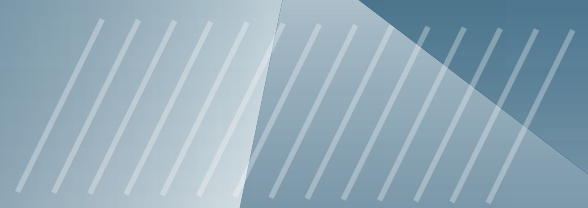
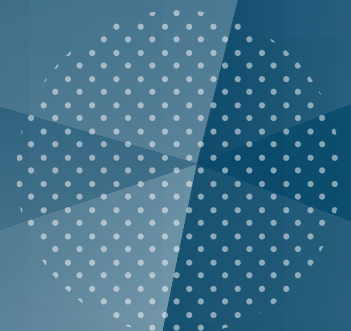
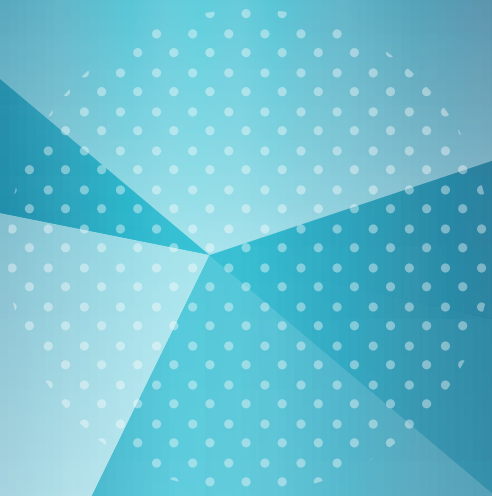


# 2021-22

## 28<sup>th</sup> ANNUAL REPORT

R R Kabel Limited







RR Kabel, a part of RR Global, is one of the leading conglomerates in the electrical sector. It has always endeavored to create best quality products using the latest advances in wire design and engineering. Working with determination to produce products with best technologies, RR Kabel offers the widest range of premium wires and cables for various residential, commercial, industrial and infrastructure purposes.

RR Kabel is ISO 9001, ISO 14001 and ISO 50001 certified company. RR Kabel has multiple product certifications like CE, BIS (India), BASEC (UK), UL (USA), CSA (Canada), TUV, VDE (Germany), PSB (Singapore) The cables of international standards are tested for compliance to CPR (Construction Product Regulation). With REACH (Registration Evaluation Authorization of Chemical Substances and RoHS (Restriction of Hazardous Substances) compliance, the materials used in various products are unique after an extensive research by various skilled professionals that make sure every product adheres to all the guidelines and standards.

We believe that the future of design lies with innovation that instigates one to push boundaries, eliminating the borders between sciences. We at RR Kabel believe in this and hence are constantly emerging with new marketing and technical perspectives that are globally significant, aiming to create a safe environment for the consumers.

## About RR Kabel

---



**2022**

RR Kabel Acquired Luminous Home Electrical Business



**2012**

Started manufacturing LT cables.



**2020**

Launched HT Cable & Acquired Arraystorm



**2011**

A high end expansion of manufacturing facility was set up on 3 lakh sqft area at Waghodia, Gujarat.



**2017**

Became the first company in India to make entire range of products REACH compliance



**1999**

The first Company in India and the 4th in the world to introduce wires with Unilay technology apart from Europe.



**2014**

Started manufacturing special application cables.



**1998**

RR Kabel was established and started manufacturing of wires & cables.



**2013**

First overseas manufacturing facility was set up in Bangladesh. Accredited with ISO 50001:2011



# INDEX

Financial Highlights	4
Corporate Information	5
Board Of Directors	6
Chairman's Message	8
Environmental, Social and Governance	10
Notice of Annual General Meeting	12
Directors' Report	19
Annexure to the Directors' Report	26
Independent Auditors' Report on Standalone Financial Statements	47
Standalone Financial Statements	56
Independent Auditors' Report on Consolidated Financial Statements	133
Consolidated Financial Statements	140

# FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Description	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
<b>A. Performance at a glance</b>											
Sales & Related Income	438594	271594	247243	238807	198000	169815	157541	140525	123271	104566	86439
Other Income	4628	2199	2702	2468	1352	1378	324	341	336	363	319
Earnings Before Interest, Depreciation, Taxes	34953	25214	23180	20131	23644	18390	16027	12039	8871	7713	6528
Net profit before taxation	28016	18033	15775	13242	18407	13395	11130	6637	4818	4109	3908
<b>Net profit after taxation</b>	<b>20974</b>	<b>13430</b>	<b>12248</b>	<b>8565</b>	<b>12161</b>	<b>8722</b>	<b>7284</b>	<b>4306</b>	<b>3182</b>	<b>2725</b>	<b>2589</b>
<b>B. Financial Position</b>											
Fixed Assets (net)	44140	40658	40590	34419	25411	20734	19535	17874	17726	13444	11819
Non Current Assets	2219	2126	1502	3289	2234	1735	972	559	578	1849	1157
Investments	5693	3983	3178	3818	3465	2353	1139	1140	1019	859	651
Current Assets	152485	124668	109251	105393	68230	56778	45943	44387	38937	34094	28628
<b>Total Assets</b>	<b>204537</b>	<b>171434</b>	<b>154521</b>	<b>146918</b>	<b>99339</b>	<b>81601</b>	<b>67590</b>	<b>63960</b>	<b>58259</b>	<b>50246</b>	<b>42255</b>
Share Capital	43911	43911	42340	42340	2415	2415	2415	2415	2045	2045	2045
Reserve & Surplus	80592	60675	48051	40813	43469	32949	23378	17983	14952	12487	10483
Share Holder's Fund	124503	104586	90390	83153	45884	35363	25793	20397	16996	14532	12528
Non Current Liabilities	7472	8261	7788	2662	4738	3068	6094	7883	7850	8369	7339
Current Liabilities	71251	57799	55425	60340	47302	41808	34514	34455	32243	26419	21632
Deferred Tax	1311	789	917	764	1416	1360	1190	1225	1169	925	756
<b>Total Liability</b>	<b>204537</b>	<b>171434</b>	<b>154521</b>	<b>146918</b>	<b>99339</b>	<b>81601</b>	<b>67590</b>	<b>63960</b>	<b>58259</b>	<b>50246</b>	<b>42255</b>
<b>C. Equity Shares Data</b>											
Earnings per share (Rs)	75.53	48.36	44.11	32.30	50.36	36.12	30.16	17.83	15.56	13.33	12.66
Book Value (Rs)	448.38	376.65	325.53	299.46	190.03	146.46	106.82	84.48	83.13	71.07	61.27
Dividend / Interim Dividend (%)	180	100	75	55	80	80	65	40	30	30	30
Number of Shares	277.67	277.67	277.67	277.67	241.46	241.46	241.46	241.46	204.46	204.46	204.46

# CORPORATE INFORMATION

<b>Board of Directors</b>	: Shri Tribhuvanprasad Kabra Shri Shreegopal Kabra Shri Mahendrakumar Kabra Smt. Kirtidevi Kabra Shri Mahhesh T Kabra Shri Ashok Loya Shri Sumeet Kabra Shri Sanjay Taparia Shri Rajesh Babu Jain Shri R Kannan Shri Bhagwat Singh Babel Shri Mukund Chitale Shri Puneet Bhatia Shri Mitesh Daga Shri Vipul Sabharwal	Chairman Managing Director Jt Managing Director Whole-time Director Whole-time Director Whole-time Director Whole-time Director Whole-time Director Whole-time Director Independent Director Independent Director Independent Director Director Director Additional Independent Director
<b>Audit Committee</b>	: Shri R Kannan Shri Bhagwat Singh Babel Shri Mukund Chitale Shri Mahhesh T Kabra Shri Mitesh Daga	Independent Director Independent Director Independent Director Whole-time Director Director
<b>Auditors</b>	: B S R & Co. LLP Chartered Accountants	
<b>Bankers</b>	: State Bank of India HDFC Bank Limited Standard Chartered Bank Yes Bank Limited Kotak Mahindra Bank Limited DBS Bank Limited Citi Bank N.A. HSBC Bank Citicorp Finance (India) Limited Federal Bank Axis Bank IndusInd Bank ICICI Bank Limited	
<b>Registered Office</b>	: Ram Ratna House, Oasis Complex, P.B. Marg, Worli, Mumbai – 400 013 www.rrglobal.com CIN : U28997MH1995PLC085294	
<b>Corporate Office</b>	: Alembic Business Park(W), Ground Floor, Bailal Amin Marg, Gorwa, Vadodara - 390 003	
<b>Works</b>	: Survey No. 142/2, Madhuban Dam Road, Silvassa – 396 240 U.T. of Dadra & Nagar Haveli  R Survey No. 201, 202/1, 202/2, 203, 209, 215/1/2, 216, 217, 218 and 327/3 Khanda Road, Taluka Waghodia, Dist Vadodara - 391760, Gujarat  KH No. 35, Plot No 50, Shivganga Industrial State, Lakeshwari, P.O. Bhagwanpur, Roorkee, Dist - Haridwar, Uttarakhand - 247667  140 4th Phase, Bommasandra Industrial Area, Bommasandra, Bengaluru, (Bangalore) Urban, Karnataka - 560 099  Village Dev Nagar, Near Shiv Bari PO. Gagret Distt. Una, Himachal Pradesh-177201	

# BOARD OF DIRECTORS



**SHRI TRIBHUVANPRASAD KABRA**  
CHAIRMAN



**SHRI SHREEGOPAL KABRA**  
MANAGING DIRECTOR



**SHRI MAHENDRAKUMAR KABRA**  
JT MANAGING DIRECTOR



**SHRI ASHOK LOYA**  
WHOLE-TIME DIRECTOR



**SMT KIRTIDEVI KABRA**  
WHOLE-TIME DIRECTOR



**SHRI MAHHESH T KABRA**  
WHOLE-TIME DIRECTOR



**SHRI SUMEET M KABRA**  
WHOLE-TIME DIRECTOR



**SHRI SANJAY TAPARIA**  
WHOLE-TIME DIRECTOR



**SHRI RAJESHBABU JAIN**  
WHOLE-TIME DIRECTOR



**SHRI R KANNAN**  
INDEPENDENT DIRECTOR



**SHRI BHAGWAT SINGH BABEL**  
INDEPENDENT DIRECTOR



**SHRI MUKUND MANOHAR CHITALE**  
INDEPENDENT DIRECTOR



**SHRI VIPUL SABHARWAL**  
ADDITIONAL INDEPENDENT DIRECTOR



**SHRI PUNEET BHATIA**  
INVESTOR DIRECTOR



**SHRI MITESH DAGA**  
INVESTOR DIRECTOR



# CHAIRMAN'S MESSAGE



## SHREE TRIBHUVANPRASAD KABRA

Chairman, R R Kabel Limited

### Dear Shareholders,

It gives me immense pleasure to present to you Twenty-Eighth Annual Report of the Company.

The past couple of years have seen significant global challenges. We have seen trade wars, global pandemic, geopolitical tensions and supply chain disruptions. FY'22 ended with the onset of war in Europe and a record spike in energy prices. Despite this, India's overall GDP growth estimated for the financial year 2021-22 was 8.7% against a contraction of 6.6% in FY21. According to published reports, growth prospects were upbeat, driven by an uptick in private capex, increased momentum from infrastructure & real estate end-markets.

FY'22 turned out to be one of the best years in recent times for our company. Our overall revenue growth in FY 2022 was 62% over last year, ending at ₹4432 crores (FY'21 ₹ 2738 crores) driven by an increase in volume growth along with a steep increase in Copper & Aluminium prices. With increased volumes coupled with cost efficiencies, we were able to achieve EBITDA of ₹ 350 crores (FY'21 ₹ 252 crores), an increase of 38% over last year. Our Profit after Tax improved by 57% to ₹ 210 crores (FY'21 ₹134 crores). Your company's product lines continue to make inroads into more and more countries across the globe.

The planned vision of Go-To-Market strategy under the name "Project KaRRma" has been extended to pan India basis enabling us to increase our building wire market share. To ensure holistic and sustainable growth, we designed and rolled out one of the best loyalty programmes in the industry for influencers and retailers. We focused on BTL activities and digital marketing strategy to suit the local market conditions. CCC- our rural marketing programme, was rolled out to plug available white spaces. We also rolled out Kabel Star – a programme designed to provide scholarship to the deserving children of our electricians – a well thought initiative to get connected to society at large.

Our employee safety, wellbeing and growth has always been our number one priority. We have established safety systems, standard process and imparted continuous training to ensure that all our employees and contractors follow safe working practices. To give growth opportunities to our employees, we have initiated in-house development centres to build a strong talent pipeline for the future. We conducted a series of employee well-being and training programs to keep them motivated.

This year company invested a considerable amount of resources to have in-house capabilities on various key parameters which have resulted not only in providing transparency but have improved our customer service levels. Amongst others, it includes - Business Intelligence Supply Chain Management software, an integrated demand planning process which helped increase forecast accuracy and on-time delivery in FMEG business, Stock replenishments, atomization, Supply Chain control tower for senior management for better monitoring and visibility.

The company has embarked on an ERP transformation journey through implementation of Microsoft Dynamics-365. This move provides a scalable platform and a unified user experience covering Manufacturing, Finance, Supply Chain and Sales. In addition, the company has transitioned to Microsoft Office365. During the year, cybersecurity awareness programs were conducted throughout the organisation.

In the manufacturing area, we have taken many initiatives to add new products to our ever-expanding product basket. Major focus is on fire safety, HT cables, EV segment and green energy. We are proactively expanding our capacity by adding the latest technology like the state-of-the-art E-Beam plant. The product testing facility is being modified to cater to the stringent testing requirements, both national and global. We are also implementing Industry 4.0 IOT to support our ongoing Lean manufacturing systems.

Our company continues to focus its CSR activities on rural education for the under-privileged deploying 91% of total CSR funds for 1088 FTS schools spread across 9 states in India. Balance funds were deployed for vocational training of women, support for an orphanage and rural healthcare.

We embarked on a new journey to integrate sustainability into our operations with a commitment to continue being a responsible business. While we embed ESG into our way of working, we aim to not only meet the immediate customer expectations, but also become future ready and resilient to climate and other ESG risks. We have prioritized certain action areas and rolled out metrics towards measuring and enhancing our sustainability performance for efficient use of water, enhancing productivity and a safe working environment.

In May'22, our Company acquired the Home Electrical division of Luminous from Schneider Electric. This is the first instance of an Indian Company in this sector acquiring a business from an MNC. We are on a journey of expanding a value-added consumer centric business, which outpaced the industry growth in FY'22 by over 3X. Looking forward, the Luminous Home Electricals Business will be a strong addition to our new chapter of growth, by leveraging its valued capabilities including R&D strength, a state-of-art manufacturing facility, admired product portfolio and most importantly, a dedicated and highly capable team and channel partner network.

With the acquisition made this year along with ongoing capacity expansion and sustainability initiatives, I am quite confident about the future growth prospects of our Company. I take this opportunity to thank my fellow Board members and all other stakeholders, especially, our valued shareholders for reposing their faith and support in us. Together, let us continue this exciting journey and ensure the continued growth of RR Kabel. A lot of credit for the success of the organization can also be attributed to the relentless contribution and hard work of our employees who have been the pillars of our strength. I remain grateful for their efforts and am confident that they will continue to work with the same passion and commitment in the years to come.

Warm regards,  
Tribhuvanprasad Kabra

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE

## WIRED TO A BRIGHTER TOMORROW

For more than two decades, our products have been an integral of people's lives across the world in their homes, offices, factories and other locations. Climate change is one of the most challenging issues of our times, and poses tangible risks in our mission of wiring for a brighter tomorrow. Rapid acceleration of globalization and increasing affluence has led to massive stress on the planet's resources and poses irreversible risks to society at large. As a responsible organization, we are in a position to play an active role in positively impacting society. We embarked on our ESG journey last year with a phased approach of progressing on areas that matter to all our stakeholders.



