>399.18</b>	702.94

**(₹ in Lakhs)**

<b>Note 7B: OTHER ASSETS</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Unsecured, Considered good :</b>		
Other Advances :		
Balances with government authorities		
GST Receivable	<b>445.89</b>	647.10
Export Incentives Receivable	<b>87.02</b>	133.88
Excise Duty Refundable	<b>19.26</b>	19.26
Advance receivable in cash or in kind	<b>262.75</b>	185.81
Advances to Suppliers	<b>1,365.08</b>	617.41
Advance to Employees (net)	<b>0.99</b>	0.51
	<b>2,180.99</b>	1,603.97

**(₹ in Lakhs)**

<b>Note 8: INVENTORIES</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Raw Materials	<b>2,831.94</b>	1,609.37
Raw Material-in-Transit	-	79.02
Work-in-Progress	<b>2,998.37</b>	4,592.20
Work-in-Progress (product under development)	<b>18.19</b>	-
Finished Goods	<b>962.51</b>	1,949.45
Finished Goods-in-Transit	<b>5,206.35</b>	4,623.30
Stock in Trade	<b>7.46</b>	36.13

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Note 8: INVENTORIES	Current	
	As at 31.03.2022	As at 31.03.2021
Others:		
Packing Materials	178.25	136.03
Scrap	24.64	57.57
Scrap (product under development)	5.65	-
Consumable Stores & Spares	337.66	250.00
Fuel	14.55	11.22
	<b>12,585.57</b>	<b>13,344.29</b>

8.1 The cost of inventories recognised as an expense during the year is disclosed in Note 24 and 25.

8.2 The cost of inventories written down during the year: NIL (P.Y. NIL).

8.3 The inventories are hypothecated as the security as disclosed in Note 13.3, 13.4 &amp; 13.5.

(₹ in Lakhs)

Note 9: TRADE RECEIVABLES	Current	
	As at 31.03.2022	As at 31.03.2021
Secured - considered good	220.41	717.56
Unsecured - considered good	31,193.20	27,690.74
Unsecured - credit impaired	63.33	178.37
Unsecured - significant increase in credit risk	-	363.23
	<b>31,476.94</b>	<b>28,949.90</b>
Less: Allowance for credit impaired (doubtful debts)	63.33	178.37
Less: Allowance for significant increase in credit risk (doubtful debts)	-	363.23
	<b>31,413.61</b>	<b>28,408.30</b>

(₹ in Lakhs)

9.1 Due from Directors, Firm or Private Limited Company	As at 31.03.2022	As at 31.03.2021
Due from Directors or other officers of the Company	-	-
Due from a Private Company in which two of the Directors of the Parent Company are Director	0.09	-
Due from a Firm in which a Director is a Partner	-	179.53

(₹ in Lakhs)

9.2 The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:	As at 31.03.2022	As at 31.03.2021
At the beginning of the year	541.60	579.52
Provision/ ( Provision Reversal ) for the year (net)	(46.28)	(73.41)
Bad debts written off (net)	431.99	211.33
At the end of the year	<b>63.33</b>	<b>541.60</b>



## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- 9.3 Trade Receivables are generally non-interest bearing with credit period of 60 days to 90 days.
- 9.4 The Parent has arranged channel financing facility for its customers from banks and a financial Institution against which a sum of ₹ 5,052.26 Lakhs (P.Y. ₹ 5,219.45 Lakhs) has been received (net of advances) as on the date of balance sheet and correspondingly the trade receivables stand reduced by the said amount. Also refer Note 30.2.
- 9.5 Trade receivables have been pledged as a security against secured borrowing from lenders, the terms related to the same disclosed in Note 13.3, 13.4 & 13.5.
- 9.6 The Group exposure to credit risk, currency risk and market risk related to trade receivables are disclosed in Note 37(C).
- 9.7 Accounting policies on financial instruments - Note 1(C)(viii)
- 9.8 Unbilled receivables NIL (P.Y. NIL), hence the same is not disclosed in the ageing schedule below.

### 9.9 Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					31.03.2022
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Secured	220.41	-	-	-	-	220.41
Unsecured	-	-	-	-	-	-
Undisputed- considered good	31,046.36	117.69	18.61	10.54	-	31,193.20
Undisputed- significant increase in credit risk	-	-	-	-	-	-
Undisputed- credit impaired	26.12	3.29	3.00	30.92	-	63.33
Disputed- considered good	-	-	-	-	-	-
Disputed- significant increase in credit risk	-	-	-	-	-	-
Disputed- credit impaired	-	-	-	-	-	-
Less :- Impairment allowance for Trade Receivables						63.33
<b>Total Trade Receivables</b>						<b>31,413.61</b>

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					31.03.2021
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Secured	717.56	-	-	-	-	717.56
Unsecured	-	-	-	-	-	-
Undisputed- considered good	27,216.72	190.79	153.28	129.95	-	27,690.74
Undisputed- significant increase in credit risk	24.98	-	338.25	-	-	363.23
Undisputed- credit impaired	14.66	4.27	56.89	91.31	11.24	178.37
Disputed- considered good	-	-	-	-	-	-
Disputed- significant increase in credit risk	-	-	-	-	-	-
Disputed- credit impaired	-	-	-	-	-	-
Less :- Impairment allowance for Trade Receivables						541.60
<b>Total Trade Receivables</b>						<b>28,408.30</b>

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

(₹ in Lakhs)

Note 10A: CASH AND BANK BALANCES	Non-Current	
	As at 31.03.2022	As at 31.03.2021
<b>Other Balance with Banks</b>		
Term Deposits held as Margin money or security against Borrowing, Guarantees or other Commitments having maturity more than 12 months	47.48	0.25
Less: Amount included under the head Other Financial Assets	47.48	0.25
	-	-

(₹ in Lakhs)

Note 10B: CASH AND BANK BALANCES	Current	
	As at 31.03.2022	As at 31.03.2021
<b>(A) Cash &amp; Cash Equivalents</b>		
(a) Balance with Banks		
Over Drawn / Current Accounts	970.93	392.32
Deposits with original maturity of less than 3 months (Note 10.1)	500.00	-
Cheques, draft on hand	-	-
(b) Cash on hand	2.22	5.44
	1,473.15	397.76
<b>(B) Other Balances with Banks</b>		
(a) Unclaimed Dividend Accounts (Note 10.2)	28.35	29.37
(b) Term deposits held as margin money or security against Borrowing, Guarantees or other Commitments having original maturity of more than 3 months and less than 12 months	126.17	65.15
	154.52	94.52

10.1 Deposits with maturity of 7 days to 10 days.

10.2 Balances can be utilised only towards settlement of unclaimed dividend.

(₹ in Lakhs)

Note 11: EQUITY SHARE CAPITAL	As at 31.03.2022	As at 31.03.2021
<b>Authorised Capital</b>		
3,00,00,000 Equity Shares of ₹ 5/- each	1,500.00	1,500.00
<b>Issued, Subscribed and Paid Up Capital</b>		
2,20,00,000 Equity Shares of ₹ 5/- each fully paid-up	1,100.00	1,100.00
	1,100.00	1,100.00

### 11.1 Reconciliation of Equity Shares outstanding at the beginning & at the end of the year

Fully Paid up Equity Shares	As at 31.03.2022		As at 31.03.2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
As at the beginning of the year	2,20,00,000	1,100.00	2,20,00,000	1,100.00
Add/(Less):- Change during the year	-	-	-	-
As at the end of the year	2,20,00,000	1,100.00	2,20,00,000	1,100.00

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### 11.2 Details of Shareholders holding more than 5% Equity Shares of the parent #

Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Ram Ratna Research & Holdings Private Limited	34,00,000	15.45	34,00,000	15.45
Mahendrakumar Kabra	18,67,966	8.49	18,67,966	8.49
TMG Global FZCO	14,00,000	6.36	14,00,000	6.36
Rameshwarlal Kabra - As Karta of Rameshwarlal Kabra (HUF)	12,41,000	5.64	12,41,000	5.64

# As per the records of the company, including its register of members

### 11.3 Details of Shares held by Promoters

Refer Note 11.3 of the Standalone Financial Statements for disclosures on shares held by the Promoters of the Parent Company.

### 11.4 Terms/ rights attached to Equity Shares

The Parent has only one class of shares referred to as equity shares having face value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend.

As per the Companies Act, 2013 the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts in the event of the liquidation of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

11.5 There were no buy back of shares or issue of bonus shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years immediately preceding the reporting date.

11.6 The Board of Directors of the Parent have proposed a dividend of ₹ 5/- per equity share of face value of ₹ 5/- each for the year ending 31<sup>st</sup> March, 2022 (P.Y. ₹ 1/- per equity share) subject to approval of members at the ensuring Annual General Meeting.