Our structured approach to ESG began with the articulation of our ESG goals, viz., meeting our customer expectations on sustainability, measuring, monitoring and communicating key metrics and being prepared for the future by being resilient against ESG risks. This was followed by an identification of material ESG issues, gap assessment with respect to existing policies, benchmarking with peers and finalization of key performance indicators (KPIs) to translate the above ESG goals into action. The chosen KPIs are part of some core sustainability themes like emissions & climate change, water, diversity, human capital, environment management system (EMS) and governance. We plan to formalize data capture, measurement, reporting and disclosing on these KPIs across our core functions over the next 1-2 years to ensure progress on our ESG goals.



As a leading company in the electrical cables industry, RR Kabel is fully cognizant of the developments in sustainability, whether it is innovation in our products or effectively serving our clients. Our sustainability efforts will not be limited within the organization, but span across the entire supply chain – promoting optimal use of resources and establishing ourselves as the partner of choice for our customers. Our entire range of wires and cables are ROHS and REACH compliant for distribution in the Indian and overseas market. As we are an energy intensive business, we are committed to resource efficiency and undertake low-cost, efficient operations.

We have completed a baseline assessment of Scope 1 and Scope 2 GHG emissions for FY 2021-22 across 3 manufacturing units, 9 offices and 12 warehouses and are currently in the process of defining emission reduction targets. We have accomplished a significant increase of the groundwater table with our rainwater harvesting efforts over the years in our largest production unit at Waghodia. We have also installed a 1 MW rooftop solar PV at the Waghodia unit and are planning for increased sourcing of renewable energy from third party providers, with a goal of reaching more than 10% of overall energy in the coming 2 years.



We recognize people as our most valuable resource, and their health and well-being are critical to our success. To protect our workforce, we have formulated an enterprise-wide safety system with robust policies and standards under the umbrella of Environment, Health, and Safety (EHS). Our practices under EMS Training - water spillage, energy saving, environmental aspect impact assessment, and O&HS Training - checkpoints for housekeeping, training on fire hydrant, methods of fire extinguishing, general safety, first aid and usage are some companywide illustrations that have further improved safety performance.



As we look ahead to the future, we plan to reinforce our sustainability efforts in areas related to people, supply chain and specific initiatives. A dedicated ESG function with a governance charter is being planned to give further impetus to the KPIs being rolled out across the organization. We plan to drive ESG in our supply chain by implementing supplier audits, integrating ESG in supplier contracts and incorporating ESG factors in supplier reviews.

Globally as well as in India, customers investors and governments are demanding more robust and detailed sustainability disclosures. Our ESG initiatives especially the organization-wide rollout of KPIs, are ultimately geared towards improving disclosures for our stakeholders.

Our efforts don't stop here for we are — wired to a brighter tomorrow!

## NOTICE

Notice is hereby given that the Twenty-Eighth Annual General Meeting of the members of **R R KABEL LIMITED (“the Company”)** will be held through the video-conferencing facility on Thursday, 22 September 2022 at 11:30 am to transact the following business. 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 Standalone Financial Statements of the Company for the financial year ended 31 March 2022, together with the Reports of the Board of Directors and the Auditors thereon: and
  - b) the audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2022, together with the Report of the Auditors thereon.
2. To declare a dividend of (i) ₹ 18 per Equity Shares of ₹ 10 each and (ii) ₹ 18 per Compulsory Convertible Preference Share of ₹ 1080.33 each for the financial year ended 31 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 appoint a director in place of Shri Sumeet Kabra (DIN - 01751282), who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a director in place of Shri Sanjay Taparia (DIN - 01812564), who retires by rotation and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee and the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri Vipul Sabharwal (DIN: 03429263) who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from 23 August 2022 and who holds office until the date of the ensuing Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 and has submitted a declaration that he meets the criteria for Independence, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 23 August 2022 to 22 August 2027, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized severally to take such actions and do all such things as may be necessary or desirable to give effect to this resolution.”
7. To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee and the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Section 198 of the Companies Act, 2013 and the rules made thereunder, including the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, Shri Rajesh Babu Jain (DIN – 06959083) be and is hereby re-appointed as Whole-time Director of the Company for a period of 5 (Five) years with effect from 1 April 2022 and also appointed as the Chief Financial Officer (CFO) of the Company designated as “Executive Director & CFO” with effect from 24 August 2022 upon the terms as set out hereunder, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions, in such manner as may be agreed to between the Directors and Shri Rajesh Babu Jain.

  - a. Remuneration of ₹ 1,00,00,000/- Annually w.e.f. 1 April 2022 with an increment not exceeding 20% per annum at the discretion of the Board of Directors of the Company.
  - b. Perquisites as per the policy of the Company.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Whole-time Director shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013

## NOTICE (Contd.)

or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole-time Director.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized severally to take such actions and do all such things as may be necessary or desirable to give effect to this resolution.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee and the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with section 198 of the Companies Act, 2013 and the rules made thereunder, including the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 the remuneration terms of Shri Sanjay Taparua (DIN – 01812564) Whole Time Director of the Company be revised in the following manner, with all the other terms and conditions of his appointment remaining the same.

- a) Remuneration of ₹ 90,00,000/- Annually w.e.f. 1 April 2022 with an increment not exceeding 20% per annum at the discretion of the Board of Directors of the Company.
- b) Perquisites as per the policy of the Company.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Whole Time Director shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole Time Director.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the company be and are hereby severally authorized to take such actions and do all such things as may be necessary or desirable to give effect to this resolution.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee and the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with section 198 of the Companies Act, 2013 and the rules made thereunder, including the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, Shri Tribhuvanprasad Kabra (DIN – 00091375) be and is hereby re-appointed as Whole-time Director (“Executive Chairman”) of the Company for a period of 5 (five) years with effect from 24 September 2022 upon the terms as set out hereunder, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions, in such manner as may be agreed to between the Directors and Shri Tribhuvanprasad Kabra.

- a) Remuneration of ₹ 1,44,00,000/- Annually.
- b) Commission of up to 0.5% of the net profits of the Company in a particular year which shall be within the overall limits laid down in Section 198 of the Companies Act, 2013.
- c) Perquisites as per the policy of the Company.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Whole Time Director shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole-time Director.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized severally to take such actions and do all such things as may be necessary or desirable to give effect to this resolution.”

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as a Special Resolution:

“**RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee and the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) as amended from time to time, Shri Bhagwat Singh Babel (DIN- 01476935), who was appointed as an Independent Director of the Company for a term of five years with effect from 24 August 2017 to 23 August 2022, and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160(1) of

## NOTICE (Contd.)

the Companies Act, 2013 from a Member, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company for the second term of five consecutive years commencing from 24 August 2022 to 23 August 2027, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized severally to take such actions and do all such things as may be necessary or desirable to give effect to this resolution.”

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolutions:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendation of the Audit Committee, the Members of the Company hereby approve a consolidated remuneration of ₹ 7,50,000/- (Rupees Seven Lakh Fifty Thousand) plus taxes and out of pocket expenses, if any, chargeable extra on actual basis, payable to M/s Poddar & Co., Cost Accountants, (Firm Registration No. 29474) who have been appointed as Cost Auditors by the Board of Directors of the Company (the “Board”), to conduct cost audit of the cost records of the Company for the financial year ending 31 March 2023.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do or to authorize any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto.”

Date: 23 August 2022  
Place: Vadodara

For and on behalf of the Board  
**Tribhuvanprasad Kabra**  
Chairman  
DIN: 00091375

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

### NOTES:

- 1) The Members may please note that the Annual General Meeting (the “Meeting” or the “AGM”) is being held through Video Conferencing (“VC”) in accordance with the General Circular Nos. 20/2020, 02/2021, 19/2021 and 02/2022 dated 5 May, 2020, 13 January 2021, 8 December 2021 and 5 May 2022 respectively, and clarification circular No. 21/2021 dated December 14, 2021 issued by the Ministry of Corporate Affairs, Government of India, the 28th AGM of the Company is being conducted through VC/OAVM Facility, which does not require the physical presence of Members at a common venue. The deemed venue for the 28th AGM shall be the Registered Office of the Company.
- 2) Proxies are not allowed in respect of this AGM being held through VC as physical attendance of members is not required.
- 3) Authorized representatives of corporate members intending to attend the Meeting must be authorized by proper Board resolution. A copy of the Board resolution must be sent to the Company before the Meeting. The resolution may be sent through an email to the Company Secretary.
- 4) The access details for attending the meeting through video conference are given below:

**Annual General Meeting dated 22 September 2022**

**Time: 11:30 AM**

**Link to join the Meeting: <https://bit.ly/3KzCypd>**

Meeting ID: 430 973 524 30

Passcode: RarECa

- 5) In case of any technical or any other queries, members may please reach out to Company Secretary, and can call on +91- 9377918595.
- 6) Members can cast their vote by sending a mail to himanshu.parmar@rrglobal.com from their registered email ID, when a poll is required to be taken on any resolutions.

## NOTICE (Contd.)

- 7) Members are requested to log in on the portal using the details provided in point 4 above at least 5 to 10 minutes prior to the scheduled time.
- 8) The scanned copies of all documents referred to in the accompanying notice shall be made available for inspection via electronic means. If a shareholder desires to peruse any document, he/they may write to the Company Secretary, Shri. Himanshu Parmar at the email id himanshu.parmar@rrglobal.com, from their registered email address. The requested documents shall be provided at the earliest possible time.

Profile of Directors being appointed / re-appointed in the order of the items mentioned in the notice.

Name	Shri Tribhuvanprasad Kabra	Shri Sumeet Kabra	Shri Sanjay Taparia
<b>DIN</b>	00091375	01751282	01812564
<b>Date of Birth</b>	11 June 1955	10 August 1982	10 July 1963
<b>Date of Appointment on the Board</b>	2 September 1997	12 November 2010	12 November 2010
<b>Qualification</b>	B.com	B.E and MBA	B.Sc Chemistry
<b>Experience</b>	He has more than 49 years of experience in the electrical industry. He also carries along knowledge and experience in sales, Finance, purchase and administration.	He has more than 11 years of experience in the electrical industry. He also carries along with knowledge and experience in the field of Specialized Cables and electrical goods.	He has 10 Years of Experience in domestic sales in chemicals and polymers and 30 years of experience in heading international sales/marketing.
<b>Number of Board meetings attended</b>	4	1	4
<b>Name of Companies in which also holds Directorship</b>	1. Ram Ratna Wires Limited 2. Ram Ratna Research & Holding Pvt. Ltd. 3. Kabel Buildcon Solutions Pvt. Ltd.	1. Hemlata Home Solutions Private Limited. 2. Opticspectra Communications Private Limited 3. Bgauss Auto Private Limited 4. Paarth Clothing Private Limited	Dhannajay Stocklend Pvt. Ltd.
<b>Name of the Companies in Committees of which holds Membership / Chairmanship</b>	R R Kabel Limited	NIL	NIL
<b>Number of Shares held in R R Kabel Limited</b>	Equity 12,20,676	Equity 6,34,657	Equity 1,15,000

Name	Shri Vipul Sabharwal	Shri Rajesh Babu Jain	Shri Bhagwat Singh Babel
<b>DIN</b>	03429263	06959083	01476935
<b>Date of Birth</b>	4 August, 1961	22 September 1971	24 July 1953



## NOTICE (Contd.)

Name	Shri Vipul Sabharwal	Shri Rajesh Babu Jain	Shri Bhagwat Singh Babel
<b>Date of Appointment on the Board</b>	23 August, 2022	23 September 2014	24 August 2017
<b>Qualification</b>	Master's Management Studies.	Cost Accountant and Company Secretary	B. Tech in Electrical Engineer
<b>Experience</b>	He has more than 37 years of varied and diversified global experiences across FMCG, Telecom, White Goods, Power Storage & Renewable industry	He has more than 27 years of experience. He is one of the senior-most employees of the Company and associated with the Company since the last 22 years.	He has more than 45 years of professional experience in design, Manufacturing, Projects, International Marketing and General Management.
<b>Number of Board meetings attended</b>	-	4	4
<b>Name of Companies in which also holds Directorship</b>	1. Luminous Power Technologies Private Limited. 2. Longlast Power Products Limited	-	1. Secure Meters Limited 2. KRYFS Power Components Limited
<b>Name of the Companies in Committees of which holds Membership / Chairmanship</b>	Nil	Nil	R R Kabel Limited
<b>Number of Shares held in R R Kabel Limited</b>	Equity	Equity	Equity
	Nil	2,000	Nil

### STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

#### Item No. 6

Shri Vipul Sabharwal (DIN: 03429263) was appointed as an Additional Independent Director of the Company with effect from 23rd August 2022 pursuant to the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association of the Company. As such Shri Vipul Sabharwal holds office up to the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director. The Company has received a notice under Section 160(1) of the Act proposing his candidature for the office of Director of the Company.

Shri Vipul Sabharwal is having more than 37 years of varied and diversified global experiences across FMCG, Telecom, White Goods, Power, Storage & Renewable industry and has worked across iconic brands Luminous, Gillette (P&G), Nokia, Whirlpool, Johnson & Johnson and has consented to be the Director of the Company.

As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and is not liable to retire by rotation. Shri Vipul Sabharwal has consented to act as Director of the Company and has given declaration to the Board that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013.

In the opinion of the Board, Shri Vipul Sabharwal fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for appointment as an Independent Director of the Company. The Board based on the recommendation of the Nomination and Remuneration Committee, recommends his appointment as an Independent Director for a period of five years commencing from 23 August 2022.

## **NOTICE (Contd.)**

Consent of the Members is required for appointment of Shri Vipul Sabharwal, in terms of Section 149 of the Act read with Schedule IV of the Act. The terms and conditions of appointment of Shri Vipul Sabharwal, pursuant to Schedule IV of the Act, shall be open for inspection at the registered office of the Company by any Member during business hours on any working day of the Company.

In view of the above, the resolution for the appointment of Shri Vipul Sabharwal as an Independent Director effective from 23 August 2022 has been put up for the approval of members.

Except for the aforesaid director and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, whether financially or otherwise, in the proposed resolution.

### **Item No. 7**

The members are informed that the earlier term of Shri Rajesh Babu Jain as Whole-time Director of the Company expired on 31 March 2022. The Board on the recommendation of the Nomination and Remuneration Committee has re-appointed Shri Rajesh Babu Jain as Whole-time Director for a further period of five years effective from 1 April 2022. Further, Shri Rajesh Babu Jain was also appointed as CFO of the Company and designated as Executive Director & CFO effective from 24 August 2022 based on the recommendation of the Nomination and Remuneration Committee and approval of the Board.

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the approval of the members would be required for the same.

In view of the above, the resolution for the appointment of Shri Rajesh Babu Jain as Whole-time Director effective from 1 April 2022 has been put up for the approval of members.

Except for the aforesaid director and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, whether financially or otherwise, in the proposed resolution.

### **Item No. 8**

The Board, on the recommendation of the Nomination and Remuneration Committee, has approved the Change in terms of the remuneration of Shri Sanjay Taparia, with other terms and conditions of his appointment remaining the same. Pursuant to the provisions of Section 196, 197 and other applicable provisions, if any, read with Section 198 of the Companies Act, 2013 and rules made there under, the approval of the members shall be required for the same.

In view of the above, the resolution for a Change in terms of remuneration of Shri Sanjay Taparia with effect from 1 April 2022 has been put up for the approval of members.

Except for Shri Sanjay Taparia none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, whether financially or otherwise in the above resolution.

### **Item No. 9**

The members are informed that the term of Shri Tribhuvanprasad Kabra shall expire on 23 September 2022. The Board on the recommendation of the Nomination and Remuneration Committee has approved the re-appointment of Shri Tribhuvanprasad Kabra as Whole-time Director, designated as Executive Chairman, for a further period of five years effective from 24 September 2022.

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the approval of the members would be required for the same.

In view of the above, the resolution for the re-appointment of Shri Tribhuvanprasad Kabra as Whole-time director effective from 24 September 2022 has been put up for the approval of members.

Except for the aforesaid director and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, whether financially or otherwise in the proposed resolution.

### **Item No. 10**

The members are informed that the term of Shri Bhagwat Singh Babel, Independent Director expires on 23 August 2022. Pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Board on the recommendation of the Nomination and Remuneration Committee has approved the re-appointment of Shri Bhagwat Singh Babel as Independent Director for the second term of five years effective from 24 August 2022 to 23 August 2027, not liable to retire by rotation. Requisite Notice under Section 160 of the Companies Act, 2013 proposing the re-appointment of Shri Bhagwat Singh Babel has been received by the Company.

## **NOTICE (Contd.)**

The Board is of the view that the continued association of Shri Bhagwat Singh Babel would benefit the Company, given his knowledge and experience and contribution to Board processes by him. He has consented to act as Director of the Company and has given a declaration that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, Shri Bhagwat Singh Babel fulfils the conditions specified in the Act and the Rules thereunder for re-appointment as an Independent Director.

In Compliance with the provisions of Section 149 of the Act read with Schedule IV of the Act, the appointment of Shri Bhagwat Singh Babel is now placed before the members for their approval by way of passing a special resolution.

Except for the aforesaid director and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, whether financially or otherwise in the above resolution.

### **Item No. 11**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Poddar & Co. as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31 March 2023.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit & Auditors) Rules 2014, the remuneration payable to the Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of members is sought for passing an Ordinary Resolution as set out in Item No.11 of the Notice for ratification of the remuneration payable to Cost Auditors for the financial year ending 31 March 2023.

None of the directors, key managerial personnel or their relatives is concerned or interested financially or otherwise in the resolution.

For and on behalf of the Board

Date: 23 August 2022

Place: Vadodara

**Tribhuvanprasad Kabra**

Chairman

DIN: 00091375

### **Regd Office:**

Ram Ratna House,

Oasis Complex,

P. B. Marg, Worli,

Mumbai - 400 013.



## DIRECTORS' REPORT

Dear Members,

Directors of the Company are pleased to present the Twenty-Eighth Annual Report, together with the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31 March 2022.

### ➤ FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's performance during the year as compared with the previous year is summarized below:

(₹ In Lakhs)

PARTICULARS	FY 2021-22	FY 2020-21
Revenue from Operations	<b>438593.62</b>	271594.22
Other Income	<b>4628.03</b>	2199.51
Operating profit before Finance Cost, Depreciation, Tax and Extraordinary items	<b>34952.82</b>	25214.11
<b>Less: Depreciation and amortization expenses</b>	<b>4608.51</b>	4475.09
Finance Cost	<b>2328.34</b>	2705.63
<b>Profit before tax</b>	<b>28015.97</b>	18033.39
Less: Tax	<b>7042.19</b>	4603.59
<b>Profit for the year</b>	<b>20973.78</b>	13429.80
Other Comprehensive Income	<b>1645.38</b>	765.86
Total Comprehensive Income	<b>22619.16</b>	14195.66

### ➤ OUTLOOK AND OPERATIONS

The pandemic and climate concerns resulted in shortages of key inputs and dampened manufacturing activities in numerous countries. The spike in fuel and commodity prices is also driven by the war. Supply shortages and the rise in commodity prices caused consumer price inflation to increase rapidly across the world economy. Global market volatility and commodity price rise, especially crude oil price have impacted the Indian economy as well. However domestic growth rate is gradually improving.

Despite such conditions, the financial year 2021-22 turned out to be one of the best years in recent times for our Company. During the year under review, on a standalone basis, the Company recorded net revenue from operations of ₹ 4,38,594 Lakhs, higher by 62 % compared to ₹ 2,71,594 Lakhs of the last financial year. The Company recorded a net profit of ₹ 20,974 Lakhs during the financial year 2021-22 against a net profit of ₹ 13,430 Lakhs in the previous financial year 2020-21. The Company's EBITDA stood at ₹ 34,953 Lakhs, an increase by 38% over the EBITDA of ₹ 25,214 Lakhs for the last financial year.

### ➤ EXPANSION

During the year your Company acquired the Home Electrical business from Luminous Power Technologies Private Limited. This acquisition will further strengthen RR Kabel's Fast Moving Electrical Goods business (FMEG), which has a diversified portfolio of fans, lights & appliances. We are confident that the acquisition shall help to expand our services and create greater value for all our customers. As a major player and innovation leader in the wire and cable industry, we believe the acquisition will further strengthen our leading position in India's fast-growing home electrical industry.

### ➤ SUBSIDIARY, ASSOCIATE AND JOINT VENTURE

The Company has no subsidiary or associate, therefore, disclosures regarding the same are not provided in the report.

However, your Company is a 35% partner in a joint venture with Bangladesh counterpart under the name RR-Imperial Electricals Limited ("RR Imperial").

The Company's investment in joint venture is reported as a non-Current investment and is stated at cost. As per the requirements of the Companies Act, 2013 and IndAs – 27 (Standard on Consolidated Financial Statements) read with IndAs – 21 (Standard on Financial Reporting of Interests in Joint Ventures), the consolidated financials of the Joint Venture have been presented. The details in Form AOC 1 pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 are set out in the financial statement forming part of this Report and the said form highlights the financial performance of the joint-venture entity.

## DIRECTORS' REPORT (Contd.)

### ➤ DIVIDEND

Your directors are pleased to inform you that the Board has declared a dividend of ₹ 18 per Equity Share of ₹ 10 each and ₹ 18 per Compulsory Convertible Preference Share of ₹ 1080.33 each, at their meeting held on 22 June 2022, subject to the approval of shareholders. An amount of ₹ 4998.10 Lakhs shall be paid out of net profit for the year ended 31 March 2022 towards the dividend, if declared. The necessary resolutions in this regard have been proposed for the approval of the members at the ensuing Annual General Meeting ("AGM"). 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 the prescribed rate as per the Income-tax Act, 1961 and accordingly payment of dividend will be made after deduction of TDS as applicable.

### ➤ DIRECTORS

#### Declaration by Independent Directors

The Company has received necessary declarations from each Independent Director under Section 149(7) of the Companies Act 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act 2013.

#### Directors retiring by rotation

Shri Tribhuvanprasad Kabra, Executive Chairman & Whole-time Director, Shri Sumeet Kabra, Whole-time Director and Shri Sanjay Taparia, Whole-time Director retire by rotation and being eligible to offer themselves for re-appointment at the ensuing AGM.

The necessary resolutions in this regard have been proposed for the approval of the members at the ensuing AGM. The details as per Regulation 1.2.5 of Secretarial Standard 2 have been included in the Notice.

#### Appointment /Re-appointment of Directors:

The Board on the recommendation of the Nomination and Remuneration Committee has approved the re-appointment of the following directors:

Name	Designation	Term Expiring on	Term renewed with effect from
Shri Rajesh Babu Jain	Whole-time Director	31 March 2022	5 years w.e.f. 1 April 2022
Shri Bhagwat Singh Babel	Independent Director	23 August 2022	5 years w.e.f. 24 August 2022
Shri Tribhuvanprasad Kabra	Executive Chairman (Whole-time Director)	24 September 2022	5 years w.e.f. 25 September 2022

The necessary resolutions in this regard have been proposed for the approval of the members at the ensuing AGM.

The Board has appointed Shri Vipul Sabharwal as an Additional Independent Director from 23 August 2022 pursuant to provisions of Section 161 of the Companies Act, 2013. Your directors recommend his regularization as an independent director of the company.

The Board, on the recommendation of the Nomination and Remuneration Committee appointed Shri Rajesh Babu Jain, as Chief Financial Officer and Executive Director with effect from 24 August 2022 in place of Shri Rajeev Pandiya who ceased to be Chief Financial Officer with effect from 23 August 2022.

The aforesaid appointment/ Re-appointment shall require approval of the shareholders of the Company. The necessary resolution in this regard is included in the Notice convening the Annual General Meeting.

The details as per Regulation 1.2.5 of Secretarial Standard 2 have been included in the Notice.

There is no other change in the composition of the Board.

## DIRECTORS' REPORT (Contd.)

### ➤ BOARD MEETINGS HELD DURING THE YEAR

During the financial year 2021-22, four meetings of the Board of Directors were held on 2 September 2021, 8 November 2021, 16 December 2021 and 26 February 2022.

The attendance of the Directors at the meetings of the Board and last AGM is set out below:

Name of Directors	No. of Board Meeting Attended during the year 2021-22	Whether attended last AGM held on 28 September 2021
Shri Tribhuvanprasad Kabra	4	Yes
Shri Shreegopal Kabra	4	Yes
Shri Mahendrakumar Kabra	2	Yes
Smt. Kirtidevi Kabra	4	Yes
Shri Mahhesh Kabra	4	Yes
Shri Ashok Loya	4	Yes
Shri Sumeet Kabra	1	Yes
Shri Sanjay Taparia	4	Yes
Shri Rajesh Babu Jain	4	Yes
Shri R Kannan	4	Yes
Shri Bhagwat Singh Babel	4	Yes
Shri Mukund Chitale	2	Yes
Shri Puneet Bhatia	3	No
Shri Mitesh Daga	3	No

### Board Evaluation

In terms of provisions of the Companies Act, 2013 read with the rules thereunder, the Board of Directors have evaluated the effectiveness of the Board / Director (s) for the financial year 2021-22. The Board has monitored and reviewed the evaluation framework. The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by Board.

### ➤ DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of sections 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31 2022, and of the profit of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts for the year ended on 31 March 2022 have prepared on a 'Going Concern' basis.
- the Directors have laid down the internal financial controls followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ➤ COMMITTEES OF THE BOARD

#### Audit Committee

Currently, the Committee comprises Shri R Kannan, Shri Bhagwat Singh Babel, Shri Mukund Chitale, Shri Mitesh Daga and Shri Mahhesh Kabra. During the year under review, three meetings of the Audit Committee were held on 2 September 2021, 16 December 2021 and 25 February 2022 to perform their duties in accordance with the provisions of Section 177 of the Companies Act, 2013. During the period under review, the Company has adhered to the broad framework laid down by the following policies:

## DIRECTORS' REPORT (Contd.)

### a. Vigil mechanism policy

Pursuant to the requirement of Section 177(9) of the Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules 2014, the Company has adopted a Vigil Mechanism Policy. The policy is available on the website of the Company at [www.rrkabel.com](http://www.rrkabel.com).

### b. Policy on Related Party Transactions

There were no materially significant transactions with related parties during the financial year under review, which were in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standards (Ind AS 24) has been made in the notes to the financial statement.

The Company has formulated a policy on Related Party Transactions. The policy adopted by the Board is also available on the website of the Company at [www.rrkabel.com](http://www.rrkabel.com).

The details in Form AOC 2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are given as Annexure A to this report.

### c. Risk Management Policy

The policy is available on the website of the Company at [www.rrkabel.com](http://www.rrkabel.com). The Risk Management Policy is integral to the Company's business model and is based on core values and ethics. Under this Policy, risks are identified across all business processes of the Company on a continuous basis. This Policy covers the long-term interests of the Company as well as the regular functioning of each of the processes and the risks associated with incorrect or untimely financial and non-financial reporting. Each risk is mapped to the concerned department for further and effective action to be taken.

### Nomination and Remuneration committee

The Nomination and Remuneration Committee presently comprises Shri R. Kannan, Shri Bhagwat Singh Babel, Shri Mukund Chitale, Shri Tribhuvanprasad Kabra and Shri Puneet Bhatia. During the year two meetings of the Committee were held on 2 September 2021, and 16 December 2021 to perform the duties in accordance with the provisions of the Companies Act, 2013.

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 of the Companies Act 2013 is given on the website of the Company at [www.rrkabel.com](http://www.rrkabel.com).

### Corporate Social Responsibility (CSR) Committee

The Committee comprises Shri Bhagwat Singh Babel, Smt. Kirtidevi Kabra, Shri Mahhesh Kabra and Shri Puneet Bhatia. During the year two meetings of the Committee were held on 2 September 2021 and 26 February 2022 to perform the duties in accordance with the provisions of the Companies Act, 2013. The Company has formulated a Corporate Social Responsibility Policy pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. This policy is available on Company's website at [www.rrkabel.com](http://www.rrkabel.com).

The CSR activities and initiatives undertaken by your Company during the financial year 2021-22 have been detailed in Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as set out in Annexure B to this Report.

### ➤ AUDITORS AND AUDITORS' REPORT

M/s BSR & Co. LLP, Chartered Accountants, (Firm Registration number 101248W/W-100022) were appointed as Statutory Auditors of the Company at the AGM held on 29 September 2018, to hold office from the conclusion of Twenty Fourth AGM till the conclusion of the Twenty-Ninth AGM. They continue to hold office.

There are no observations or qualifications, or remarks made by the Auditors in their report.

### ➤ DETAIL OF FRAUD AS PER AUDITORS REPORT:

There is no fraud reported during the financial year ended 31 March 2022. This is also being supported by the report of the auditors of the Company as no fraud has been reported in their audit report for the financial year ending 31 March 2022.

## DIRECTORS' REPORT (Contd.)

### ➤ COST AUDITORS

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Poddar & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ended 31 March 2023 and payment of remuneration to the said auditors. In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors shall be ratified by the shareholders of the Company. The necessary resolution in this regard is included in the notice convening the Annual General Meeting.

### ➤ MAINTENANCE OF COST RECORDS

The Company has maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. The records are made and maintained as applicable to the nature of the Business of the Company.

### ➤ SECRETARIAL AUDITORS

A Secretarial Audit was conducted during the year by the Secretarial Auditor, M/s. Khanna & Co., Practicing Company Secretaries, in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit report is attached as Annexure C and forms part of the Board's Report. There are no qualifications or remarks made by the Secretarial Auditor in their Report.

### ➤ COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Section 118(10) of the Companies Act 2013, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government with respect to meetings of the Board of Directors and General Meetings.

### ➤ CORPORATE GOVERNANCE

The Company is committed to balancing the interests of the Company's many stakeholders, such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community. In keeping with the philosophy of the Company, a corporate governance report, to the extent applicable to an unlisted public company, has been included as part of the Directors Report as Annexure D.

### ➤ ANNUAL RETURN

The Annual Return of the Company as on 31 March 2022 is available on the Company's website and can be accessed at [https://www.rrkabel.com/MGT-7\\_2022.pdf](https://www.rrkabel.com/MGT-7_2022.pdf).

### ➤ PARTICULARS OF EMPLOYEES

The details of employees who are in receipt of remuneration equal to or exceeding the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 read with Section 134 of the Companies Act 2013, are given below:

Name and Designation of the employee:	*Joydeep Mukherjee, COO Electrical Division	+Rajeev Pandiya, CFO	Vivek Abrol, CEO Electrical Division
Remuneration received	₹ 270.96 Lakhs	₹170.75 Lakhs	₹ 121.56 Lakhs
Nature of employment, whether contractual or otherwise: Full-time employment	Full-time Employee	Full-time Employee	Full-time Employee
Qualifications and experience of the employee	E.M.I.B – International Business and Marketing, PGDMM, B.A. (Hons)	CA, ICWA	MBA in Marketing and B.E Mechanical Engineering
Date of commencement of employment	13 May 2019	1 April 2021	1 June 2021
Age	54	56	47
Last employment details	H&R Johnson	TPG Growth	ITC Ltd.
% of equity held by the employee in the Company	-	-	-
Whether any such employee is a relative of any Director or Manager of the Company, and if so, name of such Director or Manager	No	No	No

\* Shri Joydeep Mukherjee ceased to be a COO of the Company with effect from 31 March 2022.

+ Shri Rajeev Pandiya ceased to be a CFO of the Company with effect from 23 August 2022.