### 11.7 Details of Dividend

Particulars	For the year	BOD Approval Date	AGM Approval Date	% of Face Value of ₹ 5/-	Amount
Dividend on Equity Shares	2020-21	29.06.2021	17.09.2021	20%	2,20,00,000
	2019-20	29.07.2020	24.09.2021	10%	1,10,00,000

(₹ in Lakhs)

Note 12: OTHER EQUITY	Reserves and Surplus			Equity Instruments through OCI	Foreign Currency Translation Reserve	Total attributable to Owners of the Company	Non Controlling Interest
	Security Premium	General Reserve	Retained Earnings				
<b>Balance as at 1<sup>st</sup> April, 2020 (A)</b>	763.20	513.00	13,722.02	1,683.51	95.57	16,777.30	663.05
Additions during the year:							
Non Controlling Interest as on date of acquisition/investment	-	-	-	-	-	-	104.26
Profit for the year	-	-	1,490.05	-	-	1,490.05	82.51
Add/(Less): Items of OCI for the year, net of tax :							
Exchange difference arising on translation of foreign operation	-	-	-	-	(13.41)	(13.41)	-
Remeasurement benefit of defined benefits plans	-	-	35.27	-	-	35.27	2.54
Net fair value loss on investment in equity instruments through OCI	-	-	-	746.69	-	746.69	-
<b>Total Comprehensive Income For the year 2020-21 (B)</b>	-	-	1,525.32	746.69	(13.41)	2,258.60	189.31
Reductions during the year							
Dividends	-	-	(110.00)	-	-	(110.00)	-
<b>Total (C)</b>	-	-	(110.00)	-	-	(110.00)	-
<b>Balance as at 31<sup>st</sup> March, 2021 (D) = (A + B + C)</b>	763.20	513.00	15,137.34	2,430.20	82.16	18,925.90	852.36
Additions during the year:							
Profit for the year	-	-	5,218.72	-	-	5,218.72	198.93
Add/(Less): Items of OCI for the year, net of tax :							
Exchange difference arising on translation of foreign operation	-	-	(17.75)	-	8.46	8.46	-
Remeasurement benefit of defined benefits plans	-	-	-	-	-	(17.75)	0.70
Net fair value gain on investment in equity instruments through OCI	-	-	-	2,127.91	-	2,127.91	-
<b>Total Comprehensive Income For the year 2021-22 (E)</b>	-	-	5,200.97	2,127.91	8.46	7,337.34	199.63
Reductions during the year							
Dividend	-	-	(220.00)	-	-	(220.00)	-
<b>Total (F)</b>	-	-	(220.00)	-	-	(220.00)	-
<b>Balance as at 31<sup>st</sup> March, 2022 (D + E + F)</b>	763.20	513.00	20,118.31	4,558.11	90.62	26,043.24	1,051.99

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### 12.1 Security Premium

Security premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### 12.2 General Reserve

General Reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. Under the Companies Act, 2013 there is no mandatory requirement for transfer of a specific percentage of net profit to general reserve which was required under the erstwhile Companies Act, 1956.

### 12.3 Equity Instruments through Other Comprehensive Income (OCI)

This represents the cumulative gains/(losses) arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, it will be reclassified to retained earnings when such assets are disposed off.

### 12.4 Foreign Currency Translation Reserve

Exchange differences relating to the translation of the results and net assets of Joint Venture from their functional currencies to the Parent Presentation currency (i.e. ₹) are recognised directly in the Other Comprehensive Income and accumulated in Foreign Currency Translation Reserve.

(₹ in Lakhs)

Note 13A: BORROWINGS	Non-Current	
	As at 31.03.2022	As at 31.03.2021
<b>Secured</b>		
Term Loans from Bank		
Rupee Loans	7,025.63	6,286.01
Vehicle Loans	193.28	34.74
<b>Unsecured</b>		
Loan from Directors	2,395.73	2,299.59
Loan from Promoters & Relatives	825.28	661.69
Inter Corporate Loans	830.00	1,314.00
	<b>11,269.92</b>	<b>10,596.03</b>

(₹ in Lakhs)

Note 13B: BORROWINGS	Current	
	As at 31.03.2022	As at 31.03.2021
<b>Secured</b>		
Working Capital Loans from Banks		
Rupee Loans		
Short Term	6,989.00	14,286.00
Repayable on demand	3,287.36	3,184.90
<b>Unsecured</b>		
Working Capital Loans from Banks		
Rupee Loans		
Short Term	3,300.00	5,831.00
<b>Current maturities of long term borrowings</b>		
Rupee Loans (Note 13.1)	2,043.71	2,169.44
Vehicle Loans (Note 13.2)	43.67	15.52
	<b>15,663.74</b>	<b>25,486.86</b>

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>Note 13.1: Term Loans</b>	<b>Rate of Interest</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Term Loan I	MCLR+ 0.95%	-	774.04
Term Loan II	MCLR+ 0.95%	-	746.09
Term Loan III	MCLR+ 0.95%	-	147.10
Term Loan IV - 7 Quarterly Installments	MCLR+ 0.80%	1,661.29	2,610.17
Term Loan V - 48 Monthly Installments	EBLR+ 0.00%	3,578.05	3,578.05
Term Loan VI - 48 Monthly Installments	REPO+ 2.00%	3,000.00	-
Term Loan VII - 48 Monthly Installments	REPO+ 3.30%	600.00	600.00
Term Loan VIII - 60 Monthly Installments	EBLR+ 0.75%	230.00	-
		<b>9,069.34</b>	8,455.45
Less : Current maturities of long term borrowing under "Other Financial Liabilities" (Note 13B)		<b>2,043.71</b>	2,169.44
		<b>7,025.63</b>	6,286.01

(₹ in Lakhs)

<b>Note 13.2: Vehicle Loans</b>	<b>Rate of Interest</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Vehicle Loan - I - 7 Monthly Installment	8.85% p.a.	2.53	6.58
Vehicle Loan - II - 29 Monthly Installment	9.20% p.a.	32.21	43.68
Vehicle Loan - III - 56 Monthly Installment	7.25% p.a.	19.16	-
Vehicle Loan - IV - 58 Monthly Installment	7.25% p.a.	17.00	-
Vehicle Loan - V - 59 Monthly Installment	7.25% p.a.	19.13	-
Vehicle Loan - VI - 46 Monthly Installment	9.90% p.a.	105.48	-
Vehicle Loan - VII - 59 Monthly Installment	6.85% p.a.	41.44	-
		<b>236.95</b>	50.26
Less : Current maturities of long term borrowing under "Other Financial Liabilities" (Note 13B)		<b>43.67</b>	15.52
		<b>193.28</b>	34.74

**13.3 (i) The Term Loan IV of the Parent is secured by:**

- First pari passu charge on immovable assets of the Parent located at Survey No. 212/2 and Survey No 316 at Dadra, Silvassa, Survey No. 16/1 at Village Sayli, Silvassa and Survey No. 205, 206, 207/1, 207/2, 193/1, 193/2 and 327/2/P2 at Waghodia, Dist. Vadodara.
- First pari passu charge on both present and future movable assets (except vehicles) of the Parent.
- Second pari passu charge on entire current assets of the Parent both present and future.
- Personal guarantees of Chairman and Managing Director of the Parent and their relative.

**(ii) The Term Loan V & VI of the Parent are secured by**

- Primary Guarantee of National Credit Guarantee Trustee Limited and approved under ECLGS scheme.
- Second pari passu charge on immovable assets of the Parent located at Survey No. 212/2 and Survey No 316 at Dadra, Silvassa, Survey No. 16/1 at Village Sayli, Silvassa and Survey No. 205, 206, 207/1, 207/2, 193/1, 193/2 and 327/2/P2 at Waghodia, Dist. Vadodara.
- Second pari passu charge on both present and future movable assets (except vehicles) of the Parent.
- Second pari passu charge on entire current assets of the Parent both present and future.

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- e) Charge has not been created and registered in respect of Term Loan VI, pending the execution of necessary documents. (Note 13.10)

### (iii) The Term Loan VII of Group's subsidiary - Global Copper Private Limited is secured by :-

- a) Primary Guarantee of National Credit Guarantee Trustee Limited and approved under ECLGS scheme.
- b) Second pari passu charge on both present and future movable assets (except vehicles) of GCPL, land and building located at Survey No. 65-66, Village - Garadia Jarod Samlaya Road, TA, Savli, Vadodara.
- c) Second pari passu charge on entire current assets both present and future of GCPL.
- d) Personal guarantees of some of the Directors of GCPL.

### (iv) The Term Loan VIII of Group's subsidiary - Global Copper Private Limited (GCPL) is secured by :-

- a) Primary Guarantee of National Credit Guarantee Trustee Limited and approved under ECLGS scheme.
- b) Second pari passu charge on both present and future movable assets (except vehicles) of GCPL, land and building located at Survey No. 65-66, Village - Garadia Jarod Samlaya Road, TA, Savli, Vadodara.
- c) Second pari passu charge on entire current assets both present and future of GCPL.
- d) Personal guarantees of some of the Directors of GCPL.

### 13.4 The Working Capital Loans of the Parent of ₹ 7,055.80 Lakhs (P.Y. ₹ 15,539.36 Lakhs) are secured by:

- a) First pari passu charge on entire current assets of the Parent both present and future.
- b) Second pari passu charge on immovable assets of the Parent located at Survey No. 212/2 and Survey No 316 at Dadra, Silvassa, Survey No. 16/1 at Village Sayli, Silvassa and Survey No. 205, 206, 207/1, 207/2, 193/1, 193/2 and 327/2/P2 at Waghodia, Dist. Vadodara and both present and future movable assets (except vehicles) of the Company.
- c) Personal guarantees of Chairman and Managing Director of the Company and their relative.

### 13.5 The Working Capital Loans of Group's subsidiary - GCPL of ₹ 3,220.56 Lakhs (P.Y. ₹ 1,931.54 Lakhs) are secured by:

- a) First pari passu charge on entire current assets of GCPL both present and future.
- b) Second pari passu charge on immovable assets of GCPL located Survey No. 65-66, Village - Garadia Jarod Samlaya Road, TA, Savli, Vadodara.
- c) Personal guarantees of some of the Directors of GCPL.

13.6 Personal guarantees have been given by the Chairman & Managing Director of the Parent and their relative for unsecured working capital loans from banks availed by the Parent.

13.7 Vehicle loans are secured by way of hypothecation of specific vehicle.

13.8 Other Unsecured Loans carry interest rates from 9% to 11% with different tenures.

13.9 Charges in respect of secured borrowings of the Parents have been created in favour of Security Trustee and no separate charge has been created for each of the secured borrowings.

13.10 All the charges were registered with the Registrar of Company within the statutory period, except creation of charge in respect of Term Loan VI pending the execution of documents.

13.11 Loans availed during the year have been applied for the purpose for which they have availed. The group has not taken any loan from any entity or person on account of or to meet the obligation of its subsidiaries and joint venture.

13.12 Quarterly Returns / stock statements of the current assets filed by the Group with its bankers are in agreement with the books of accounts.

13.13 Fund raised on short term basis have not been utilised for long term purpose.

13.14 Default in terms of repayment of Principal and Interest - NIL (P.Y. NIL).

13.15 The Parent and subsidiaries have not been declared as Wilful Defaulter by bank or financial institution or other lender or government authority.