## DIRECTORS' REPORT (Contd.)

- **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are appended as Annexure E to the report and forms part of this Report.
- **PUBLIC DEPOSITS**

The Company has not accepted any deposits during the year under review.
- **LOANS, GUARANTEES AND INVESTMENTS**

During the financial year 2021-22, the Company has not given any loans or provided any security. The Company has however provided guarantees in respect of loans taken by the Company's dealers under channel financing facility from banks.

The details are provided in Note: 3A, 3B and 39 of the Notes to Financial statements for the year ended 31 March 2022.
- **INTERNAL AUDIT AND CONTROL:**

Pursuant to section 138 of the Companies Act, 2013, the Board of Directors has appointed M/s Ernst & Young Consulting LLP., Chartered Accountants, as Internal Auditors of the Company. The Audit Committee periodically reviews and implements the recommendations of Internal Auditors.
- **INTERNAL FINANCIAL CONTROL:**

Your Company has effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of an internal audit is to test and review controls, appraisal of risks and business processes, besides benchmark controls with best practices in the industry. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken.
- **ENVIRONMENT, SAFETY AND HEALTH:**

Your company is a signatory to UN Global Compact, Caring for Climate and CEO Water Mandate. The commitment to EHS is of the highest level. Occupational Safety and Health is no longer a priority but a VALUE. Employee sensitization towards health and safety is through active participation and celebration of several events on a continuing basis. These include National Road Safety Week and National Safety week.

Your company has implemented ISO 45001:2018, the latest standard on Occupational Health and Safety. The 5S initiative has been taken a step further and designated as 6S to include SAFETY as the 6 S.

Environmental initiatives include observance of Earth Day, World Water Day, and World Environment Day. 3 R has been replaced by 5 R (Reduce, Recycle, Reuse, Refuse, Respect). Conservation of resources is guided more by environmental considerations than by economic ones.

Your company is aware of the Sustainable Development Goals (SDG's) and is working upon all the goals that are applicable to a manufacturing organization. We aim to not only meet the immediate customer expectations but also become future-ready and resilient to climate and other ESG risks. We have prioritized certain action areas and rolled out metrics for measuring and enhancing our sustainability performance.
- **INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE [PREVENTION, PROHIBITION AND REDRESSAL] ACT 2013**

The Company has in place a policy for the prevention of sexual harassment policy in line with the requirement of the Sexual Harassment Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal committees have been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, no complaints were received by the Company relating to Sexual harassment.

## DIRECTORS' REPORT (Contd.)

### ➤ SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators, Courts or Tribunals that would impact the "Going Concern" status of the Company and the Company's operations in the future.

### ➤ 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 has ESOP scheme for its employees/Directors and information as per provisions of Rule 12(9) has been furnished as below:

The members at the extra-ordinary general meeting held on 10 November 2020 approved the implementation of RR Kabel Employee Stock Option 2020 ("RRKL ESOP 2020"). Pursuant to the said scheme, options were granted on 2 September 2021 and 16 December 2021. Out of the total number of 1,85,176 options granted upto 31 March 2022, 64,796 options have been cancelled as one employee is no longer associated with the Company.

**A summary of the status of ESOP 2020 in terms of options granted, forfeited, cancelled, exercised, and outstanding is provided below:**

Particulars	For the Year ended 31 March, 2022	For the Year ended 31 March, 2021
	No. of Options	No. of Options
Outstanding at the beginning of the year (A)	64,796	-
Add – Granted during the year (B)	1,20,380	1,29,590
Less- Forfeited / Cancelled / Laps during the year (C)	64,796	64,794
Less – Exercise During the year (D)	-	-
Outstanding at the end of the year (E) = (A+B-C-D)	1,20,380	64,796

### ➤ ACKNOWLEDGEMENTS:

Your Directors wish to record their deep sense of appreciation for the significant contribution made by the employees of the Company at each level, through their dedication, hard work and commitment. Our employees at all levels have been core to our existence and their hard work, cooperation and support are helping the company to face all challenges. Our Company is always grateful for their efforts. The Board places on record its appreciation for the continued cooperation and supports extended to the Company by various Banks. The Board wishes to express its grateful appreciation for the assistance and cooperation received from Vendors, Customers Consultants, Banks, Financial Institutions, Central and State Government bodies, Dealers, and other Business Associates. The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and, above all, the shareholders.

For and on behalf of the Board of Directors

**Tribhuvanprasad Kabra**  
Chairman  
DIN: 00091375

Date: 23 August 2022

Place: Vadodara



# ANNEXURE TO DIRECTORS' REPORT

## Annexure A Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
<i>All the related party transactions are entered at arm's length basis and in the ordinary course of business. There are no "material contracts or arrangements" with the related parties.</i>						

For and on behalf of the Board of Directors

**Tribhuvanprasad Kabra**  
Chairman  
DIN: 00091375

Date: 23 August 2022  
Place: Vadodara



## ANNEXURE TO DIRECTORS' REPORT

### Annexure- B

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

For the Financial Year ended 31 March, 2022

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

R R KABEL LIMITED is committed to operating and growing its business in a socially responsible way with a vision to be an environmental friendly corporate citizen. Social service, ecological balance and environmental protection are in our DNA. R R KABEL LIMITED has taken up various Corporate Social Responsibility (CSR) initiatives earlier and will continue to do so in future. CSR activities at R R KABEL LIMITED reflect its commitment to making things happen at every project we undertake. Our passion for these activities makes us more responsible year after year. As responsible corporate citizens, we try to contribute to possible social, educational and environmental causes on a regular basis. We firmly believe that to succeed, an organisation must maintain the highest standards of corporate behaviour towards its investors, stakeholders, employees and societies in which it operates.

While we strive to undertake all or any suitable activity as specified in Schedule VII to the Act, currently, we focus to support and implement the following activities as our thrust areas Training to promote nationally recognized sports, Providing emergency medical care, Preventive health care, sanitization and safe drinking water, Promoting education to the underprivileged children, Supporting socially backward people and helping the differently-abled people, Ensuring environmental sustainability, ecological balance, protection of flora and fauna and conservation of natural resources, Rural Development Projects, Promoting gender equality and empowering women.

**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 Bhagwat Singh Babel	Independent Director	2	2
2.	Smt. Kirtidevi Kabra	Whole-Time Director	2	2
3.	Shri Mahhesh Kabra	Whole-Time Director	2	2
4.	Shri Puneet Bhatia	Director	2	2

Shri Himanshu Parmar acts as the Secretary to the Committee.

3. The Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company at [www.rrkabel.com](http://www.rrkabel.com).
4. The details of impact assessment of CSR projects carried out pursuant to provision of sub-rule 3 of rule 8 of Companies (Corporate Social Responsibility Rules), 2014: Not Applicable
5. 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**
6. Average Net profit of the Company as per Section 135(5): ₹ 16,334.33 Lakhs
7. (a) Prescribed CSR Expenditure for the financial year 2021-22 (2% of the amount as in Sr. No. 6 above) of the Company as per Section 135(5): **₹ 327 Lakhs**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (c) Amount required to be set off for the financial year, if any: **Nil**  
 (d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 327 Lakhs**
8. (a) **CSR amount spent or unspent for the financial year:**

(₹ In Lakhs)

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

## ANNEXURE TO DIRECTORS' REPORT

(b) Details of CSR amount spent on Ongoing Project for the Financial Year:

(₹ In Lakhs)

1	2	3	4	5		6	7	8	9	10	11	
				State	District						Name	CSR Registration number
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to unspent CSR Account for the project as per Section 135(6)	Mode of Implementation -Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
1	One Teacher School	Clause (ii) Promoting Education	No	-	-	1 Year	239.36	239.36	-	No	Friends of Tribals Society CSR Reg. – CSR00001898	
2	Training and skill development Center	Clause (ii) Promoting Education	No	Odisa	Bhubaneshwar	1 Year	24.00	24.00	-	No	CSR Reg. – CSR00000757	
3	Development of socially weak & venerable children	Clause (ii) Promoting Education	Yes	Gujarat	Vadodara	2 Year	16.00	16.00	-	No	Vadodara District Probation And Aftercares CSR Reg. – CSR00003945	
<b>Total</b>							<b>279.36</b>	<b>279.36</b>				

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

(₹ In Lakhs)

1	2	3	4	5		6	7	8	
				State	District			Name	CSR Registration number
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project	Mode of Implementation – Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
1	Promoting Health Care Including Preventive Health Care	Clause- (i) Promoting Health Care Including reventive Health Care	Yes	Gujarat	Vadodara	0.24	Yes	-	-
2	Rural Development	(x) rural development projects.	Yes	Gujarat	Vadodara	12.01	Yes	-	-
3	Women Empowerment	Clause- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Maharashtra	Mumbai	17.30	No	Eklavya Swavalamban Trust	CSR00006663

## ANNEXURE TO DIRECTORS' REPORT

(₹ In Lakhs)

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of Implementation – Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration number
3	Women Empowerment	Clause- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Maharashtra	Mumbai	5.00	No	Bhagini Nivedita Gramin Vigyan Niketan	-
4	Promoting Health Care	Clause- (i)Promoting Health Care Including Preventive Health Care	Yes	Uttarakhand	Dehradun	4.01	Yes	-	-
5	Infrastructure to impart Education to the underprivileged Section	Clause- (ii)Promoting Education	Yes	Gujarat	Waghodia	1.79	Yes	-	-
6	Infrastructure to impart Education to the underprivileged Section	Clause- (ii)Promoting Education	Yes	Gujarat	Waghodia	5.00	No	Development of Government School (Baroda Young Turks Round Table )	-
7	Livelihood enhancement projects	Clause- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Gujarat	Dadra & Nagar Haveli	5.00	No	Through The Society of Educational Improvement and Innovation - Sajag Abhayan at DNH, Daman & Diu	-
8	Infrastructure to impart Education to the underprivileged Section	Clause- (ii)Promoting Education	Yes	Gujarat	Waghodia	0.63	Yes	-	-
<b>TOTAL</b>						<b>50.98</b>			

- d) Amount spent on Administrative Overheads: **NIL**
- (e) Amount spent on Impact Assessment, if applicable: **Not applicable**
- (f) Total amount spent for the Financial Year: ₹ 330.34 Lakhs (8b+8c+8d+8e)

## ANNEXURE TO DIRECTORS' REPORT

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

(₹ In Lakhs)

Sr. No.	Particulars	
I.	Two percent of the average net profit of the company as per section 135(5)	327
II.	Total amount spent for the Financial Year	330.34
III.	Excess amount spent for the financial year [(ii)-(i)]	3.34*
IV.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
V.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

9. (a) Details of CSR amount spent on Ongoing Project for the Financial Year:

(₹ In Lakhs)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	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
				Name of the Fund	Amount	Date of transfer	
1	2020-21	NA	327.64	-	-	-	*3.26
2	2019-20	NA	-	-	-	-	-
3	2018-19	NA	-	-	-	-	-

**Note:** Section 135(6) Provision is applicable from 22 January 2021 hence no details have been provided for the prior period.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): ₹ 3.26 Lakhs

\*We have utilised a fund of ₹ 3.26 Lakhs of previous year unspent amount paid to Vadodara District Probation and Aftercare committed for the ongoing project in April 2021.

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

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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**

For R R Kabel Limited

**Shreegopal Kabra**  
Managing Director  
DIN: 00140598

**Bhagwat Singh Babel**  
Chairman of the CSR Committee  
DIN: 01476935

Date: 23 August 2022

# ANNEXURE TO DIRECTORS' REPORT

## Annexure- C

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 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,  
**R R Kabel Limited**  
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **R R Kabel Limited** (hereinafter referred to as the "Company"), an unlisted public 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 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 March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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 Borrowings.

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

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company during the Audit Year as the Company is an unlisted company and also as there were no events during the Audit Year attracting the applicability of 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) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) 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;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (j) SEBI (Depositories and Participants) Regulations, 2018.

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.

## ANNEXURE TO DIRECTORS' REPORT

**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) Factories Act, 1948; and
- (ii) 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. There were no changes in the composition of the Board of Directors during the period under review.
- 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.

Place: Navi Mumbai  
Dated: 22 June 2022

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

**Anup Vaibhav C Khanna**  
Partner  
FCS No.: 6786  
COP No.: 12906  
UDIN: F006786D000516451  
Peer Review: 638/2019

## Annexure - D

### REPORT ON CORPORATE GOVERNANCE

#### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The elements of transparency, fairness, disclosure and accountability form the cornerstone of corporate governance policy at R R Kabel Limited. These elements are embedded in the way we operate and manage the business and operations of the Company. We value, practice and implement ethical and transparent business practices aimed at building trust amongst various stakeholders. 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 also adopting sound Corporate Governance principles and practices that help in ensuring fairness, transparency, accountability, business ethics and maintaining long term value creation with its 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 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 norms set by the Companies Act, 2013 is given below:

#### 1) Board of Directors:

The Board is committed to protect the long-term interests of all our stakeholders, and considering this, it provides objective and prudent guidance to the Management. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance

##### 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 Independent, Investor nominated and a Woman Director to have a balanced Board Structure. As on 31 March, 2022, the Board comprised of 14 (Fourteen) members, 2 (two) of which are Nominee Directors, 3 (three) Non-Executive Independent Directors and 9 (Nine) Executive Directors. The Chairman of the Board is an Executive Non-Independent Promoter Director. The composition of the Board is in conformity with 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 holds Directorships in more than the prescribed limits under the Act. 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 Section 149(6) of the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under 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.

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

The composition and details of the number of other Directorships held by each Director of the Company in various other companies as on 31 March, 2022 are as under:

S. No.	Name of the Director and DIN	Category	Shareholding in the Company	Directorships*
1.	Shri Tribhuvanprasad Kabra (DIN: 00091375)	Executive Director, Chairman (Whole-time Director) (Promoter)	5,65,582 Shares	2
2.	Shri Shreegopal Kabra (DIN: 00140598)	Executive Director, (Managing Director) (Promoter)	7,48,606 Shares	6



## ANNEXURE TO DIRECTORS' REPORT

S. No.	Name of the Director and DIN	Category	Shareholding in the Company	Directorships*
3.	Shri Mahendrakumar Kabra (DIN: 00473310)	Executive Director (Jt. Managing Director) (Promoter)	21,62,147 Shares	6
4.	Smt. Kirtidevi Kabra (DIN: 00150796)	Executive Director (Whole-time Director) Woman Director (Promoter)	14,14,077 Shares	3
5.	Shri Mahhesh Kabra (DIN: 00137796)	Executive Director, (Whole-time Director) (Promoter)	5,77,217	4
6.	Shri Ashok Loya (DIN: 00136619)	Executive Director, (Whole-time Director) (Promoter)	3,40,000 Shares	1
7.	Shri Sumeet Kabra (DIN: 01751282)	Executive Director, (Whole time Director) (Promoter)	6,34,657 Shares	4
8.	Shri Sanjay Taparia (DIN: 01812564)	Executive Director, (Whole time Director)	1,15,000 Shares	1
9.	Shri Rajesh Babu Jain (DIN: 06959083)	Executive Director, (Whole-time Director)	2000 Shares	0
10.	Shri Puneet Bhatia (DIN: 00143973)	Investor Nominated Director	Nil	9
11.	Shri Mitesh Daga (DIN: 08189217)	Investor Nominated Director	Nil	4
12.	Shri R. Kannan (DIN: 00227980)	Non-Executive Independent Director	Nil	12
13.	Shri Bhagwat Singh Babel (DIN: 01476935)	Non-Executive Independent Director	Nil	3
14.	Shri Mukund Chitale (DIN: 00101004)	Non-Executive Independent Director	Nil	7

\*Excludes directorship in R R Kabel Limited.

### 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.

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.

The Company adheres to the provisions of the Act, read with the Rules issued thereunder and the Secretarial Standards 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 and with respect to preparation, circulating and maintenance of the minutes of all the meetings.

## ANNEXURE TO DIRECTORS' REPORT

### 1.3 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 safeguard the interests of all stakeholders.

#### Meeting of Independent Directors

As stipulated by Section 149(8) read with Schedule IV of the Act, a separate meeting of the Independent Directors of the Company was held during the year on 28th March 2022 through video conferencing, without the attendance of Non-Independent Directors and members of the management. All the Independent Directors attended the aforementioned meeting and expressed their satisfaction over the performance of the Non-Independent Directors and members of the management, and the flow of information to the Board and its Committees.