**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

<b>Note 14A: LEASE LIABILITIES</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Lease Liabilities (Note 41)	<b>23.90</b>	6.93
	<b>23.90</b>	6.93

**(₹ in Lakhs)**

<b>Note 14B: LEASE LIABILITIES</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Lease Liabilities (Note 41)	<b>9.31</b>	23.01
	<b>9.31</b>	23.01

**(₹ in Lakhs)**

<b>Note 15A: OTHER FINANCIAL LIABILITIES</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Other Payable	<b>18.72</b>	-
	<b>18.72</b>	-

**(₹ in Lakhs)**

<b>Note 15B: OTHER FINANCIAL LIABILITIES</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Investor Education &amp; Protection Fund</b>		
Unclaimed dividends*	<b>28.35</b>	29.37
<b>Other Payables :</b>		
Interest accrued and due	<b>72.71</b>	123.03
Interest accrued but not due	<b>36.73</b>	-
Accrued Salary & Benefits **	<b>481.02</b>	239.84
Creditors for Expenses	<b>1,122.02</b>	850.30
Forward Exchange Contracts (Net)	-	19.90
Creditors for Capital Expenditure	<b>101.77</b>	84.14
Other Payable	<b>10.98</b>	13.99
	<b>1,853.58</b>	1,360.57

\* There is no amount due and outstanding to be transferred to the Investor Education & Protection Fund (IEPF) as at 31<sup>st</sup> March, 2022. Unclaimed Dividends, shall be transferred to IEPF as and when they become due.

\*\* Includes amount of ₹ 209.47 Lakhs (P.Y. ₹ 0.56 Lakhs) payable to the Managing Director of the Parent on account of Commission on profit.

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

<b>Note 16A: PROVISIONS</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Provision for Employee Benefits</b>		
- Leave Encashment	<b>85.60</b>	81.25
- Gratuity	<b>2.31</b>	-
	<b>87.91</b>	81.25

**(₹ in Lakhs)**

<b>Note 16B: PROVISIONS</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Provision for Employee Benefits</b>		
- Leave Encashment	<b>27.47</b>	23.09
- Gratuity	<b>1.74</b>	0.83
<b>Others</b>	<b>113.07</b>	-
	<b>142.28</b>	23.92

**(₹ in Lakhs)**

<b>Note 17: INCOME TAXES</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>A. The major components of income tax expenses for the year are as under :</b>		
<b>(i) Income Tax Expenses recognised in the Statement of Profit &amp; Loss</b>		
(a) Current Tax :		
In respect of current year	<b>1,741.43</b>	550.85
Short provision of earlier years	<b>13.57</b>	5.15
(b) Deferred Tax :		
In respect of current year	<b>84.62</b>	(13.09)
	<b>1,839.62</b>	542.91
<b>(ii) Income tax expenses recognised in the OCI</b>		
<b>Deferred Tax :</b>		
Deferred Tax on fair value of equity instruments through OCI	<b>645.40</b>	218.68
Deferred Tax on remeasurements of defined benefit plans	<b>(5.60)</b>	13.04
	<b>639.80</b>	231.72
<b>B. Reconciliation of estimated income tax expenses and the accounting profit for the year is as under:</b>		
Profit before tax	<b>7,137.79</b>	2,083.83
Statutory Income Tax rates in India	<b>25.168%/27.82%</b>	25.168%/27.82%
Expected Income tax expense at statutory income tax rate	<b>1,879.48</b>	549.03
Tax effect on non deductible expenses	<b>(83.83)</b>	63.89
Effect of income that is exempted from tax	<b>(0.19)</b>	(0.85)
Others	<b>(54.03)</b>	(61.22)
Current Tax expense as per Statement of Profit and Loss for the year	<b>1,741.43</b>	550.85

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>C: The major components of deferred tax liabilities/ (assets) are as follows:</b>	<b>As at 31.03.2021</b>	<b>Profit and Loss 2021-22</b>	<b>OCI 2021-22</b>	<b>As at 31.03.2022</b>
<b>Deferred Tax Liabilities</b>				
Difference between written down value/ capital work in progress of property, plant & equipment and intangible assets as per the books of accounts & Income Tax Act, 1961	888.09	(47.63)	-	840.46
Others	17.08	19.98	-	37.06
Difference in carrying value and tax base of investments in equity measured at FVTOCI	723.51	-	645.40	1,368.91
<b>Deferred Tax Assets</b>				
Provision for expenses allowed for tax purpose on payment basis (net)	(56.54)	(11.92)	-	(68.46)
Allowance for doubtful debts	(136.39)	119.64	-	(16.75)
Unused tax losses	(101.11)	45.64	-	(55.47)
Unused tax credits (MAT)	(153.14)	2.30	-	(150.84)
Difference in Right-of-use asset and lease liabilities	(0.90)	0.51	-	(0.39)
Deposit	(0.04)	0.02	-	(0.02)
Others	1.57	(43.92)	-	(42.35)
Remeasurement benefit of defined benefit plans	(11.34)	-	(5.60)	(16.94)
Deferred Tax Expenses/ (benefit)		84.62	639.80	
Net Deferred Tax Liabilities	1,170.79			1,895.21

17.1 Details of transaction not recorded in the books of accounts that has been surrendered/ disclosed as income during the year in the tax assessments (e.g. search) NIL (P.Y. NIL).

17.2 The group does not have any unrecorded income and assets related to previous years which are required to be recorded during the year.

(₹ in Lakhs)

<b>Note 18: DEFERRED INCOME</b>	<b>Non-Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Grants Related to property, plant & equipment	28.17	21.88
	28.17	21.88

18.1 Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Group is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Group would be required to pay the duty saved along with interest to the regulatory authorities. Such grants are recognised in the statement of profit and loss based on fulfilment of related export obligations.

(₹ in Lakhs)

<b>Note 19: TRADE PAYABLES</b>	<b>Current</b>	
	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Trade Payables</b>		
Micro & Small Enterprises	91.04	103.55
Others	11,878.12	4,374.76
	11,969.16	4,478.31

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

19.1 Includes Amount of ₹ 8,228.94 Lakhs (P.Y. ₹ 3,259.60 Lakhs) paid to suppliers through usance letter of credit issued by the bank under non-fund based working capital limits to the Parent. The Parent continue to recognise the liability till the settlement with the banks which are normally effected within a period of 60 days.

19.2 Unbilled Trade Payable NIL ( P.Y. NIL), hence the same is not disclosed in the ageing schedule below.

### 19.3 Trade Payables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment				As at 31.03.2022
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	66.05	-	-	-	66.05
Undisputed- Others	11,878.12	-	-	-	11,878.12
Disputed- MSME	24.99	-	-	-	24.99
Disputed- Others	-	-	-	-	-

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment				As at 31.03.2021
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	103.55	-	-	-	103.55
Undisputed- Others	4,373.38	1.38	-	-	4,374.76
Disputed- MSME	-	-	-	-	-
Disputed- Others	-	-	-	-	-

19.4 Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) (Note 42)

(₹ in Lakhs)

Note 20: OTHER LIABILITIES	Current	
	As at 31.03.2022	As at 31.03.2021
<b>Revenue Received in advance</b>		
Contract Liabilities (Note 38)	184.06	302.40
<b>Statutory Taxes/ dues Payable</b>		
Towards Provident Fund and Professional Tax	23.13	21.90
Towards TDS/TCS Payable	73.08	52.63
Towards Goods and Service Tax	0.91	19.17
<b>Others</b>	7.36	-
	<b>288.54</b>	<b>396.10</b>

(₹ in Lakhs)

Note 21: INCOME TAX LIABILITIES (NET)	Current	
	As at 31.03.2022	As at 31.03.2021
Provision for Income Tax (net of Advance Tax)	94.90	93.34
	<b>94.90</b>	<b>93.34</b>

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

<b>Note 22: REVENUE FROM OPERATIONS</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Sale of Products</b>	<b>2,28,225.87</b>	1,51,479.51
<b>Other Operating Revenues :</b>		
Sale of Scrap	<b>561.69</b>	1,061.72
Processing Charges	<b>13.67</b>	2.12
Export Incentive (net)	-	74.40
Grant related to property, plant & equipment (EPCG)	<b>45.15</b>	75.51
Bad Debts Recovered	<b>11.00</b>	1.00
	<b>2,28,857.38</b>	1,52,694.26

**(₹ in Lakhs)**

<b>Note 23: OTHER INCOME</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Interest Income on Financial assets carried at amortised cost</b>		
Bank Deposits	<b>16.30</b>	6.49
Others	<b>144.24</b>	132.25
<b>Dividend Income</b>		
Dividend from unquoted equity investments	<b>34.16</b>	-
<b>Sundry Balances Written Back</b>	<b>35.69</b>	7.83
<b>Rent</b>	<b>23.19</b>	23.54
<b>Guarantee Commission</b>	<b>66.65</b>	54.45
<b>Foreign Exchange Gain (Net)</b>	<b>325.60</b>	-
<b>Miscellaneous Income</b>	<b>20.56</b>	48.10
	<b>666.39</b>	272.66

**(₹ in Lakhs)**

<b>Note 24: COST OF MATERIALS CONSUMED</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Raw Materials Consumption</b>		
Copper	<b>1,94,301.90</b>	1,32,865.44
Others	<b>8,482.82</b>	6,214.92
Packing Materials	<b>1,604.07</b>	1,347.05
	<b>2,04,388.79</b>	1,40,427.41

24.1 For determination of cost (Note 1(c)(vii))

**(₹ in Lakhs)**

<b>Note 25: CHANGE IN INVENTORIES</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Inventories at the end of the year:</b>		
Finished Goods	<b>962.51</b>	1,949.45
Finished Goods in Transit	<b>5,206.35</b>	4,623.30
Stock in Trade	<b>7.46</b>	36.13
Work-in-Progress	<b>2,998.37</b>	4,592.20
Scrap	<b>24.64</b>	57.57
<b>(A)</b>	<b>9,199.33</b>	11,258.65

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

<b>Note 25: CHANGE IN INVENTORIES</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Less:- Inventories at the beginning of the year</b>		
Finished Goods	<b>1,949.45</b>	2,897.92
Finished Goods in Transit	<b>4,623.30</b>	1,486.75
Stock in Trade	<b>36.13</b>	243.72
Work-in-Progress	<b>4,592.20</b>	2,394.79
Scrap	<b>57.57</b>	80.03
<b>(B)</b>	<b>11,258.65</b>	7,103.21
<b>(B-A)</b>	<b>2,059.32</b>	(4,155.44)

**(₹ in Lakhs)**

<b>Note 26: EMPLOYEE BENEFITS EXPENSE</b>	<b>2021-22</b>	<b>2020-21</b>
Salaries, Wages and Incentives	<b>3,336.93</b>	2,809.17
Directors' Remuneration*	<b>400.22</b>	121.54
Contributions to -		
Provident Fund (Note 33-B)	<b>149.88</b>	134.96
Gratuity Fund (Note 33-A)	<b>57.81</b>	64.10
Employees' Covid Care	<b>19.46</b>	-
Staff Welfare Expenses	<b>79.21</b>	87.52
	<b>4,043.51</b>	3,217.29

\* Including Commission of ₹ 209.47 Lakhs (P.Y. ₹ 0.56 Lakhs) to Managing Director of the Parent.

**(₹ in Lakhs)**

<b>Note 27: FINANCE COSTS</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Interest on financial liabilities carried at amortised cost</b>		
Interest on Borrowings	<b>2,595.16</b>	2,421.26
Other Borrowing costs	<b>91.20</b>	96.18
Interest on Lease liabilities (Note 41)	<b>2.86</b>	3.35
Interest on Income Tax	<b>20.40</b>	20.11
	<b>2,709.62</b>	2,540.90

**(₹ in Lakhs)**

<b>Note 28: DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>2021-22</b>	<b>2020-21</b>
Depreciation of Property, Plant & Equipment (Note 2A)	<b>1,719.01</b>	1,712.88
Amortisation of Intangible Assets (Note 2D)	<b>25.04</b>	23.19
Depreciation of Right of Use Assets (Note 2F)	<b>24.27</b>	23.51
	<b>1,768.32</b>	1,759.58

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

<b>Note 29: OTHER EXPENSES</b>	<b>2021-22</b>	<b>2020-21</b>
Auditors' Remuneration	48.35	45.90
Bank Charges	47.65	48.48
Consumption of Consumable Stores and Spares	740.62	504.57
Power and Fuel	3,081.33	2,756.43
Freight & Handling Charges	1,357.03	1,140.49
Foreign Exchange Loss (net)	-	2.25
Corporate Social Responsibility Expenses (Note 35.4)	42.50	58.88
Donations (Note 35.4)	63.27	76.10
Insurance	143.34	79.44
Loss on Sale of Property Plant & Equipment	2.70	2.43
Legal & Professional Fees	117.33	113.26
Allowance for doubtful debts		
Allowance provided during the year	30.19	50.00
Amount written off	431.99	211.33
Less: Allowance reversed during the year	(508.46)	(87.92)
Rent	20.40	13.07
Repairs and Maintenance of :		
Buildings	67.54	30.43
Plant and Machinery	383.27	356.83
Others	76.49	54.44
Rates and Taxes	397.08	34.17
Commission on Sales	66.64	57.10
Business Promotion	20.69	11.01
Travelling	75.08	36.55
Miscellaneous Expenses	500.73	272.62
	<b>7,205.76</b>	<b>5,867.86</b>

(₹ in Lakhs)

<b>Note 30 : CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>A. Contingent Liabilities</b>		
i) Claims against the Company not acknowledged as debts (Note 30.1)		
Income Tax Demands	56.55	57.67
Excise & Service Tax Demands	763.03	794.77
Value Added Tax	435.16	84.87
Goods And Service Tax	25.35	-
Gujrat Stamp Act, 1958	22.42	-
<b>B. Commitments</b>		
(i) Estimated amount of contracts remaining to be executed and not provided for - On Capital Account (Net of advance)	200.15	344.58
(ii) Estimated amount of Investment	-	-
(iii) Letter of credit and bank guarantees issued by the banks	9,821.76	4,869.02
(iv) For Lease Commitment (Note 41)	-	-
(v) For derivative contract (Note 36)	-	-



## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- 30.1 The Group is contesting the demands and the management believes that the Group's position will likely to be upheld in the appellate process and accordingly, no provision has been made in the financial statements for the tax demands raised. The management believes that the ultimate outcome of these proceedings will not have material adverse effect on the group's financial position and results of operations.
- 30.2 The amount of Parent's Channel Financing facility utilised by the customers as on the date of balance sheet includes ₹ 4,072.88 Lakhs (P.Y. ₹ 5,278.53 Lakhs) with recourse.
- 30.3 Details of the Jointly Controlled Entity have been disclosed at full value and not to the extent of the Parent interest.

<b>Note 31: CALCULATIONS OF EARNINGS PER SHARE</b>	<b>2021-22</b>	<b>2020-21</b>
Profit after Tax (₹ in Lakhs)	<b>5,218.72</b>	1,490.05
Weighted average number of equity shares outstanding during the year (Nos.)	<b>2,20,00,000</b>	2,20,00,000
Face value of equity share (in ₹)	<b>5.00</b>	5.00
<b>Earnings Per Share</b>		
Basic Earnings Per Share (in ₹)	<b>23.72</b>	6.77
Diluted Earnings Per Share (in ₹)	<b>23.72</b>	6.77

### Note 32 : SEGMENT INFORMATION

- a) Basis of Segmentation :

Factors used to identify the reportable segments:

The Group has following business segments, which are its reportable segments. These segments offer different products which are managed separately because they require different technology and production processes.

<b>Reportable Segment</b>	<b>Operations</b>
Enamelled wires and strips	Manufacturing of Enamelled wires and strips
Copper tubes and pipes	Trading and Manufacturing of Copper tubes and pipes
Other	Manufacturing of BLDC motors for Air conditioner, Hub, HVLS Fans, Submersible Pumps and related Products

Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker.

The measurement principles of segments are consistent with those used in Significant Accounting Policies. Inter-segment transactions are determined on an arm's length basis.

(₹ in Lakhs)

<b>Particulars</b>	<b>2021-22</b>				<b>2020-21</b>			
	<b>Enamelled wires and strips</b>	<b>Copper tubes and pipes</b>	<b>Other</b>	<b>Total</b>	<b>Enamelled wires and strips</b>	<b>Copper tubes and pipes</b>	<b>Other</b>	<b>Total</b>
i) Segment Revenue	<b>2,01,257.33</b>	<b>28,102.49</b>	<b>92.05</b>	<b>2,29,451.87</b>	1,38,698.12	14,536.36	20.88	1,53,255.36
Less :- Inter Segment Revenue from Operation	-	-	-	<b>594.49</b>	-	-	-	561.10
ii) Segment Results	<b>6,629.72</b>	<b>869.16</b>	<b>(241.61)</b>	<b>7,257.27</b>	1,822.30	355.44	(62.27)	2,115.47
iii) Other Information								
a) Segment assets	<b>60,567.53</b>	<b>9,487.24</b>	<b>1,485.80</b>	<b>71,540.57</b>	56,436.68	7,493.36	687.21	64,617.25
b) Segment Liabilities	<b>35,051.97</b>	<b>6,955.39</b>	<b>1,337.98</b>	<b>43,345.34</b>	37,809.02	5,591.09	338.88	43,738.99
c) Capital Expenditure	<b>1,292.77</b>	<b>355.36</b>	<b>394.98</b>	<b>2,043.11</b>	715.60	227.71	304.88	1,248.19
d) Right to use Assets	<b>28.89</b>	-	-	<b>28.89</b>	12.95	-	-	12.95
e) Depreciation and Amortisation Expenses	<b>1,622.54</b>	<b>124.34</b>	<b>21.44</b>	<b>1,768.32</b>	1,640.92	116.49	2.17	1,759.58

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

b) Revenue from external Customers:

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>Sale of Products</b>		
- India	2,08,365.42	1,39,035.43
- Outside India	19,860.44	12,444.08
Processing Charges	13.67	2.12
Sale of Scrap	561.69	1,061.72
<b>Total</b>	<b>2,28,801.23</b>	<b>1,52,543.35</b>

c) All non current assets of the Group are located in India.

d) There is no transaction with single external customer which amounts to 10% or more of the Group's revenue.

**Note 33 : EMPLOYEE BENEFITS**
**A) Defined Benefit Plan- Gratuity**

The Employees' Gratuity Fund Scheme, is a defined benefit plan. The scheme is maintained and administered by Life Insurance Corporation of India (LIC) separately for each entity in the Group to which they make periodical contributions. Under the scheme, every employee who has completed at least five years of service usually gets gratuity on departure @ 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. One of the subsidiaries has till the date of this report not maintained the fund.

The following table summarises the components of net benefits expense recognised in the consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet :

(₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
<b>i) Change in Defined Benefit Obligation</b>		
Obligation at the beginning of the year	500.33	479.62
Current Service Cost	62.15	67.06
Interest Cost	32.10	30.79
Past Service Cost	-	-
Benefits Paid	(34.74)	(23.49)
Remeasurement losses/ (gains)	20.94	(53.65)
<b>Defined Benefit Obligation at year end</b>	<b>580.79</b>	<b>500.33</b>
<b>ii) Change in Plan Assets</b>		
Fair value of plan assets at the beginning of the year	542.58	498.76
Expected Return on plan assets	36.44	33.75
Employer Contributions	102.04	36.36
Benefits Paid	(34.74)	(23.49)
Remeasurement (losses)/gains	(1.70)	(2.95)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>644.62</b>	<b>542.43</b>
<b>iii) Amount recognized in the Balance Sheet</b>		
Present value of funded defined benefit obligation	578.47	500.33
Present value of non-funded defined benefit obligation	2.31	-
Fair value of plan assets at the end of the year	644.62	542.43
Amount not recognized due to assets limit	-	-
<b>Amount Recognized in the Balance Sheet (Net)</b>	<b>(63.85)</b>	<b>(42.10)</b>