### 1.4 Evaluation of Board Effectiveness

In terms of applicable provisions of the Act, read with Rules framed thereunder 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, 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 the needs 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.

### 1.5 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 defines the management policies in the best interest of the Company and its stakeholders. The 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 31st March, 2022, four (4) meetings of the Board of Directors were held through video conference in accordance with the provisions of the Act.

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
	2 September 2021	8 November 2021	16 December 2021	26 February 2022	28 September 2021
Shri Tribhuvanprasad Kabra	P	P	P	P	P
Shri Shreegopal Kabra	P	P	P	P	P
Shri Mahendrakumar Kabra	P	P	A	A	P
Smt. Kirtidevi Kabra	P	P	P	P	P
Shri Mahhesh Kabra	P	P	P	P	P
Shri Ashok Loya	P	P	P	P	P
Shri Sumeet Kabra	A	A	A	P	P
Shri Sanjay Taparua	P	P	P	P	P
Shri Rajesh Babu Jain	P	P	P	P	P
Shri Puneet Bhatia	P	P	P	A	A
Shri Mitesh Daga	P	A	P	P	A
Shri R. Kannan	P	P	P	P	P
Shri Bhagwat Singh Babel	P	P	P	P	P

## ANNEXURE TO DIRECTORS' REPORT

Name of the Director	Date of Board Meetings				Annual General Meeting
	2 September 2021	8 November 2021	16 December 2021	26 February 2022	28 September 2021
Shri Mukund Chitale	P	A	P	A	P

Note: P- Present in the Meeting, A – Absent

### 1.6 Note on Directors re-appointment:

A 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.

### 1.7 Non-executive Directors' compensation and disclosures

All Non-Executive Directors, including Independent Directors, are paid sitting fees for attending the Board and Committee meetings. In addition to Sitting fees, Commission is also paid to Independent Directors within the limit approved by the Members. 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 thereunder.

### 1.8 Directors and Officers Insurance ('D&O')

The Company has voluntarily taken D&O for all its Directors including Independent Directors 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 which determines its scope, powers and responsibilities. The Company currently has 4 (four) Committees of the Board, namely, Audit 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. 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 cover the areas mentioned in Section 177 of the Act. The Audit Committee is empowered, pursuant to its terms of reference and its role, inter alia, includes the following:

- i. recommendation to the Board for appointment, remuneration and terms of appointment of auditors of the Company.
- ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- iv. approval or any subsequent modification of transactions of the company with related parties.
- v. Scrutiny of inter-corporate loans and investments.
- vi. valuation of undertakings or assets of the Company, wherever it is necessary;

## ANNEXURE TO DIRECTORS' REPORT

- vii. evaluation of internal financial controls and risk management systems;
- viii. monitoring the end use of funds raised through public offers and related matters.

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

The composition of the Audit Committee comprises of members as stated below. The composition of the Committee is in conformity with the Act: -

Name of Member	Category of Director	Chairperson/Member
Shri Kannan Ramamirtham	Independent Director	Chairperson
Shri Bhagwat Singh Babel	Independent Director	Member
Shri Mukund Chitale	Independent Director	Member
Shri Mitesh Daga	Director	Member
Shri Mahhesh Kabra	Whole-time director	Member

During the financial year ended 31st March, 2022, three (3) Audit Committee Meetings were held through video-conference. The table hereunder gives the details of meetings and attendance record of the Audit Committee members. Shri Kannan Ramamirtham, Chairman of the Audit Committee was present at the last Annual General Meeting held on 28 September 2021.

Name of the member	2nd September, 2021	16th December, 2021	25th February, 2022
Shri Kannan Ramamirtham	P	P	P
Shri Bhagwat Singh Babel	P	P	P
Shri Mukund Chitale	P	P	P
Shri Mitesh Daga	P	P	P
Shri Mahhesh Kabra	P	P	P

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 Himanshu Parmar, 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. Terms of reference of the Nomination and Remuneration Committee (NRC) covers the areas mentioned in Section 178 of the Act. 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,

The Committee may also approve, allocate and administer the Employee Stock Option Schemes and other related matters. Presently, the Company have stock option plan for its Directors or Employees.

## ANNEXURE TO DIRECTORS' REPORT

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:

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

The composition of the Nomination and Remuneration Committee, as of 31 March 2022 is as follows:

Name of Member	Category of Director	Chairperson/Member
Shri Kannan Ramamirtham	Independent Director	Chairperson
Shri Tribhuvanprasad Kabra	Whole-time director (Executive Chairman)	Member
Shri Bhagwat Singh Babel	Independent Director	Member
Shri Mukund Chitale	Independent Director	Member
Shri Puneet Bhatia	Director	Member

During the financial year ended 31 March 2022, two (2) Nomination and Remuneration Committee Meetings were held through video conference. Shri Kannan Ramamirtham, Chairman of the Nomination & Remuneration Committee attended the last Annual General Meeting held on 28 September 2021. The table hereunder gives the attendance record of the Nomination and Remuneration Committee members:

Name of Member	Meeting of Nomination & Remuneration Committee	
	2 September 2021	16 December 2021
Shri Kannan Ramamirtham	P	P
Shri Tribhuvanprasad Kabra	P	P
Shri Bhagwat Singh Babel	P	P
Shri Mukund Chitale	P	P
Shri Puneet Bhatia	P	A

Note: P- Present in the Meeting.

Shri Himanshu Parmar, 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. It also mentions the role of the Nomination and Remuneration Committee. The Nomination and Remuneration Policy of the Company can be accessed on the website of the Company at [www.rrkabel.com](http://www.rrkabel.com).

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 and Remuneration Committee and are governed by resolutions passed by the Board of Directors and Shareholders of the Company, which cover the terms of such appointment, read with the service rules of the Company. Remuneration paid to the Managing Director is recommended by the Nomination and Remuneration Committee, approved by the Board and is within the limits set by the Shareholders at the General Meeting.

## ANNEXURE TO DIRECTORS' REPORT

- d) **Details of Remuneration paid to the Executive Directors for the Financial Year ended 31 March 2022 are as under:**

<b>Name &amp; Position</b>	<b>Total</b>
Tribhuvanprasad Kabra, Executive Director	*2,40,16,432
Shreegopal Kabra, Managing Director	*2,40,16,432
Kirtidevi Kabra, Whole-time Director	72,00,000
Mahhesh Kabra, Whole-time Director	72,00,000
Sumeet Kabra, Whole-time Director	72,00,000
Ashok Loya, Whole-time Director	60,00,000
Sanjay Taparia, Whole-time Director	90,00,000
Rajesh Babu Jain, Whole-time Director	1,00,00,000

\*includes a commission paid as per the provisions of the Act.

### III. **Corporate Social Responsibility ("CSR") Committee:**

At, R R Kabel, it has been our constant endeavour to bring about a positive difference to the 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 a 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 CSR Policy of the Company from time to time.
4. 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 [www.rrkabel.com](http://www.rrkabel.com). The Annual Report on CSR activities undertaken by the Company during the financial year 2021-22 have been provided as Annexure-B 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 March 2022:

<b>Name of Member</b>	<b>Category of Director</b>	<b>Chairperson/Member</b>
Shri Bhagwat Singh Babel	Independent Director	Chairperson
Smt Kirtidevi Kabra	Whole-time director	Member
Shri Mahhesh Kabra	Whole-time director	Member
Shri Puneet Bhatia	Director	Member



## ANNEXURE TO DIRECTORS' REPORT

During the financial year ended 31 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 the members	Meeting of Corporate Social Responsibility Committee	
	2nd September, 2021	26th February, 2022
Shri Bhagwat Singh Babel	P	P
Smt Kirtidevi Kabra	P	P
Shri Puneet Bhatia	P	P
Shri Mahhesh Kabra	P	P

Note: P - Present in the Meeting

Shri Himanshu Parmar, Company Secretary, acts as the Secretary to the Committee.

#### IV. 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, to:

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. 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 Kannan Ramamirtham	Independent Director	Chairperson
Shri Mahhesh Kabra	Whole-time director	Member
Shri Rajesh Babu Jain	Whole-time director	Member
Shri Mitesh Daga	Director	Member

## ANNEXURE TO DIRECTORS' REPORT

During the financial year ended 31 March 2022, One (1) Finance Committee Meetings were held through video-conference. The table hereunder gives the attendance record of the Finance Committee members.

Name of the member	25th February, 2022
Shri Kannan Ramamirtham	P
Shri Mahhesh Kabra	P
Shri Rajesh Babu Jain	P
Shri Mitesh Daga	P

Note: P- Present in the Meeting

Shri Himanshu Parmar, Company Secretary, acts as the Secretary to the Committee.

### 3. General Body Meetings:

Details of General Body Meetings 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	24-09-2019 at 3:00 p.m.	Hotel Sahara Star, Opp. Domestic Airport, Vile Parle (E), Mumbai – 400099	Approval of members of the Company for granting loans to Ram Ratna Electricals Limited and granting corporate guarantee in connection with loans taken by Ram Ratna Electricals Limited being an entity covered under the category of 'a person in whom any of the director of the company is interested.
2019 - 20	28-09-2020 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 Victoria Mill Compound Pandurang Budhkar Marg Worli Mumbai – 400013	Re-appointment of Mr. R. Kannan (DIN-00227980) as an Independent Director of the Company for a second term of five consecutive years commencing from 9th March 2020 to 8th March 2025.
2020-21	28-09-2021 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 Victoria Mill Compound Pandurang Budhkar Marg Worli Mumbai – 400013	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, or any other applicable laws.

### 4. Secretarial Audit Report:

A Secretarial Audit on the compliance of corporate laws 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 March 2022 and the report of the same is annexed as Annexure C to the Director's Report.

### 5. 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: [www.rkabel.com](http://www.rkabel.com).

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 in the Act read with Rules framed thereunder. The Audit Committee also reviews related party transactions on a quarterly basis pursuant to

## ANNEXURE TO DIRECTORS' REPORT

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.

**(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) 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. The policy comprehensively provides an opportunity for an employee and Director to report 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 access to 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: [www.rrkabel.com](http://www.rrkabel.com).

**(iv) 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.

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

Total fees of ₹ 59.07 Lakhs for the financial year 2021-22, for all the services, was paid by the Company (excluding applicable taxes), on a consolidated basis, to M/s. BSR & Co, LLP Chartered Accountants, Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part.

**(vi) 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

**(vii) 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.

**(viii) 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.

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

During the year, the Company has not provided any Loans and Advances to firm / companies in which Directors are interested.

**(x) Regulatory orders:**

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

## ANNEXURE TO DIRECTORS' REPORT

### (xi) Registrar and Share Transfer Agent:

The Company has appointed M/s. Bigshare Services Private 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	Bigshare Services Private Limited Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, Next To Ahura Centre, Andheri East, Mumbai, 400093
Tel.	022-62638200
E-mail ID	<a href="mailto:admision@bigshareonline.com">admision@bigshareonline.com</a>
Website	<a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

### (xii) Share Transfer System:

The RTA of the Company processes the Services Requests after due verification and issues communication to Shareholders. All share transfers and other communications regarding share certificates, change of address, dividends etc. should be addressed to Company's RTA, M/s. Bigshare Services Private Limited.

### (xiii) Transfer to the Investor Education and Protection Fund:

There are no amounts due to be transferred to IEPF and hence said requirement is not applicable to the Company.

### (xiv) Dividend History

Financial Year	Total Dividend	Unclaimed
2018-19	₹ 5.50 per Equity of ₹.10 each and ₹ 5.50 per Compulsory Convertible Preference Share of ₹ 1080.33 each	NIL
2019-20	₹ 7.50 per Equity of ₹10 each and ₹ 7.50 per Compulsory Convertible Preference Share of ₹ 1080.33 each	NIL
2020-21	₹ 10 per Equity of ₹10 each and ₹10 per Compulsory Convertible Preference Share of ₹1080.33 each	NIL

### (xv) Paid up share capital as on 31st March, 2022:

Class of shares	Shares	
	Number	Amount
Equity Shares of ₹10 each	2,39,24,074	23,92,40,740
Compulsory Convertible Preference Shares of ₹ 1080.33 each	38,43,140	4,15,14,36,691
<b>Grand Total</b>	<b>2,77,67,214</b>	<b>4,39,06,77,431</b>

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

The Company has established connectivity with Central Depository Services (India) Limited and National Securities Depository Limited for dematerialization of shares (Equity and Preference) and the same are available in electronic segment under ISIN No. INE777K01014 and INE777K03010.

#### As on 31st March 2022

Form	No. of shares	%
Demat	2,77,67,214	100
Physical	NIL	-
<b>Total</b>	<b>2,77,67,214</b>	<b>100.00</b>

## ANNEXURE TO DIRECTORS' REPORT

**(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:**

Silvassa Factory	Survey No. 142/2, Madhuban Dam Road, Silvassa - 396 240
Roorkee Factory	Plot No 50 Kh. No.-35, Shiv Ganga Ind. Estate, Lakeshwari, Bhagwanpur, Roorkee, Uttarakhand, 247667
Waghodia Factory	Revenue Survey No. 202, 202/1, 202/2, 203 & 327/3, Khanda Road, Taluka - Waghodia, Dist. - Vadodara - 391 760 Gujarat
Bangalore Factory	140 4th Phase, Bommasandra Industrial Area, Bommasandra, Bangalore, Bengaluru (Bangalore) Urban, Karnataka, 560099
Gagret Factory	Village Dev Nagar, Near Shiv Bari PO. Gagret, Distt. Una, Himachal Pradesh-177201

**(xix) Address for correspondence:**

<b>Registrar and Share Transfer Agent</b> (Share transfer and Communication regarding share certificates, dividends and change of address)	<b>M/s. Bigshare Services Private Limited</b> Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, Next To Ahura Centre, Andheri East, Mumbai, 400093 Tel. No.: 022-62638200 Fax No.: 022-62638299 Email: <a href="mailto:admision@bigshareonline.com">admision@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>
<b>Compliance Officer</b>	<b>Shri Himanshu Parmar</b> Ram Ratna House Victoria Mill Compound Pandurang Budhkar Marg Worli, Mumbai - 400 013 Tel. No.: 91-22-24924144/24949009 Fax No.: 91-22-24912586 E-mail: <a href="mailto:Himanshu.parmar@rrglobal.com">Himanshu.parmar@rrglobal.com</a>

For and on behalf of the Board of Directors

**Tribhuvanprasad Kabra**

Place : Vadodara  
Date : 23 August 2022

Chairman  
DIN - 00091375

## Annexure E

### **ADDITIONAL INFORMATION AS REQUIRED IN TERMS OF THE PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2013 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022.**

#### **CONSERVATION OF ENERGY**

Your company is committed to optimising energy consumption in manufacturing and non-manufacturing activities. Its state-of-art machinery is energy efficient. The best practices include attitude building on energy conservation in the interest of the nation. We believe that power saved is available for others who equally need it.

#### **PRODUCT APPROVALS**

During the year factory has worked with marketing for the upcoming potential requirements and has successfully been granted with following product approvals

##### **Waghodia**

1. CSA approval in addition to UL for sprinkler cable.

#### **CUSTOMER APPROVALS**

##### **Waghodia**

With the kind of infrastructure set up and product range, the factory at Waghodia has been approved by power utility company MSEDCL approval for Medium Voltage cables.

##### **Silvassa**

1. Accorded Green Channel by Legrand for supplies to Novateur Electrical & Digital Systems Pvt. Ltd, Mumbai
2. MHADA, Mumbai for IS 694 cables
3. CIDCO, Mumbai for various LT, Instrumentation, Data & Communication cables

#### **R&D**

Continuously working to expand our customer base with specific application cables, the company has been working to provide right solutions.