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

Particulars	Gratuity	
	2021-22	2020-21
<b>iv) Expenses recognized in the Statement of Profit and Loss</b>		
<b>Employee Benefits Expense</b>		
Current Service Cost	<b>62.15</b>	67.06
Past Service Cost	-	-
Interest Cost including interest on value of asset ceiling	<b>30.35</b>	30.79
Expected Return on plan assets	<b>(34.69)</b>	(33.75)
<b>(A)</b>	<b>57.81</b>	64.10
<b>Other Comprehensive Income</b>		
Loss/(gain) on plan assets	<b>1.80</b>	2.95
Actuarial (gain)/loss arising from changes in financial assumption	<b>(20.26)</b>	(13.37)
Actuarial (gain)/loss arising from changes in demographic assumption	-	-
Actuarial (gain)/loss arising on account of experience changes	<b>41.10</b>	(40.43)
Actuarial (gain)/loss arising on account of adjustment to recognize the effect of assets ceiling	-	-
<b>(B)</b>	<b>22.65</b>	(50.85)
<b>Expenses recognised in the statement of profit and loss</b>	<b>(A) + (B)</b>	13.25
	<b>As at</b>	<b>As at</b>
	<b>31.03.2022</b>	<b>31.03.2021</b>
<b>v) Investment details</b>		
LIC- Administrator of the plan funds	<b>644.62</b>	542.58
<b>vi) Principal assumption used in determining defined benefit obligation</b>		
Discount rate (per annum)	<b>6.90% - 7.20%</b>	6.50% - 6.85%
Salary escalation rate (per annum)	<b>7.00%</b>	7% - 10%
<b>vii) Sensitivity Analysis</b>		
<b>Increase in 50bps on DBO</b>		
Change in discounting rate	<b>(24.54)</b>	(22.91)
Change in Salary Escalation	<b>25.93</b>	24.55
<b>Decrease in 50bps on DBO</b>		
Change in discounting rate	<b>26.52</b>	24.85
Change in Salary Escalation	<b>(24.23)</b>	(22.85)
<b>viii) Maturity profile of defined benefit obligation</b>		
Within the next 12 months (next annual reporting period)	<b>77.65</b>	63.32
Between 2 and 5 years	<b>142.88</b>	111.15
Between 5 and 10 years	<b>300.34</b>	224.27

- 1 The average duration of the defined benefit plan obligation at the end of the reporting period is 8.84 years to 14.97 years.
- 2 The Group expects to contribute ₹ 41.70 Lakhs to the plan during the next financial year.
- 3 The estimates of rate of escalation in salaries considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- 4 Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

- 5 The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method.

### B) Defined Contribution Plan - Provident fund

The Group makes its contribution along with the share of employees' contribution deducted from salary on monthly basis to Employees' Provident Fund administered by the Central Government. The Group's Contribution is charged to Statement of Profit & Loss. The Group has no obligation for any further contribution in case of any shortfall. The details of contribution are as under :-

(₹ in Lakhs)

Particulars	2021-22	2020-21
Contribution to Provident Fund	149.88	134.96

Includes incentive of ₹ 15.94 Lakhs (P.Y. ₹ 13.99 Lakhs) under Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) & Aatmanirbhar Bharat Rojgar Yojana (ABRY).

### C) Other Employee benefits -Leave Encashment

The employees of the Group are entitled for the compensation in respect of unavailed leave as per the policy of the respective company in the group. The liability towards compensated absences is recognised by the Group based on actuarial valuation carried out using Projected Unit Credit method except in case on one of the subsidiaries on actual basis.

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Amount recognized in the Balance Sheet</b>		
Current Liability	27.47	23.09
Non- Current Liability	85.60	81.25

## Note 34 : FORM AOC-I: Statement containing salient features of the financial statements of Subsidiaries and Joint Ventures (Pursuant to section 129(3) of the Act read with rule 5 of Companies (Accounts) Rules, 2014)

### A) Subsidiaries:

(₹ in Lakhs)

	Global Copper Pvt. Ltd. 01.04.2021 to 31.03.2022	Epavo Electricals Pvt. Ltd. 01.04.2021 to 31.03.2022
i) Name		
ii) Reporting period		
iii) Reporting currency	Indian ₹	Indian ₹
iv) Share capital	107.69	401.00
v) Reserves & surplus	2,426.16	(253.18)
vi) Total liabilities	6,955.39	1,389.05
vii) Total assets	9,489.24	1,536.87
viii) Investments	0.25	-
ix) Turnover	28,102.49	92.05
x) Profit before taxation	869.16	(241.61)
xi) Provision for tax	241.72	41.41
xii) Profit after taxation	627.44	(200.20)
xiii) Proposed dividend	NIL	NIL
xiv) % of shareholding	60%	74%
1. Names of subsidiaries which are yet to commence operations-	NIL	
2. Names of subsidiaries which have been liquidated or sold during the year-	NIL	

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### B) Jointly Venture (Jointly Controlled Entity)

i) Name	<b>RR-Imperial Electricals Ltd.</b>
ii) Latest audited balance sheet date	<b>31.03.2022</b>
iii) Date on which acquired	<b>10% investment on various dates</b>
iv) Shares of Joint Ventures held by the Company as at 31 <sup>st</sup> March, 2022	
No. of Equity shares	<b>63,40,244</b>
Amount of Investment in Joint Venture (₹ in Lakhs) (Cost)	<b>467.72</b>
Extend of Holding %	<b>10%</b>
v) Description of how there is Significant influence :-	<b>Not Applicable</b>
vi) Reason Why Associate/Joint Venture not Consolidated :-	<b>Consolidated</b>
vii) Net worth attributable to Shareholding as per latest audited balance sheet (₹ in Lakhs)	<b>618.09</b>
viii) Profit/(Loss) for the year :-	
Considered in Consolidation (₹ in Lakhs)	<b>119.48</b>
Not Considered in Consolidation	<b>NIL</b>
1. Names of jointly controlled entity which are yet to commence operations- NIL	
2. Names of jointly controlled entity which have been liquidated or sold during the year-NIL	

### Note 35: Disclosure in respect of Related Parties pursuant to Ind AS- 24 "Related Party Disclosures"

List of Related Parties with whom transactions have taken place - (as certified by Management)

#### a) Key Management Personnel

Shri Tribhuvanprasad Kabra	- Chairman
Shri Mahendrakumar Kabra	- Managing Director
Shri Hemant Kabra	- President & CFO (w.e.f. 29 <sup>th</sup> June, 2021)

#### Non Executive Directors

Shri Ramesh Chandak	Shri Upendra Kamath (resigned w.e.f. 09 <sup>th</sup> June, 2021)
Shri Sandeep Jhanwar	Smt. Kirtdevi Kabra (resigned w.e.f. 29 <sup>th</sup> June, 2021)
Shri R. Kannan	Smt. Payal Agarwal (Non-Executive Independent Women Director w.e.f. 30 <sup>th</sup> June, 2021)

#### b) Close Family Members of Key Management Personnel

Shri Rameshwarlal Kabra	- Father of Shri Tribhuvanprasad Kabra & Shri Mahendrakumar Kabra
Smt. Ratnadevi Kabra	- Mother of Shri Tribhuvanprasad Kabra & Shri Mahendrakumar Kabra
Shri Shreegopal Kabra	- Brother of Shri Tribhuvanprasad Kabra & Shri Mahendrakumar Kabra.
Late Smt. Umadevi Kabra	- Wife of Shri Tribhuvanprasad Kabra
Shri Mahhesh Kabra	- Son of Shri Tribhuvanprasad Kabra
Shri Sumeet Kabra	- Son of Shri Mahendrakumar Kabra

#### c) Entities over which Key Management and their close family members are able to exercise significant influence

MEW Electricals Ltd.	R R Kabel Ltd.
Ram Ratna International	Ram Ratna Research & Holdings Pvt. Ltd.
Kabel Buildcon Solutions Pvt. Ltd.	Shreegopal Kabra (HUF)
Ram Ratna Infrastructure Pvt. Ltd.	Rameshwarlal Kabra (HUF)
Pratik Wire & Cable Machines Pvt. Ltd.	Jag-Bid Finvest Pvt. Ltd.
TMG Global Fzco.	Bgauss Auto Pvt Ltd.

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**d) Other Related Party**

Ram Ratna Wires Limited Emp Group  
Gratuity Scheme

- Post Employment Benefit Plan Entity

**Transactions with the related parties in the ordinary course of business (Excluding Reimbursement)**

(₹ in Lakhs)

Particulars	Referred in		Referred in		Referred in	
	(a) above		(b) above		(c) & (d) above	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Purchases: Goods and Services</b>						
R R Kabel Ltd.	-	-	-	-	3,490.97	1,668.80
MEW Electricals Ltd.	-	-	-	-	50.18	137.06
Ram Ratna International	-	-	-	-	259.67	247.32
<b>Sales: Goods and Services</b>						
R R Kabel Ltd.	-	-	-	-	118.94	2.50
Ram Ratna International	-	-	-	-	7,095.42	5,784.66
MEW Electricals Ltd.	-	-	-	-	3.69	48.85
<b>Capital Goods:</b>						
R R Kabel Ltd. (Purchases)	-	-	-	-	11.63	10.93
MEW Electricals Ltd. (Purchases)	-	-	-	-	0.44	61.21
Pratik Wire & Cable Machines Pvt. Ltd. (Purchases)	-	-	-	-	17.11	25.40
<b>Expenses:</b>						
Rent/Lease Liabilities payment (Including GST)	3.30	2.40	5.56	4.74	27.40	23.48
Commission	-	-	12.57	-	-	-
Interest	214.25	186.29	55.98	57.98	101.88	87.89
<b>Directors :</b>						
Sitting Fees	18.20	16.80	-	-	-	-
Remuneration – Shri Mahendrakumar Kabra	299.47	71.81	-	-	-	-
Salary – Shri Hemant Kabra	55.20	38.00	-	-	-	-
<b>Dividend :</b>						
Dividend Paid	33.85	17.08	29.46	14.71	87.29	43.64
Dividend Received - R R Kabel Ltd.	-	-	-	-	34.11	-
<b>Contribution Made :</b>						
Ram Ratna Wires Limited Emp Group Gratuity Scheme	-	-	-	-	100.08	28.11
<b>Deposits / Loans Accepted</b>						
Shri Tribhuvanprasad Kabra	30.00	-	-	-	-	-
Shri Mahendrakumar Kabra	450.00	400.00	-	-	-	-
Shri Hemant Kabra	1,076.00	341.00	-	-	-	-
Late Smt. Umadevi Kabra	-	-	-	53.00	-	-
Others	-	-	216.59	42.00	-	-
<b>Deposits / Loans Repaid</b>						
Shri Mahendrakumar Kabra	359.86	-	-	-	-	-
Shri Hemant Kabra	1,100.00	-	-	-	-	-
Late Smt. Umadevi Kabra	-	-	53.00	135.50	-	-
Ram Ratna Research & Holdings Pvt. Ltd.	-	-	-	-	484.00	-
TMG Global Fzco.	-	-	-	-	190.15	-