##### **Waghodia**

1. EXVB - Copper power distributions cables for low voltage applications power distributions cables for low voltage applications
2. EAXeVB - Aluminum power distribution cables for low voltage applications power distribution cables for low voltage applications with water blocking arrangement.
3. Y-2(SL)CY 1.8/3 kV- Screened cable to be used in high voltage applications where electromagnetic interference is high.
4. E-AY2Y/E-AYY- This power cable is suitable for fixed installations, preferably in cable ducts, indoors, outdoors, in water or underground if no mechanical damage is to be expected.
5. 8.35 sq.mm Aviation cable- For secondary connection of airfield lights.
6. NA2XSF2Y -12/20 KV- PE medium voltage cable acc. VDE 0276-620, with aluminium conductor, longitudinally water-tight, for fixed installation.

##### **Silvassa**

1. M12 D Screened PUR Cable (CAT 5E SF-UTP) -This cable has been typically developed for Ethernet and Profinet systems with a data transfer speed up to 100 Mbps.
2. Bundled cable-Using multicore sheathed impacts the flexibility and hence the bending radius. This product was developed for continuous movement and cost-effective solution
3. LiYC11Y- Product for data and signal transmission in computer systems, electronic control equipment and measuring devices. Provides excellent resistance to wide range of chemicals and oils.
4. CC Link Cable - 3x20 AWG Red -For process automation, IIoT, audio, video and data communication.
5. Computer Interface Cable- Used to control industrial processes and increase their safety, cost-effectiveness and reliability.
6. XT90 CANBUS Composite Cable-Composite cable optimized for connecting power along with disturbance-free fast data transmission in the Electric Bikes.



## Annexure E

7. Optical wireless communication cable
8. Composite Canbus cable
9. FD-90

### CONSERVATION OF ENERGY

Going green is the way forward. We have worked to reduce our dependence on fossil fuels, with the below-mentioned endeavours.

#### Waghodia

1. We have replaced 116 nos. conventional type tube lights of 228W (57w x 4) with 150w LED Lights.
2. Solar plant installed at rooftop and total produced units are 1507549 out of that we have exported the 132120 units to MGVCL during the weekly off.
3. We have replaced steam generator of having 18KW load with Nitrogen plant of having 4KW load in our all 05 Nos. MMH line for online continuous annealing application.
4. We have connected VFD for 7.5KW Fan Motor in our 05 Nos. cooling tower and getting at 50% energy saving
5. Installation of energy-efficient A.C motor (1PH8) of Siemens make with AC Drive for all Multi Wire Drawing and Extruder Machines

#### Silvassa

1. Rooftop Solar Panel installation completed and functioning from Dec 2020, capacity 250 KW has generated 104532 KWH.

### WATER CONSERVATION

Our focus on usage of water for both industrial and hygiene has led us to initiate below actions for reduction and usage of water

#### Silvassa

1. Rainwater harvesting has been undertaken collecting 120 Lakhs Litres of water from terrace of buildings.
2. 40 Aerators installed in taps across the plant have significantly reduced water use.

Your Company has incurred expenses on Research & Development during the financial year ended 31 March 2022, as follows:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Capital Expenditure	28.43	41.86
Revenue Expenditure	418.58	209.44
<b>Total</b>	<b>447.01</b>	251.30

### FOREIGN EXCHANGE EARNING AND OUTGO

(₹ in Lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Earnings in Foreign currency	82,663.19	48,040.67
Expenditure in foreign currency	1,09,238.81	61,927.54

For and on behalf of the Board of Directors

Place : Vadodara  
Date : 23 August 2022

**Tribhuvanprasad Kabra**  
Chairman  
DIN - 00091375

# INDEPENDENT AUDITOR'S REPORT

To the Members of R R Kabel Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of R R Kabel Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

### Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those 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.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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:
  - a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 28(A) to the standalone financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 54 to the standalone financial statements, 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 persons or entities, 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.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 54 to the standalone financial statements, no funds have been received by the Company from any persons or entities, 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 Parties ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been 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) above contain any material misstatement.
- e. The final dividend paid by the Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 31 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No. 101248W/W-100022

**Rupen Shah**  
Partner  
Membership No. 116240  
ICAI UDIN:22116240ALKUTP1029

Place: Ahmedabad  
Date: 22 June 2022

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

### Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of R R Kabel Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) 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 our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Building located at Howrah	364.22	Goldline Vyapaar Private Limited	No	2017	Title deed yet to be executed in the name of the Company.
Freehold land located at Roorkee	147.31	Ram Ratna Electricals Limited	No	2020	The title deed is in the name of erstwhile company that was amalgamated with the Company w.e.f. 01 April 2019 pursuant to scheme of Amalgamation sanctioned by Hon'ble Bombay High Court.
Factory building located at Roorkee	95.05	Ram Ratna Electricals Limited	No	2020	The title deed is in the name of erstwhile company that was amalgamated with the Company w.e.f. 01 April 2019 pursuant to scheme of Amalgamation sanctioned by Hon'ble Bombay High Court.

- (d) 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 revalued its Property, Plant and Equipment (including Right of 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 our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts/delivery has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except for certain immaterial differences.

- (iii) 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 provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in mutual funds and granted unsecured loans to other parties in respect of which the requisite information is provided in clause (a) to (f) as below to the extent applicable.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to any other parties as below:

(₹ in Lakhs)

Particulars	Loans
Aggregate amount during the year	
Others	63.87
Balance outstanding as at balance sheet date	
Others	27.22

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and loans given during the year and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial 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, in our opinion the repayment of principal 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 our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (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) 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 given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income Tax, Provident Fund and Professional Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Sales Tax, Services Tax and Duty of Excise or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount involved (₹ in lakhs)	Amount unpaid (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax, Interest and Penalty	190.39	159.26	Various periods from 2010-11 to 2018-19	Commissioner Excise and Service Tax Appellate Tribunal (CESTAT)
The Finance Act, 1994	Service tax, Interest and Penalty	18.95	18.95	2012-13 to 2015-16	Superintendent of Central Excise & Customs
The Income Tax Act, 1961	Tax and Interest	219.55	217.61	2017-18 and 2018-19	Commissioner of Income Tax Appeals CIT(A)
Sales Tax Act	Sales Tax	953.55	953.33	2012-13, 2014-15 and 2015-16	Joint Commissioner – Value Added Tax
The Goods and Services Tax, 2017	Tax, Interest and Penalty	2.85	2.85	2017-18	Superintendent, Audit Group-8, CGST & Central Excise Audit Commissionerate, Surat
Industrial Dispute Act, 1947	Wages	17.61	15.61	February 2017 to March 2022	Industrial Tribunal Court, Vadodara.

- (viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments 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 our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) 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 been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint venture as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its joint venture (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) 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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented 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, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has two CICs as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not 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 viability of the Company. We further state that our reporting is based on the facts up to 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 discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No. 101248W/W-100022

**Rupen Shah**  
Partner

Place: Ahmedabad  
Date: 22 June 2022

Membership No. 116240  
ICAI UDIN:22116240ALKUTP1029

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

### **Annexure B to the Independent Auditor's Report on the standalone financial statements of R R Kabel Limited for the year ended 31 March 2022**

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of R R Kabel Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone 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 standalone financial statements.

## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT (Contd.)**

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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.

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

Chartered Accountants

Firm's Registration No. 101248W/W-100022

**Rupen Shah**

Partner

Membership No. 116240

ICAI UDIN:22116240ALKUTP1029

Place: Ahmedabad

Date: 22 June 2022

# STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	2A	38,370.42	38,598.78
Capital work-in-progress	2B	4,231.02	668.18
Intangible assets under development	2C	60.00	48.50
Other intangible assets	2C	366.53	527.54
Right of use assets	2D	1,111.73	814.81
<b>Financial assets</b>			
Investments	3A	5,692.92	3,983.16
Loans	4A	5.21	9.63
Other financial assets	5A	217.12	158.99
Income tax assets (net)	6	1,337.17	523.53
Other non-current assets	7A	659.86	1,433.42
		<b>52,051.98</b>	<b>46,766.54</b>
<b>Current assets</b>			
Inventories	8	70,962.08	53,405.48
<b>Financial assets</b>			
Investments	3B	20,547.35	19,602.01
Trade receivables	9	51,714.29	42,036.23
Cash and cash equivalents	10A	1,229.90	839.57
Bank Balances other than cash and cash equivalents	10B	0.03	6.99
Loans	4B	22.01	64.82
Other financial assets	5B	1,189.66	347.43
Other current assets	7B	6,820.15	8,365.05
		<b>152,485.47</b>	<b>124,667.58</b>
<b>Total Assets</b>		<b>204,537.45</b>	<b>171,434.12</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11A	2,392.41	2,392.41
Instrument entirely equity in nature	11B	41,518.59	41,518.59
Other equity	12	80,592.39	60,674.77
		<b>124,503.39</b>	<b>104,585.77</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	13A	5,931.32	7,128.14
Lease liabilities	14A	822.68	526.36
Provisions	16A	717.16	604.39
Deferred tax liabilities (net)	17	1,310.53	788.81
Other non-current liabilities	18A	0.89	1.76
		<b>8,782.58</b>	<b>9,049.46</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	13B	46,089.28	42,655.25
Lease liabilities	14B	325.06	306.64
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	19	1,109.90	930.85
- total outstanding dues of creditors other than micro enterprises and small enterprises	19	15,677.48	10,418.09
Other financial liabilities	15	2,495.39	1,737.36
Provisions	16B	1,399.85	546.46
Other current liabilities	18B	4,154.52	1,204.24
		<b>71,251.48</b>	<b>57,798.89</b>
<b>Total Equity and Liabilities</b>		<b>204,537.45</b>	<b>171,434.12</b>
Significant accounting policies	1		
See accompanying notes to the standalone financial statements	1-55		

As per our Report of even date

For and on behalf of the Board of Directors of  
R R Kabel Limited

CIN: U28997MH1995PLC085294

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

**Tribhuvanprasad Kabra**  
Chairman  
DIN : 00091375

**Shreegopal Kabra**  
Managing Director  
DIN : 00140598

**Rupen Shah**  
Partner  
Membership No. 116240

**Rajeev Pandiya**  
Chief Financial Officer  
Membership No. 089631

**Himanshu Parmar**  
Company Secretary  
Membership No.FCS 10118

Place : Ahmedabad  
Date: 22 June,2022

Place : Mumbai  
Date: 22 June,2022

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	2021-22	2020-21
<b>Revenue From Operations</b>	20		
Sale of products		431,930.26	266,533.22
Other operating revenues		6,663.36	5,061.00
Other income	21	4,628.03	2,199.51
<b>Total Revenue</b>		<b>443,221.65</b>	273,793.73
Cost of materials consumed	22A	357,551.46	217,319.92
Purchase of traded goods	22B	15,661.70	12,806.38
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	(12,415.00)	(15,384.42)
Employee benefits expense	24	18,885.33	14,834.47
Finance costs	25	2,328.34	2,705.63
Depreciation and amortization expense	26	4,608.51	4,475.09
Other expenses	27	28,585.34	19,003.27
<b>Total expenses</b>		<b>415,205.68</b>	255,760.34
<b>Profit before tax</b>		<b>28,015.97</b>	18,033.39
Tax expense:	17		
Current tax		6,482.65	4,891.18
Short/(Excess) provision of earlier years		29.89	(78.89)
Deferred tax Charge /(Credit)		529.65	(208.70)
		<b>7,042.19</b>	4,603.59
<b>Profit for the year</b>		<b>20,973.78</b>	13,429.80
<b>Other Comprehensive Income/(Loss)</b>			
A) Items that will not be reclassified to Profit and Loss			
a) (i) Re-measurement of post employment benefits obligation		(72.30)	40.39
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		18.20	(10.16)
b) (i) Fair value gain on investment in equity instrument through OCI		1,709.76	805.49
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		(10.28)	(69.86)
<b>Total Comprehensive Income for the year</b>		<b>22,619.16</b>	14,195.66
<b>Earnings per equity Share (nominal value of ₹ 10/- each):</b>	36		
Basic		75.53	48.37
Diluted		75.39	48.37
Significant accounting policies	1		
See accompanying notes to the standalone financial statements	1-55		

As per our Report of even date

For and on behalf of the Board of Directors of

R R Kabel Limited

CIN: U28997MH1995PLC085294

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

Chartered Accountants

Firm Registration No: 101248W/W-100022

**Rupen Shah**

Partner

Membership No. 116240

Place : Ahmedabad

Date: 22 June,2022

**Tribhuvanprasad Kabra**

Chairman

DIN : 00091375

**Rajeev Pandiya**

Chief Financial Officer

Membership No. 089631

**Shreegopal Kabra**

Managing Director

DIN : 00140598

**Himanshu Parmar**

Company Secretary

Membership No.FCS 10118

Place : Mumbai

Date: 22 June,2022



## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Profit Before Tax</b>	<b>28,015.97</b>	18,033.39
<b>Adjustments for:</b>		
Depreciation & amortization	4,608.51	4,475.09
Grant related to property, plant & equipment	(369.16)	(0.44)
Finance costs	2,328.34	2,705.63
Employees share based payment expenses	75.18	-
Interest income	(96.73)	(328.86)
Gain on sale of mutual fund investments	(0.35)	-
Dividend income	(14.11)	(7.05)
Fair value gain on investment on mutual fund	(945.34)	(400.15)
Allowances for doubtful debts & bad Debts	105.96	529.05
Reversal of Expected credit Loss provision on trade receivable (net)	(180.71)	-
Provisions for Warranty expenses	752.45	216.84
Unrealised foreign exchange loss	608.90	230.55
Gain on Sale of Property, Plant & Equipment	(202.77)	(8.72)
<b>Operating profit before working capital changes</b>	<b>34,686.14</b>	25,445.33
<b>Adjustments for:</b>		
(Increase) in trade receivables	(9,595.31)	(1,146.97)
(Increase)/Decrease in financial assets	(827.05)	100.15
Decrease/(Increase) in other assets	1,640.22	(4,243.38)
(Increase) in inventories	(17,556.60)	(15,884.53)
Increase /(Decrease) in trade payables	5,408.08	(6,676.03)
(Decrease) in financial liabilities	(693.61)	(74.70)
(Decrease)/Increase in other liabilities & provision	4,081.30	(440.56)
<b>Cash generated from/(used )in operations</b>	<b>17,143.17</b>	(2,920.69)
Income Taxes paid (net of refund)	(7,326.19)	(4,185.20)
<b>Net cash (used in)/generated from operating activities (A)</b>	<b>9,816.99</b>	(7,105.89)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant & equipment including changes in capital advance & capital creditors	(6,822.53)	(4,741.87)
Proceeds from sale of property, plant & equipment	471.77	96.40
Refund of Share application money - Joint Venture	-	8.20
(Investment) in/ proceeds from maturity of fixed deposits with banks	(23.09)	3,986.67
Investment in Mutual Fund (net of redeemed)	-	(319.99)
Gain on sale of investment on mutual fund	0.35	-
Dividend received on quoted investment	14.11	7.05
Interest received	93.74	375.70
<b>Net cash (used in) Investing activities (B)</b>	<b>(6,265.65)</b>	(587.82)

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non current borrowing	3,380.00	3,500.00
Repayment of non current borrowing	(757.67)	(1,513.22)
Proceeds from short term borrowing (net)	(385.11)	8,630.70
Finance costs paid	(2,222.28)	(2,874.58)
Repayment of lease obligations	(399.23)	(330.42)
Dividend paid	(2,776.72)	-
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>(3,161.01)</b>	7,412.48
<b>(D) Net increase/(decrease) in cash and equivalents ( A+B+C )</b>	<b>390.33</b>	(281.22)
<b>Add : Cash and cash equivalents as at the beginning of the year</b>	<b>839.57</b>	1,120.79
<b>Cash and cash equivalents as at the end of the year (Refer note below)</b>	<b>1,229.90</b>	839.57

Note :

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 (Note 10) (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	3.25	5.07
Balance with banks	726.65	834.50
Term deposits (with original maturity of 3 months or less)	500.00	-
<b>Cash and cash equivalents in Cash Flow Statement</b>	<b>1,229.90</b>	839.57

c) Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

Particulars	As at March 31, 2021	Cash Flow	Non Cash Changes			As at March 31, 2022
			Fair value changes	Forex difference	Current / Non-current classification	
Borrowings - Non Current	7,128.14	2,622.33	-	-	(3,819.14)	5,931.32
Borrowings - Current	42,655.25	(385.11)	-	-	3,819.14	46,089.28

(₹ in Lakhs)

Particulars	As at March 31, 2020	Cash Flow	Non Cash Changes			As at March 31, 2021
			Fair value changes	Forex difference	Current / Non-current classification	
Borrowings - Non Current	8,298.12	1,986.78	-	-	(3,156.76)	7,128.14
Borrowings - Current	30,867.79	8,630.70	-	-	3,156.76	42,655.25

As per our Report of even date

For and on behalf of the Board of Directors of

R R Kabel Limited

CIN: U28997MH1995PLC085294

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

**Tribhuvanprasad Kabra**  
Chairman  
DIN : 00091375

**Shreegopal Kabra**  
Managing Director  
DIN : 00140598

**Rupen Shah**  
Partner  
Membership No. 116240

**Rajeev Pandiya**  
Chief Financial Officer  
Membership No. 089631

**Himanshu Parmar**  
Company Secretary  
Membership No.FCS 10118

Place : Ahmedabad  
Date : 22 June,2022

Place : Mumbai  
Date : 22 June,2022

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2022**

(A) SHARE CAPITAL	Equity Shares		Compulsory Convertible Preference Shares	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Opening balance as at April 1, 2020	23,395,276	2,339.53	3,702,572	40,000.00
Changes in share capital	528,798	52.88	140,568	1,518.59
Closing balance as at March 31, 2021	23,924,074	2,392.41	3,843,140	41,518.59
Changes in share capital	-	-	-	-
<b>Closing balance as at March 31, 2022</b>	<b>23,924,074</b>	<b>2,392.41</b>	<b>3,843,140</b>	<b>41,518.59</b>

(B) OTHER EQUITY	Capital Redemption Reserve (refer note a)	Capital Reserve (refer note b)	Retained Earnings	Equity Instruments through OCI (refer note c)	Share Suspense Account (refer note d)	ESOP Outstanding (refer note e)	Total
	Opening balance as at April 1, 2020	75.07	1,250.52	44,916.47	237.05	1,571.48	-
Profit for the year	-	-	13,429.80	-	-	-	13,429.80
Other comprehensive income	-	-	30.23	735.63	-	-	765.86
Share issued in pursuant to scheme of amalgamation(refer note 51)	-	-	13,460.03	735.63	(1,571.48)	-	14,195.66
	-	-	-	-	-	-	(1,571.48)
Closing balance as at March 31, 2021	75.07	1,250.52	58,376.50	972.68	(1,571.48)	-	(1,571.48)
Profit for the year	-	-	20,973.78	-	-	-	20,973.78
Other comprehensive income/(loss)	-	-	(54.10)	1,699.48	-	-	1,645.38
Dividends	-	-	20,919.68	1,699.48	-	-	22,619.16
Employee stock option	-	-	(2,776.72)	-	-	75.18	(2,776.72)
	-	-	-	-	-	-	75.18
<b>Closing balance as at March 31, 2022</b>	<b>75.07</b>	<b>1,250.52</b>	<b>76,519.46</b>	<b>2,672.16</b>	<b>-</b>	<b>75.18</b>	<b>80,592.39</b>

(₹ in Lakhs)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2022

### Note :

#### (a) Capital Redemption Reserve

Capital redemption reserve of ₹ 75.07 Lakhs was created to the extent of share capital extinguished.

#### (b) Capital Reserve

Capital reserve of ₹ 1,250.52 Lakhs was created pursuant to scheme of amalgamation

#### (c) Equity Instruments through Other Comprehensive Income

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.

#### (d) Share Suspense account

Share Suspense account includes ₹ 52.88 Lakhs towards equity shares suspense account and ₹ 1,518.60 Lakhs towards compulsory convertible preference share suspense account created pursuant to scheme of amalgamation. During the year the Company has issued 5,28,798 fully paid up equity shares of ₹ 10 each and 1,40,568 Compulsory Convertible Preference Shares (CCPS) of ₹ 1,080.33 each pursuant to scheme of amalgamation (refer Note 51).

#### (e) ESOP Outstanding

Employee stock option reserve of ₹ 75.18 Lakhs represents recognition of fair value of equity- settled share based option plan. Fair value of equity- settled share based payment transactions with employees is recognized in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding. The Company has two stock option schemes under which options to subscribe for the Company's shares have been granted to certain employees. The ESOP Outstanding is used to recognise the value of equity- settled share- based payments provided to employees, including key management personnel, as part of their remuneration.

As per our Report of even date

For and on behalf of the Board of Directors of

**R R Kabel Limited**

CIN: U28997MH1995PLC085294

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

Chartered Accountants

Firm Registration No: 101248W/W-100022

#### Rupen Shah

Partner

Membership No. 116240

Place : Ahmedabad

Date: 22 June,2022

#### Tribhuvanprasad Kabra

Chairman

DIN : 00091375

#### Rajeev Pandiya

Chief Financial Officer

Membership No. 089631

#### Shreegopal Kabra

Managing Director

DIN : 00140598

#### Himanshu Parmar

Company Secretary

Membership No.FCS 10118

Place : Mumbai

Date: 22 June,2022

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## STANDALONE CORPORATE INFORMATION

R R KABEL LIMITED ("the Company") is a Public Company is mainly into the manufacturing of PVC insulated wires and cables, power cables and special cables. The Company has four manufacturing sites in India. The first unit is situated in the UT of Dadra and Nagar Haveli, second unit is situated at Waghodia in the State of Gujarat, third unit of consumer electrical division at Roorkee in the State of Uttarakhand and fourth unit of lighting business at Bengaluru in the State of Karnataka. The company has strategically located its sales offices and depots pan India.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (A) BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

##### (i) Statement of compliance

The Company prepared its Standalone Financial Statements to comply with the accounting standards specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. These Standalone financial statements include Balance Sheet as at 31 March 2022, the Statement of Profit and Loss including Other Comprehensive Income, Cash flows Statement and Statement of changes in equity for the year ended 31 March 2022, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements").

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

The standalone financial statements for the year ended 31 March 2022 have been prepared on an accrual basis and a historical cost convention except for the following financial assets and liabilities which have been measured at fair value at the end of each reporting period:

- (a) Derivative financial instruments
- (b) Certain financial assets and liabilities (Refer note 37 for accounting policy regarding financial instruments)
- (c) Net defined benefit plan

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies and methods of computation followed in the standalone financial statements are same as compared with the annual standalone financial statements for the year ended 31 March 2021.

#### Current/ Non- Current Classification

Any asset or 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### (iii) Functional and Presentation Currency

Items included in the standalone 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 (₹).

### (B) USE OF ESTIMATES AND JUDGEMENTS

In the course of applying the policies outlined in all notes, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. 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. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its standalone financial statements:

#### (i) Useful lives of property, plant & equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in current and future periods.

#### (ii) Impairment of investment in joint-venture

Determining whether the investment in joint venture is impaired requires an estimate in the value in use of investments. The Company reviews its carrying value of investment carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. In considering the value in use, the Board of Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

#### (iii) Provision

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

#### (iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

#### (v) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (Refer note 37 for accounting policy on Fair value measurement of financial instruments).

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### (vi) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

### (vii) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Group to use assumptions. These assumptions have been explained under employee benefits note.

### (viii) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

## (C) OTHER SIGNIFICANT ACCOUNTING POLICIES

### (i) Revenue

Revenue from contracts with customers is recognised when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Company considers below, if any:

**Variable Consideration:** This includes trade discounts, rebates and returns. It 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:** Such Amounts are 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.

**Trade Receivable:** A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

### (ii) 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



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

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.

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 standalone financial statements upon sale or retirement of the property, plant & equipment and the resultant gains or losses are recognised in the statement of profit and loss. Property, Plant & Equipment to be disposed of is reported at the lower of the carrying value or the fair value less cost of sale.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per Previous GAAP as the deemed cost of the property, plant and equipment.

On transition to Ind AS, the company has elected to continue the accounting treatment as prescribed under para 48A of AS-11 "The effect of change in foreign currency" monetary items recognised in financial statements for the year ending immediately before the beginning of first Ind AS financial reporting period.

### **(iii) 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 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.

### **(iv) Depreciation on Property, Plant & Equipment and Amortisation of intangible Assets**

Depreciation on property, plant and equipment is provided using the straight-line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

The estimated useful lives and residual values 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	30	Office & Other Equipments	5 to 10
Workers Quarters	60	Vehicles	8 to 10
Plant & Equipments	15	Computer / Laptop / Computer hardware	3
Furniture & Fixtures	10	Computer Servers	6
Electrical Installations	10	Computer Software	5

### (v) 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.

### (vi) Leases

#### The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. 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 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, rental income is recognized on a straight-line basis over the term of the relevant lease.

### **(vii) Investments**

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

Investments in mutual funds are primarily held for the Company's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

Refer financial instruments accounting policy ix for methods of valuation.

### **(viii) 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 comprises the cost of purchases, the cost of conversion and the cost of packing materials in case of Finished Goods.

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 on factory buildings and plant & machineries, power & fuel, factory management and administration expenses, repairs & maintenance and consumable stores & 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.**

### **(ix) 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, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to / deducted from the fair value on initial recognition.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### 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 carried at amortised cost

A financial asset is are subsequently measured at amortised cost 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, using the Effective Interest Rate (EIR) method less impairment, if any, 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 it is held within a business model whose objective is to hold these assets in order to collect contractual cash flows or 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 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 & 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 and fair value through other comprehensive income. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. 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 expires
- 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

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 retains 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 contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **Equity Instruments**

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 Liabilities**

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 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 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 standalone 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 & as financial liabilities when fair value is negative.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### e) **Offsetting Financial Instruments**

Financial assets and liabilities are off-set 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.

### (x) **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 standalone 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

For assets and liabilities that are recognized in the standalone 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.

### (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 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.

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

Contingent assets are neither recognised nor disclosed in the standalone financial statements.

### (xii) **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 & equipment is included as cost of property, plant & equipment and is credited to the statement of profit & loss over the useful lives of

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

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 is included in the balance sheet as deferred income.

### (xiii) 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

The Company's net obligation in respect of an approved gratuity plan, which is defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability / (asset) is recognized in the statement of profit and loss. Past service cost is immediately recognized in the statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

##### ii) Defined contribution plan

A Defined Contribution Plan is plan under which the Company makes contribution to Employee's Provident Fund and Employees State Insurance Contribution Fund administrated by the Central Government. The Company's contribution is charged to the Statement of Profit & Loss.

#### c) Other Long-Term Employee Benefits – Compensated absence and earned leave

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.

### (xiv) 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, if any. All other borrowing costs are expensed in the period in which they occur.

### (xv) 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 & 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 under the Income Tax Act, 1961("the IT Act").

The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted by the end of reporting period.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit under the I T 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.

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 all 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 that have been enacted by the end of the reporting period. 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 this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### (xvi) 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 and accordingly information of two reportable segments (Wires & Cables and Consumer Electricals) have been disclosed.

### (xvii) Employee Share Based Payment

Equity- settled share- based payments to employees are measured at the fair value of the employee stock options at the grant. The fair value determined at the grant date of the equity- settled share - based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Standalone Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share Option Outstanding.

The Company measures the cost of equity- settled transactions with employees using Black- Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share- based payment transactions require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The dilutive effect, if any of outstanding options is reflected as additional share dilution in computation of diluted earnings per share.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 49.

### **(xviii) Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effect 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 to be cash and 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 which existed at the end of the reporting period, the impact of such events is adjusted within the standalone 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 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.

### **(xxi) Research and Development**

Research and Development expenditure of a revenue nature is expensed out under the respective heads of account in the year in which it is 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.

### **(xxii) Other Income**

Interest income from a financial asset is recognized 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 basis, by reference to the principal outstanding and at 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.

Export entitlements are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### (xxiii) Recent pronouncements

Recent accounting pronouncements Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1-Apr-2022, as below:

#### a) **Ind AS 16- Proceeds before intended use**

The amendments clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as a part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

#### b) **Ind AS 103- Reference to Conceptual Framework**

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.

#### c) **Ind AS 37 - Onerous Contracts**

**Costs of Fulfilling a Contract** The amendments specify that 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 (example would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

The amendments are extensive, and the Company is evaluating the same.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Note : 2  
A) PROPERTY, PLANT & EQUIPMENT  
TANGIBLE ASSETS

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For the year 2021-22	Deductions	As at March 31, 2022	As at March 31, 2022
Land - Free Hold	3,888.75	297.20	173.65	4,012.30	-	-	-	-	4,012.30
Buildings	1,514.01	62.22	49.64	1,526.59	99.29	23.81	4.73	118.37	1,408.22
Factory Buildings	12,285.06	380.54	-	12,665.60	1,785.86	486.46	-	2,272.32	10,393.28
Worker's Quarters	526.79	-	-	526.79	46.52	9.31	-	55.83	470.96
Plant & Machinery	29,841.67	2,586.69	198.58	32,229.78	10,688.78	2,936.24	138.05	13,486.97	18,742.81
Electric Installations	1,889.96	347.31	0.22	2,237.05	641.88	170.69	0.16	812.41	1,424.64
Furniture & Fixtures	902.22	83.15	1.90	983.47	349.10	95.67	0.80	443.97	539.50
Office & Other Equipments	896.60	287.19	29.70	1,154.09	549.47	131.40	23.18	657.69	496.40
Vehicles	1,733.76	86.98	129.17	1,691.57	719.14	188.53	98.41	809.26	882.31
<b>Total</b>	<b>53,478.82</b>	<b>4,131.28</b>	<b>582.86</b>	<b>57,027.24</b>	<b>14,880.04</b>	<b>4,042.11</b>	<b>265.33</b>	<b>18,656.82</b>	<b>38,370.42</b>
<b>B) Capital Work - in - Progress</b>	<b>668.18</b>	<b>6,016.14</b>	<b>2,453.30</b>	<b>4,231.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,231.02</b>

a) For Capital-work-in progress, following is the ageing schedule as on 31 March 2022:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	2,881.78	258.26	234.39	-	3,374.43
Others	833.03	23.56	-	-	856.59
<b>Total</b>	<b>3,714.81</b>	<b>281.82</b>	<b>234.39</b>	<b>-</b>	<b>4,231.02</b>

b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule as at 31 March 2022:

CWIP	To be completed in		
	Less than 1 year	1-2 years	2-3 years
E Beam project	1,904.47	-	-
<b>Total</b>	<b>1,904.47</b>	<b>-</b>	<b>-</b>

**TANGIBLE ASSETS**

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2020	Additions	As at March 31, 2021	As at April 1, 2020	For the year 2020-21	Deductions	As at March 31, 2021	As at March 31, 2021
Land - Free Hold Buildings	3,888.75	-	3,888.75	-	-	-	-	3,888.75
Factory Buildings	1,514.01	-	1,514.01	75.23	24.05	-	99.28	1,414.73
Worker's Quarters	11,122.05	1,163.01	12,285.06	1,312.61	473.25	-	1,785.86	10,499.20
Plant & Machinery	526.79	-	526.79	37.23	9.30	-	46.53	480.26
Electric Installations	26,889.62	3,055.28	29,841.67	7,898.51	2,857.90	67.63	10,688.78	19,152.89
Furniture & Fixtures	1,847.40	42.56	1,889.96	435.04	206.84	-	641.88	1,248.08
Office & Other Equipments	853.66	48.57	902.23	251.78	97.31	-	349.09	553.14
Vehicles	794.42	102.71	896.59	414.28	135.57	0.37	549.48	347.11
	1,538.16	336.61	1,733.76	622.95	185.30	89.11	719.14	1,014.62
<b>Total</b>	<b>48,974.86</b>	<b>4,748.74</b>	<b>53,478.82</b>	<b>11,047.63</b>	<b>3,989.52</b>	<b>157.11</b>	<b>14,880.04</b>	<b>38,598.78</b>
B) Capital Work - in - Progress	1,537.21	3,155.44	668.18	-	-	-	-	668.18

a) For Capital-work-in progress, following is the ageing schedule as on 31 March 2022:

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in Progress	324.00	234.40	-	558.40
Others	104.28	5.50	-	109.78
<b>Total</b>	<b>428.28</b>	<b>239.90</b>	<b>-</b>	<b>668.18</b>

b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule as at 31 March 2022:

CWIP	To be completed in		
	Less than 1 year	1-2 years	More than 3 years
E Beam project	-	582.09	-
<b>Total</b>	<b>-</b>	<b>582.09</b>	<b>-</b>

2.1 : Additions to Property, Plant & Equipment includes Items aggregating to ₹ 28.43 Lakhs (P.Y. ₹ 41.87 Lakhs) pertaining to Research and Development activities of the Company.