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Particulars	Referred in		Referred in		Referred in	
	(a) above		(b) above		(c) & (d) above	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Outstanding as at :</b>						
<b>Rental Deposits</b>						
Smt. Umadevi Kabra	-	-	7.50	7.50	-	-
Shri Hemant Kabra	0.90	7.50	-	-	-	-
Shreegopal Kabra (HUF)	-	-	-	-	7.50	7.50
Kabel Buildcon Solutions Pvt. Ltd.	-	-	-	-	3.50	3.50
<b>Trade and Others-Net (Payable)/ Receivable</b>						
Ram Ratna International	-	-	-	-	87.88	172.66
MEW Electricals Ltd.	-	-	-	-	-	(1.31)
Bgauss Auto Pvt Ltd.	-	-	-	-	(50.00)	-
R R Kabel Ltd.	-	-	-	-	(624.23)	(964.98)
Shri Sumeet Kabra	-	-	(12.57)	-	-	-
Interest accrued & due on Deposits/Loans	-	(0.00)	-	(0.02)	(281.77)	(256.13)
Shri Mahendrakumar Kabra - Remuneration	(209.47)	(0.56)	-	-	-	-
Shri Hemant Kabra - Remuneration	(2.40)	-	-	-	-	-
<b>Loans Outstanding</b>						
Ram Ratna Research & Holdings Pvt. Ltd.	-	-	-	-	30.00	514.00
Late Smt. Umadevi Kabra	-	-	-	53.00	-	-
Shri Hemant Kabra	417.00	441.00	-	-	-	-
Shri Tribhuvanprasad Kabra	45.17	15.17	-	-	-	-
Shri Mahendrakumar Kabra	1,739.14	1,649.00	-	-	-	-
Smt. Kirtidevi Kabra	146.42	146.42	-	-	-	-
Ratnadevi Kabra	-	-	280.49	280.49	-	-
Shreegopal Kabra	-	-	205.54	205.54	-	-
TMG Global Fzco.	-	-	-	-	950.17	1,085.29
Others	-	-	281.71	65.12	-	-

- 35.1 Personal guarantees have been given by the Chairman and Managing Director of the Parent and their relative for the secured and unsecured borrowings of the Parent to the tune of ₹ 26,454 Lakhs (P.Y. ₹ 34,870 Lakhs) and ₹ 7,551 Lakhs (P.Y. ₹ 4,600 Lakhs) respectively.
- 35.2 Personal guarantees have been given by the Chairman and the Managing Director of the Parent for the unsecured borrowings of the Parent to the tune of ₹ 6,500 Lakhs (P.Y. ₹ 5,000 Lakhs).
- 35.3 Personal guarantees have been given by the Directors of GCPL for the secured borrowings to the tune of ₹ 4,050.56 Lakhs (P.Y. ₹ 2,531.54 Lakhs).
- 35.4 The Parent has Contributed to charitable trust in which some of the directors of the Parent and their relatives are trustees:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
CSR	42.50	58.00
Donation	50.00	-

- 35.5 Transactions with Jointly Controlled Entity have been disclosed at its full value and not to the extent of share of the Parent.



## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### Note 36: EXPOSURE IN FOREIGN CURRENCY

The Company uses forward contracts to mitigate the risks associated with foreign currency fluctuations. The Company does not enter into any forward contracts which are intended for trading or speculative purposes.

- a) The forward exchange contracts used for hedging foreign currency exposure and outstanding as at reporting date are as under:-

(Amount in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	USD	INR	USD	INR
Booked against Import Creditors	-	-	14.04	1,051.40
Booked against firm commitments or highly probable forecasted transactions	48.00	3,700.12	8.00	590.78

- b) The details of foreign currency monetary exposures that are not hedged by derivatives instruments:- (Amount in Lakhs)

Payables	As at 31.03.2022		As at 31.03.2021	
	USD	INR	USD	INR
Import Creditors / (Advance)	1.01	76.51	0.21	15.20

(Amount in Lakhs)

Receivables	As at 31.03.2022		As at 31.03.2021	
	USD	INR	USD	INR
Export Debtors	41.31	3,131.59	24.65	1,812.35

### Note 37: A) Category-wise classification of financial instruments

(₹ in Lakhs)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>					
Investments in quoted mutual funds	3	-	46.30	-	-
Investments in Unquoted Equity Instruments	3	0.25	0.25	-	-
Forward exchange contract (net)	5B	-	-	28.10	-
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>					
Investments in unquoted equity shares#	3	5,949.13	3,175.82	-	-
<b>Financial assets measured at amortised cost</b>					
Loan to employees	4A & 4B	9.99	0.92	31.12	15.93
Electricity & other deposits	5A	7.78	7.93	-	-
Security deposits	5A & 5B	9.11	20.73	11.00	3.50
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5A	47.68	0.55	-	-
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	4.08	3.44
Others	5B	-	-	79.41	38.03

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**

(₹ in Lakhs)

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Trade receivables	9	-	-	<b>31,413.61</b>	28,408.30
Cash and cash equivalents	10B	-	-	<b>1,473.15</b>	397.76
Other balances with banks	10B	-	-	<b>154.52</b>	94.52
<b>Financial Liabilities measured at fair value through profit or loss (FVTPL)</b>					
Forward exchange contract (net)	15B	-	-	-	19.90
<b>Financial Liabilities measured at amortised cost</b>					
Borrowings	13A & 13B	<b>11,269.92</b>	10,596.03	<b>15,663.74</b>	25,486.86
Lease Liabilities	14A & 14B	<b>23.90</b>	6.93	<b>9.31</b>	23.01
Other payables	15A & 15B	<b>18.72</b>	-	<b>10.98</b>	13.99
Unclaimed dividend	15B	-	-	<b>28.35</b>	29.37
Interest accrued and due	15B	-	-	<b>72.71</b>	123.03
Interest accrued but not due	15B	-	-	<b>36.73</b>	-
Accrued salary & benefits	15B	-	-	<b>481.02</b>	239.84
Creditors for expenses	15B	-	-	<b>1,122.02</b>	850.30
Creditors for capital expenditure	15B	-	-	<b>101.77</b>	84.14
Trade payables	19	-	-	<b>11,969.16</b>	4,478.31

# Investments are not held for trading. Upon the application of Ind AS 109 - Financial Instruments, the Group has chosen to measure said investments in equity instrument at FVTOCI irrevocably as the management believes that presenting fair value gains and losses relating to the said investments in the statement of profit and loss may not be indicative of the performance of the Group.

**B) Fair Value Measurements**

- (i) All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows:
  - Level 1 — quoted (unadjusted) market prices 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 or indirectly.
  - Level 3 — inputs that are unobservable for the asset or liability.
- (ii) The following tables provide the fair value measurement hierarchy of the Group's financial assets and liabilities:

**As at 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Financial Assets/ Financial Liabilities	Fair value as at 31.03.2022	Fair value hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income (FVTOCI)				
Investments in unquoted equity shares (Note 3)	5,949.13	-	5,949.13	-
Financial assets measured at fair value through profit or loss (FVTPL)				
Forward exchange contracts (net) (Note 5B)	28.10	28.10	-	-
Investments in Unquoted Equity Instruments (Note 3)	0.25	0.25	-	-

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**As at 31<sup>st</sup> March, 2021**
**(₹ in Lakhs)**

Financial Assets/ Financial Liabilities	Fair value as at 31.03.2021	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>				
Investments in unquoted equity shares (Note 3)	3,175.82	-	3,175.82	-
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>				
Investments in quoted mutual funds (Note 3)	46.30	46.30	-	-
Investments in Unquoted Equity Instruments (Note 3)	0.25	0.25	-	-
<b>Financial liabilities measured at fair value through profit or loss (FVTPL)</b>				
Forward exchange contracts (net) (Note 15B)	19.90	19.90	-	-

**(iii) Fair value of financial assets and liabilities measured at amortised cost:**
**(₹ in Lakhs)**

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Electricity & other deposits	7.78	7.78	7.93	7.93
Security deposits	22.12	20.11	27.00	24.23
Loan to employees	43.49	41.11	17.08	16.85
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	47.68	47.68	0.55	0.55
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	4.08	4.08	3.44	3.44
Others	79.41	79.41	38.03	38.03
Trade receivables	31,413.61	31,413.61	28,408.30	28,408.30
Cash and cash equivalents	1,473.15	1,473.15	397.76	397.76
Other balances with banks	154.52	154.52	94.52	94.52
<b>Total Financial Assets</b>	<b>33,245.84</b>	<b>33,241.45</b>	<b>28,994.61</b>	<b>28,991.61</b>
<b>Financial Liabilities</b>				
Borrowings	26,934.15	26,933.66	34,152.90	36,082.89
Lease Liabilities	39.69	33.21	32.31	29.94
Unclaimed dividend	28.35	28.35	29.37	29.37
Interest accrued and due	72.71	72.71	123.03	123.03
Interest accrued but not due	36.73	36.73	-	-
Accrued salary & benefits	481.02	481.02	239.84	239.84
Creditors for expenses	1,122.02	1,122.02	850.30	850.30
Creditors for capital expenditure	101.77	101.77	84.14	84.14
Other payables	29.70	29.70	13.99	13.99
Trade payables	11,969.16	11,969.16	4,478.31	4,478.31
<b>Total Financial Liabilities</b>	<b>40,815.30</b>	<b>40,808.33</b>	<b>40,004.19</b>	<b>41,931.81</b>

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

The carrying amounts of financial assets (other than security deposits and loan to employees) and financial liabilities (Other than long term borrowing and lease liabilities) measured at amortised cost in the financial statements are reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the value that would eventually be received or settled.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

There have been no transfers between Level 1 and Level 2 for the years ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021.

### C) Financial Risk Management- Objectives and Policies

The Group is exposed to: (a) Market Risks comprising of Interest Rate Risk, Currency Rate Risk, Commodity Price Risk and Equity Price Risk (b) Credit Risk comprising of trade receivable risk and financial instrument risk and (c) Liquidity Risk. The Group has well placed Risk Management Policy (RMP). The policy provide broad guidelines to identify the risk arising from these factors and provide guidelines to the team for its mitigation or at-least minimize its effect on income / expense on the Group is optimized. Team involved in RMP meets frequently to discuss the level of risk they foresee based on the conditions persisting.

The Group's exposure to Market Risk, Credit Risk and Liquidity Risk have been summarized below:

#### Market Risk

##### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on short-term and long-term floating rate interest bearing liabilities. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by prevailing interest rates. These exposures are reviewed by the management on a periodic basis.

The exposure of the Group's financial liabilities to interest rate risk based on liabilities as at reporting date is as follows:

Particulars	(₹ in Lakhs)	
	Impact on profit before tax	
	2021-22	2020-21
Increase in interest rate by 100 basis points	(266.97)	(360.33)
Decrease in interest rate by 100 basis points	266.97	360.33

(Calculated based on risk exposure outstanding as of date and assuming that all other variables, in particular foreign currency rates, remain constant).

#### Foreign Currency Risk

The Group is exposed to fluctuations in foreign currency exchange rates where transaction references more than one currency and/or where assets/liabilities are denominated in a currency other than the functional currency of the Group.

Exposures on foreign currency are managed through a hedging policy, which is reviewed periodically by the management. The Group usually enters into forward exchange contracts progressively based on their maturity to hedge the effects of movements in foreign currency exchange rates individually on assets and liabilities. The sources of foreign exchange risk for the Group are trade receivables, trade payables for imported materials & capital goods as well as foreign currency denominated borrowings. The policy of the Group is to determine on a regular basis what portion of the foreign exchange risk are to be hedged through forward exchange contracts.

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

The exposure of the Group's foreign currency risk based on unhedged exposure as at the reporting date is as follows:

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	2021-22	2020-21
Increase in exchange rates by 5%	152.75	89.86
Decrease in exchange rates by 5%	(152.75)	(89.86)

### Commodity Price Risk

The Group is exposed to the movement of copper and aluminium prices on the London Metal Exchange (LME). Any increase or decline in the prices of these commodities will have an impact on the profitability of the Group. As a general policy, the Group aims to purchase these commodities at prevailing market prices and also sell the product at price adjusted for prevailing market prices. The Group substantially ensures sale of products with simultaneous purchase of these commodities on back-to back basis ensuring no or minimum price risk for the Group.

### Equity Price Risk

Equity price risk relates to change in fair value of investments in the equity instruments measured at fair value through OCI & FVTPL. As at 31<sup>st</sup> March, 2022 the carrying value of such equity instruments recognised at fair value through OCI & FVTPL amounts to ₹ 5,949.38 Lakhs (P.Y. ₹ 3,176.07 Lakhs).

A sensitivity analysis demonstrating the impact of change in the carrying value of investment in equity instrument as at reporting date is given below:

(₹ in Lakhs)

Particulars	Impact on OCI before tax	
	2021-22	2020-21
Increase by 5%	297.47	158.80
Decrease by 5%	(297.47)	(158.80)

### Liquidity Risk

Liquidity risk refers to the risk that the Group encounter difficulty in raising fund to meet its financial commitments. The objective of liquidity risk management is to maintain the liquidity and to ensure that funds are available for short operational needs and to fund Group's expansion projects. The Group has availed credit facility from the banks & financial institutions to meet its financial commitment in timely and cost effective manner.

The Group remains committed to maintaining a healthy liquidity and gearing ratio and strengthening the balance sheet. The maturity profile of the Group's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

(₹ in Lakhs)

Particulars	Less than 1 year	Between 1 to 5 years	Total
<b>At 31<sup>st</sup> March, 2022</b>			
Borrowings (Note 13A and 13B)	15,663.74	11,269.92	26,933.66
Lease Liabilities (Note 14A & 14B)	9.31	23.90	33.21
Other Financial Liabilities (Note 15A & 15B)	1,853.58	18.72	1,872.30
Trade Payables (Note 19)	11,969.16	-	11,969.16

**NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)**
**(₹ in Lakhs)**

Particulars	Less than 1 year	Between 1 to 5 years	Total
<b>At 31<sup>st</sup> March, 2021</b>			
Borrowings (Note 13A and 13B)	25,486.86	10,596.03	36,082.89
Derivative financial liability (15B)	19.90	-	19.90
Lease Liabilities (Note 14A & 14B)	23.01	6.93	29.94
Other Financial Liabilities (Note 15A & 15B)	1,340.67	-	1,340.67
Trade Payables (Note 19)	4,478.31	-	4,478.31

**Credit Risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk for trade receivables and financial guarantees for dealers, derivative financial instruments and other financial assets.

The Group assess the counter party before entering into transactions and wherever necessary supplies are made against advance payment. The Group on continuous basis monitor the credit limit of the counter parties to mitigate or minimise the credit risk. The credit risk for the financial guarantees issued by the Parent to bank for credit facilities availed by Parent's dealers from bank is minimum as those parties have long vintage with the Parent and they are also subject to credit risk assessment by bank on periodical basis. The credit risk on export receivables are limited as almost all export sales are made to parties having a long vintage with the Group and new parties are subject to necessary due diligence.

For trade receivables, as a practical expedient, the Group computes credit loss allowance based on expected credit loss method. The movement in expected credit loss allowance on trade receivable is as under:

**(₹ in Lakhs)**

Particulars	As at 31.03.2022	As at 31.03.202
Balance at the beginning of the year	541.60	579.52
Add/(Less): Allowance(reversal) for impairment for the year (net)	(46.28)	173.41
Less:- Amount written off during the year	431.99	211.33
Balance at the end of the year	63.33	541.60

**Note 38: REVENUE FROM CONTRACTS WITH CUSTOMERS**
**Disaggregation of Revenue from Contract with Customers**

The revenue is recognised at a point in time considering the contract terms and business practice. The following summary provides the disaggregation of revenue from contracts with customers :

**(₹ in Lakhs)**

Particulars	2021-22				2020-21			
	Enamelled wires and strips	Copper tubes and pipes	Other	Total	Enamelled wires and strips	Copper tubes and pipes	Other	Total
<b>Sale of Products</b>								
India	1,82,189.87	26,117.02	80.26	2,08,387.15	1,24,770.87	14,244.60	20.88	1,39,036.35
Outside India	17,874.97	1,985.47	-	19,860.44	12,152.31	291.76	-	12,444.07
<b>Processing Fees</b>	3.56	-	10.11	13.67	2.12	-	-	2.12
<b>Sale of Scrap</b>	1,132.77	-	1.68	1,134.45	1,621.90	-	-	1,621.90
	2,01,201.18	28,102.49	92.05	2,29,395.72	1,38,547.20	14,536.36	20.88	1,53,104.44
<b>Inter Segment Revenue</b>				(594.49)				(561.09)
<b>Revenue from Contract with Customers</b>				2,28,801.23				1,52,543.35

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

(₹ in Lakhs)

Summary of Contract Balance	As at 31.03.2022	As at 31.03.2021
Trade Receivable (Note 9)	31,413.61	28,408.30
Contract Assets	-	-
Contract Liabilities (Note 20)	184.06	302.40

Trade receivables are non-interest bearing with credit terms of 30 days to 90 days. Contract liabilities are towards advance received from customers for goods to be delivered.

The Group has recognised revenue amounting to ₹ 297.24 lakhs in the current year that was included in the Contract Liability balance in previous year i.e. as at 31<sup>st</sup> March, 2021.

Performance obligation is satisfied at a point in time which normally occurs on delivery of the goods as per the terms of contract in case of domestic sales and in case of export on the basis of shipping terms and with payment terms 30 days – 90 days or against advance payment. There is negligible obligation towards sales return.

### Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

(₹ in Lakhs)

Particulars	2021-22	2020-21
Contract Price	2,29,059.59	1,52,748.68
Less :		
Cash Discount	130.59	76.53
Quantity Discount	61.12	74.35
Incentives & Benefits	66.65	54.45
<b>Total Revenue from Sale of Product</b>	<b>2,28,801.23</b>	<b>1,52,543.35</b>



## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### Note 39: DETAILS OF SUBSIDIARIES AND JOINT VENTURE

(₹ in Lakhs)

Sr No	Name of Company	Subsidiaries/ Joint Arrangement	Country of Incorporation	% of Holding as on 31.03.2022	% of Holding as on 31.03.2021	Accounting Period
1	Global Copper Private Limited	Subsidiary	India	60%	60%	01.04.2021 to 31.03.2022
2	Epavo Electricals Private Limited	Subsidiary	India	74%	74%	01.04.2021 to 31.03.2022
3	RR-Imperial Electricals Limited	Jointly Controlled Entity	Bangladesh	10%	10%	01.04.2021 to 31.03.2022

#### 1. Interest in Subsidiaries

The following tables illustrates the summarized financial information of subsidiary having non controlling interest:

(₹ in Lakhs)

Particulars	Global Copper Pvt. Ltd.		Epavo Electricals Pvt. Ltd.	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Current Assets	6,462.74	4,668.83	629.69	237.38
Non-Current Assets	3,026.50	2,826.71	907.18	459.43
Current Liabilities	3,851.24	2,344.14	257.52	78.12
Non-Current Liabilities	3,104.15	3,246.95	1,131.53	270.36
Equity	2,533.85	1,904.45	147.82	348.33
Attributable to owners interest	1,520.30	1,142.67	109.38	257.75
Accumulated non- controlling interest as on 31 <sup>st</sup> March	1,013.55	761.78	38.44	90.58

(₹ in Lakhs)

Particulars	Global Copper Pvt. Ltd.		Epavo Electricals Pvt. Ltd.	
	2021-22	2020-21	2021-22	2020-21
Revenue	28,102.49	14,536.36	92.05	20.88
Profit/(Loss) for the year	627.44	240.51	(200.20)	(52.67)
Other Comprehensive Income/ (Loss)	1.96	6.34	(0.31)	-
Total Comprehensive Income/ (Loss)	629.40	246.85	(200.51)	(52.67)
Total Comprehensive Income/ (Loss) allocated to non-controlling interest	251.76	98.74	(52.13)	(13.69)

(₹ in Lakhs)

Particulars	Global Copper Pvt. Ltd.		Epavo Electricals Pvt. Ltd.	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Contingent Liabilities</b>				
Income Tax Demands	56.55	57.67	-	-
Excise & Service Tax Demands	-	-	-	-
Value Added Tax	84.87	84.87	-	-
<b>Commitments</b>				
Letter of credit and bank guarantees issued by the banks	83.85	83.65	-	-
Estimated amount of contracts remaining to be executed and not provided for capital advance	-	-	68.02	85.75

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

### 2. Interest in a Jointly Controlled Entity

The following tables illustrates the summarized financial information of jointly controlled entity (disclosed at full value and not to the extent of the Parent interest) :

(₹ in Lakhs)

Particulars	Jointly Controlled Entity	
	As at 31.03.2022	As at 31.03.2021
Current Assets	11,041.35	9,032.64
Non-Current Assets	4,938.88	4,864.47
Current Liabilities	8,793.53	7,909.66
Non-Current Liabilities	1,005.76	1,085.95
Equity	6,180.94	4,901.50
Proportion of the group's ownership interest	10%	10%
Carrying amount of the group's interest	618.09	490.15

(₹ in Lakhs)

Particulars	Jointly Controlled Entity	
	2021-22	2020-21
Revenue	17,546.82	9,510.55
Interest Income	11.16	21.21
Cost of raw material and components consumed	11,505.42	8,318.04
Changes in Inventories	1,080.51	(1,823.11)
Depreciation & amortization	441.44	444.34
Finance cost	432.54	347.10
Employee benefit expenses	1,117.25	915.58
Other expenses	1,207.15	820.35
Profit before tax	1,773.66	509.46
Income tax (expense)/ income ( including previous year adjustments)	(578.86)	(193.02)
Profit for the year	1,194.80	316.44
Other Comprehensive Income	-	-
Total Comprehensive Income	1,194.80	316.44
Group's share of profit for the year	119.48	31.64
Group's share of other comprehensive income for the year	N.A.	N.A.
Group's total comprehensive income for the year	N.A.	N.A.
Dividend received from Jointly Controlled Entity during the year	-	-

(₹ in Lakhs)

Particulars	Jointly Controlled Entity	
	As at 31.03.2022	As at 31.03.2021
<b>Contingent Liabilities</b>		
Letter of Credit	909.27	930.47
Bank guarantees issued by the banks	-	-
Capital Commitments	-	-
Estimated amount of contracts remaining to be executed and not provided for capital advance	-	-

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

**Note 40: Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Jointly Controlled Entity as per Schedule III of the Companies Act, 2013**

(₹ in Lakhs)

Name of Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income/Loss		Share in Total Comprehensive Income	
	2021-22		2021-22		2021-22		2021-22	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit/(Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
<b>Parent Company</b>								
Ram Ratna Wires Ltd.	88.30%	24,895.47	89.90%	4,870.95	99.52%	2,109.21	92.61%	6,980.16
<b>Indian Subsidiary</b>								
Global Copper Pvt. Ltd.	5.40%	1,520.30	6.95%	376.45	0.06%	1.18	5.01%	377.63
Epavo Electricals Pvt. Ltd.	0.39%	109.38	(2.73%)	(148.16)	(0.01%)	(0.23)	(1.97%)	(148.39)
Non-Controlling Interest in Subsidiaries	3.73%	1,051.99	3.67%	198.93	0.03%	0.70	2.65%	199.63
<b>Joint Venture</b>								
RR-Imperial Electricals Ltd.	2.19%	618.09	2.21%	119.48	0.40%	8.46	1.70%	127.94
<b>Total</b>	<b>100.00%</b>	<b>28,195.23</b>	<b>100.00%</b>	<b>5,417.65</b>	<b>100.00%</b>	<b>2,119.32</b>	<b>100.00%</b>	<b>7,536.97</b>

(₹ in Lakhs)

Name of Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income/Loss		Share in Total Comprehensive Income	
	2020-21		2020-21		2020-21		2020-21	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit/(Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
<b>Parent Company</b>								
Ram Ratna Wires Ltd.	86.86%	18,135.32	86.03%	1,353.08	100.92%	778.16	90.94%	2,131.24
<b>Indian Subsidiary</b>								
Global Copper Pvt. Ltd.	5.48%	1,142.67	9.18%	144.31	0.49%	3.80	6.32%	148.11
Epavo Electricals Pvt. Ltd.	1.23%	257.76	(2.48%)	(38.98)	0.00%	-	(1.66%)	(38.98)
Non-Controlling Interest in Subsidiaries	4.08%	852.36	5.25%	82.51	0.33%	2.54	3.63%	85.05
<b>Joint Venture</b>								
RR-Imperial Electricals Ltd.	2.35%	490.15	2.01%	31.64	(1.74%)	(13.41)	0.78%	18.23
<b>Total</b>	<b>100.00%</b>	<b>20,878.26</b>	<b>100.00%</b>	<b>1,572.56</b>	<b>100.00%</b>	<b>771.09</b>	<b>100.00%</b>	<b>2,343.65</b>

### Note 41: Operating Lease:-

Lease Contracts entered into by the group are mainly in respect for premises taken on the lease in the ordinary course of business. Lease Contracts are for the period of 3- 5 years.

The change in the Lease Liabilities for the year ended are as follows:

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>1<sup>st</sup> April,</b>	<b>29.94</b>	<b>39.48</b>
Addition	27.99	10.75
Finance cost accrued during year	2.86	3.35
Deletions	-	-
Payment of lease liabilities	27.58	23.64
<b>31<sup>st</sup> March</b>	<b>33.21</b>	<b>29.94</b>

## NOTES to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022 (contd.)

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis.

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Not later than 1 year	6.97	-
Later than 1 year but not later than 5 years	25.29	-

The following are the amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Depreciation expenses on right-of-use assets	24.27	23.51
Interest expenses on lease liabilities	2.86	3.35
Interest expenses on fair value of security deposits	0.46	-
Expense relating to short-term leases (included in other expenses)	5.85	4.75
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-

### Note 42: Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	2021-22	2020-21
Principal amount remaining unpaid to suppliers as at the end of the accounting year	174.87	123.41
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the suppliers beyond the appointed due day during the year	-	-
The amount of interest due and payable for the year	0.25	0.10
The amount of interest accrued and remaining unpaid at the end of the accounting year	0.62	0.53
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	0.45	0.16

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company. This has been relied upon by the auditors.

(₹ in Lakhs)

Summary of Principal amount remaining unpaid to suppliers	As at 31.03.2022	As at 31.03.2021
Trade Payables	91.04	103.55
Creditors for Capital Expenditure	15.59	18.05
Creditors for Expenses	68.24	1.81
	174.87	123.41

### Note 43: Relationship with Struck off Companies

Details of Struck off companies with whom the Group company has transaction during the year or outstanding balance:

(₹ in Lakhs)

Name of the entity	Name of Struck off Company	Nature of transaction with struck off Company	2021-22	2020-21	As at 31.03.2022	As at 31.03.2021
Ram Ratna Wires Limited	Associated Suppliers and Assistance Co. Private Limited	Dividend	0.20	0.10	-	-
		Unclaimed Dividend (net of TDS)	-	-	0.89	0.73

Below Struck off companies are equity shareholders of the company as on the Balance Sheet date

Name of Struck of Company: Associated Suppliers and Assistance Co. Private Limited

**Note 44: Trade or investment in Crypto Currency or Virtual Currency: NIL (PY NIL)**

**Note 45: Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.**

**As per our Report of even date**

**For Bhagwagar Dalal & Doshi**

Chartered Accountants

(Firm Registration No. 128093W)

**Jatin V. Dalal**

Partner

M.No. 124528

Place : Mumbai

Dated : 23<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**

**Tribhuvanprasad Kabra    Mahendrakumar Kabra**

Chairman

Managing Director

DIN - 00091375

DIN - 00473310

**Hemant Kabra**

President & CFO

DIN - 01812586

**Saurabh Gupta**

Company Secretary

ACS - 53006

**SECRETARIAL AUDIT REPORT OF MATERIAL UNLISTED SUBSIDIARY COMPANY****FORM NO. MR-3****SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,  
The Members,  
Global Copper Private Limited**

Survey No.65/66, Survey No 65-66,  
Jarod Samlaya Road,  
Garadia - 391 520  
Dist. - Vadodara

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; - Not applicable during the Audit period.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings; - Not applicable during the Audit period.

During the audit period under review, provisions of the following Acts / Regulations were not applicable to the Company:

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

\* The Company being a material subsidiary of Ram Ratna Wires Limited ("RRWL"), certain employees of the Company have been categorized as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of RRWL.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; - Not applicable to the Company during the Audit period.

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

We have also examined, on test-check basis, the relevant documents and records maintained by the Company according to the following laws applicable specifically to the Company:

1. Environment (Protection) Act, 1986
2. Water (Prevention & Control of Pollution) Act, 1974
3. The Air (Prevention & Control of Pollution) Act, 1981

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors. There were changes in the composition of the Board of Directors during the period under review;

Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines;

We further report that during the year under review, there were no events / actions, having a major bearing on the affairs of the Company.

**For Vijay Bhatt & Co.,  
Company Secretaries**

**Vijay J. Bhatt  
Proprietor  
FCS: 4900  
CP: 2265**

**UDIN: F004900D000328806**

Date: 16.05.2022

Place: Vadodara

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



### **Annexure to the Secretarial Audit Report**

#### **The Members of Global Copper Private Limited**

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

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

**For Vijay Bhatt & Co.,  
Company Secretaries**

**Vijay J. Bhatt  
Proprietor  
FCS: 4900  
CP: 2265**

Date: 16.05.2022  
Place: Vadodara

## NOTES

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## RAM RATNA WIRES LIMITED

CIN : L31300MH1992PLC067802

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### Corp. Office:

Ground Floor (South West Part), Alembic Business Park, Situated at RS No. 1093/1, Bhailal Amin Marg Gorwa, Vadodara, Gujarat - 390016.

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