2.2 : The Title deeds of properties aggregating to ₹ 606.58 Lakhs (P.Y. ₹ 606.58 Lakhs) are under process of registration.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

Particulars	Description of item of property	Title deeds held in the name of	Gross Block as on 31 March 2022	Gross Block as on 31 March 2021	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which year	Reason for not being held in the name of the Company	Disputed
Property, Plant & Equipment	Building at Howrah	Goldline Vyapaar Private Limited	364.22	364.22	No	2017	Title deed yet to be executed in the name of the Company	Yes
	Land at Roorkee	Ram Ratna Electricals Limited	147.31	147.31	No	2020	The title deed is in the name of erstwhile company that was amalgamated with the Company w.e.f. 01 April 2019 pursuant to scheme of Amalgamation sanctioned by Hon'ble Bombay High Court.	No
	Building at Roorkee	Ram Ratna Electricals Limited	95.05	95.05	No	2020	The title deed is in the name of erstwhile company that was amalgamated with the Company w.e.f. 01 April 2019 pursuant to scheme of Amalgamation sanctioned by Hon'ble Bombay High Court.	No

2.3 : There are no interest costs capitalized during the period. (P.Y. Nil)

2.4 : The Company has capitalized foreign exchange fluctuation of (₹ 16.30) Lakhs (P.Y. ₹ 42.41 Lakhs) Lakhs on account of the policy change under para 46A of erstwhile regime of Accounting Standard.

2.5 : The details of property, plant & equipment pledged against borrowings are presented in Note 13.3, 13.4, 13.5.

2.6 : The amount of contractual commitments for the acquisition of property, plant & equipment is disclosed in Note 28.

2.7 : No proceedings have 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

C) INTANGIBLE ASSETS

Particulars	Gross Block			Accumulated Amortisation			Net Block As at March 31, 2022
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	For the year 2021-22	As at March 31, 2022	
Software	387.34	19.35	-	406.69	74.33	358.19	48.50
Brand of Arraystrom	530.00	-	-	530.00	106.03	211.97	318.03
<b>Total</b>	<b>917.34</b>	<b>19.35</b>	-	<b>936.69</b>	<b>180.36</b>	<b>570.16</b>	<b>366.53</b>
ii) Under development	48.50	60.00	48.50	60.00	-	-	60.00

a) For Intangible asset under development, following is the ageing schedule as on 31 March 2022:

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	
ERP Upgradation Project	60.00	-	-	60.00
<b>Total</b>	<b>60.00</b>	<b>-</b>	<b>-</b>	<b>60.00</b>

Particulars	Gross Block			Accumulated Amortisation			Net Block As at March 31, 2021
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	For the year 2020-21	As at March 31, 2021	
Software	387.34	-	-	387.34	74.89	283.86	103.48
Brand of Arraystrom	530.00	-	-	530.00	105.94	105.94	424.06
<b>Total</b>	<b>917.34</b>	-	-	<b>917.34</b>	<b>180.83</b>	<b>389.80</b>	<b>527.54</b>
ii) Under development	-	48.50	-	48.50	-	-	48.50

a) For Intangible asset under development, following is the ageing schedule as on 31 March 2021:

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	
SCM Project	23.70	-	-	23.70
Others	24.80	-	-	24.80
<b>Total</b>	<b>48.50</b>	<b>-</b>	<b>-</b>	<b>48.50</b>



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

D) RIGHT OF USE ASSETS

Particulars	Gross Block				Accumulated Amortisation			Net Block
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For the year 2021-22	Deductions	As at March 31, 2022
Right of use Asset (Refer note 40)	1,300.24	737.80	71.31	1,966.73	485.42	386.04	16.46	855.00
<b>Total</b>	<b>1,300.24</b>	<b>737.80</b>	<b>71.31</b>	<b>1,966.73</b>	<b>485.42</b>	<b>386.04</b>	<b>16.46</b>	<b>855.00</b>
								<b>1,111.73</b>

Particulars	Gross Block				Accumulated Amortisation			Net Block
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	For the year 2020-21	Deductions	As at March 31, 2021
Right of use Asset (Refer note 40)	597.73	702.51	-	1,300.24	180.69	304.74	-	485.43
<b>Total</b>	<b>597.73</b>	<b>702.51</b>	<b>-</b>	<b>1,300.24</b>	<b>180.69</b>	<b>304.74</b>	<b>-</b>	<b>485.43</b>
								<b>814.81</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss in Note 26.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Note 3A: INVESTMENTS	Nos.	Face Value	Non-Current	
			As at March 31, 2022	As at March 31, 2021
Investments in equity instruments				
i) Quoted equity shares (fully paid up)				
Other entity (measured at fair value and designated as fair value through other comprehensive income)				
Ram Ratna Wires Limited	1,410,768 (P.Y.14,10,768)	₹ 5	2,789.09	1,130.03
Comfort Intech Limited	2,500 (P.Y.2,500)	₹ 10	0.56	0.18
ii) Unquoted equity shares (fully paid up)				
a) Joint venture (measured at cost, Note 1 (c) (vii))				
RR-Imperial Electricals Limited - Bangladesh (35%)	22,190,854 (P.Y. 2,21,90,854)	Taka 10	1,637.31	1,637.31
b) Other entity (measured at fair value and designated as fair value through other comprehensive income)				
MEW Electricals Limited	50,000 (P.Y.50,000)	₹ 100	1,265.96	1,215.64
			5,692.92	3,983.16
Aggregate market value of quoted investments			2,789.65	1,130.21
Aggregate amount of unquoted investments at cost			1,637.31	1,637.31
Aggregate of unquoted investments at fair value			1,265.96	1,215.64

(₹ in Lakhs)

Note 3B: INVESTMENTS	Current	
	As at March 31, 2022	As at March 31, 2021
Investments in mutual fund instruments* (Fair Value through Profit & Loss)		
i) UTI Liquid Cash Fund Regular Plan - Growth	2,249.70	2,175.97
ii) Axis Treasury Advantage Fund- Regular Growth	4,235.58	4,072.49
iii) HDFC Ultra Short Term Fund- Regular Growth	3,687.97	3,558.38
iv) IDFC Low Duration Fund-Growth Regular Plan	3,678.49	3,547.94
v) UTI Treasury Advantage Fund Regular Growth Plan	4,444.72	4,070.29
vi) Axis Liquid Fund Growth	2,250.89	2,176.94
Aggregate amount of mutual fund investments	20,547.35	19,602.01
Aggregate amount of quoted investments at market value	20,547.35	19,602.01

(₹ in Lakhs)

Note 4A: LOANS	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good :		
Loans to employees	5.21	9.63
	5.21	9.63

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Note 4B: LOANS	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good :</b>		
Loans to employees	22.01	64.82
	<b>22.01</b>	<b>64.82</b>

(₹ in Lakhs)

Note 5A: OTHER FINANCIAL ASSETS	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Security deposits (Note 5.1)	205.85	150.98
Term deposits held as margin money or security against borrowing, guarantees or other commitments	11.27	8.01
	<b>217.12</b>	<b>158.99</b>

(₹ in Lakhs)

Note 5B: OTHER FINANCIAL ASSETS	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good:</b>		
Security deposits (Note 5.1)	194.24	99.36
Term deposits held as margin money or security against borrowing, guarantees or other commitments	201.89	182.06
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	14.09	11.10
Derivative assets	600.16	46.28
Others (insurance claim and recoverable expenses)	179.28	8.63
	<b>1,189.66</b>	<b>347.43</b>

(₹ in Lakhs)

Note 5.1 Security deposit includes:	Current	
	As at March 31, 2022	As at March 31, 2021
Deposits given to directors, relatives of directors & firms in which director is a partner	71.26	80.50
Deposits given to a private limited company in which some of the directors are director or member	3.68	3.68

(₹ in Lakhs)

Note 6A: NON CURRENT TAX ASSETS (Net)	Current	
	As at March 31, 2022	As at March 31, 2021
Income tax (net of provisions)	1,337.17	523.53
	<b>1,337.17</b>	<b>523.53</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Note 7A: OTHER ASSETS	Non-Current	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good:</b>		
Capital advances	357.93	1,036.19
<b>Balances with government authorities :</b>		
- Value added tax	113.75	165.97
- Service tax and excise duty paid under protest	56.95	58.78
Prepaid expenses	10.03	13.77
Gratuity (Note 35)	121.20	158.71
	<b>659.86</b>	<b>1,433.42</b>

(₹ in Lakhs)

Note 7B: OTHER ASSETS	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good:</b>		
Balances with government authorities:		
- Excise duty	44.76	102.98
- Goods and services tax	2,460.67	2,942.56
- Export incentives & duty scripts	-	577.44
Prepaid expenses	606.10	714.39
Advances to suppliers	3,698.43	4,017.62
Advance to employees	10.19	10.06
	<b>6,820.15</b>	<b>8,365.05</b>

The Company had filed a writ petition in Honorable Gujarat High Court to ascertain eligibility of credit for taxes paid on certain expenditures incurred in the normal course of business. Based on the management's internal assessment and on the basis of legal view obtained, management expects a favorable outcome from this writ petition and accordingly does not expect any impact on the financial statements or possible / probable outflow of resources on account of this writ petition.

(₹ in Lakhs)

Note 8: INVENTORIES	As at March 31, 2022	As at March 31, 2021
Raw materials (In transit ₹ 3,304.74 Lakhs ; P.Y. ₹ 1,606.76 Lakhs)	12,880.00	8,041.61
Work-in-progress	11,945.67	9,882.93
Finished goods	41,823.52	31,765.11
Stock in trade	2,982.53	2,660.15
Others:		
Packing materials	525.57	401.98
Scrap	154.95	183.47
Consumable stores and spares	637.70	460.96
Fuel	12.14	9.27
	<b>70,962.08</b>	<b>53,405.48</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

8.1 The Company (reversed) / charged inventory write- down (net) of ₹ (367.24) lakhs and ₹ 519.19 lakhs to statement of profit and loss for the year ended 31 March, 2022 and 31- March, 2021 respectively.

8.2 The inventories are hypothecated as a security as disclosed in Note 13.5.

(₹ in Lakhs)

Note 9: TRADE RECEIVABLES	Current	
	As at March 31, 2022	As at March 31, 2021
Secured, considered good	2,198.83	2,532.44
Unsecured, considered good	50,320.11	40,234.95
Unsecured, Significant increase in credit risk	2,472.59	2,653.03
Unsecured, credit impaired	143.03	216.79
	55,134.56	45,637.21
Less: allowance for credit impaired	143.03	216.79
Less: allowance on expected credit loss	3,277.24	3,384.19
	51,714.29	42,036.23

The Company's exposure to credit risk, currency risk and market risk related to trade receivables are disclosed in note 37 (C).

Note : Trade receivables includes debts due from group companies ₹ 1,300.83 Lakhs (P.Y. ₹ 2,947.41 Lakhs)

(₹ in Lakhs)

Note 9.1 Dues from directors or firms or private companies	As at March 31, 2022	As at March 31, 2021
Due from private companies in which director is director or member	24.21	12.63
Due from firm in which director is partner	718.45	1,747.78

Trade Receivables ageing schedule as at March 31, 2022

(₹ 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
Undisputed- considered good	50,873.52	433.09	302.47	104.01	1.20	51,714.29
Undisputed- significant increase in credit risk	94.19	38.98	108.08	195.77	367.64	804.66
Undisputed- credit impaired	-	-	-	-	-	-
Disputed- considered good	-	-	-	-	-	-
Disputed- significant increase in credit risk	-	19.85	366.01	654.22	1,432.50	2,472.58
Disputed- credit impaired	-	-	-	85.19	57.84	143.03
<b>Total</b>	<b>50,967.71</b>	<b>491.92</b>	<b>776.56</b>	<b>1,039.19</b>	<b>1,859.18</b>	<b>55,134.56</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Trade Receivables ageing schedule as at March 31, 2021

(₹ 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
Undisputed- considered good	40,200.46	632.08	780.62	419.03	4.05	42,036.24
Undisputed- significant increase in credit risk	100.48	75.18	138.79	100.18	316.53	731.16
Undisputed- credit impaired	-	-	-	-	-	-
Disputed- considered good	-	-	-	-	-	-
Disputed- significant increase in credit risk	33.25	360.76	711.01	628.80	919.21	2,653.03
Disputed- credit impaired	-	33.48	40.28	85.19	57.84	216.79
<b>Total</b>	<b>40,334.19</b>	<b>1,101.50</b>	<b>1,670.70</b>	<b>1,233.20</b>	<b>1,297.63</b>	<b>45,637.22</b>

(₹ in Lakhs)

<b>Note 10: CASH AND BANK BALANCES</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>(A) Cash and cash equivalents</b>		
Balances with banks	<b>726.65</b>	834.50
Cash on hand	<b>3.25</b>	5.07
Term deposits (with original maturity of 3 months or less)	<b>500.00</b>	-
	<b>1,229.90</b>	839.57
<b>(B) Balance other than Cash and cash equivalents</b>		
Earmarked balance with Bank for unclaimed dividend	<b>0.03</b>	6.99
	<b>1,229.93</b>	846.56

(₹ in Lakhs)

<b>Note 11A: EQUITY SHARE CAPITAL</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b><u>Authorised Capital</u></b>		
57,000,000 (P.Y. 57,000,000) Equity Shares of ₹ 10 each	<b>5,700.00</b>	5,700.00
<b><u>Issued, Subscribed and Paid Up Capital</u></b>		
2,39,24,074 (P.Y. 2,39,24,074) Equity shares of ₹ 10 each fully paid up	<b>2,392.41</b>	2,392.41
	<b>2,392.41</b>	2,392.41

(₹ in Lakhs)

<b>NOTE 11B: INSTRUMENT ENTIRELY EQUITY IN NATURE</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b><u>Authorised Capital</u></b>		
3,843,140 (P.Y. 3,843,140) Compulsory Convertible Preference Shares of ₹ 1,080.33 each	<b>41,518.59</b>	41,518.59
<b><u>Issued, Subscribed and Paid Up Capital</u></b>		
3,843,140 (P.Y. 3,702,572) Compulsory Convertible Preference Share of ₹ 1,080.33 each fully paid up	<b>41,518.59</b>	41,518.59
	<b>41,518.59</b>	41,518.59

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

11.1 Reconciliation of Equity Shares outstanding at the beginning & at the end of the year	As at March 31, 2022		As at March 31, 2021	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
<b>Fully Paid up Equity Shares</b>				
As at the beginning of the year	23,924,074	2,392.41	23,395,276	2,339.53
Add:- Issued during the year (note 11.10)	-	-	528,798	52.88
As at the end of the year	23,924,074	2,392.41	23,924,074	2,392.41

11.2 Reconciliation of Compulsory Convertible Preference Share outstanding at the beginning & at the end of the year	As at March 31, 2022		As at March 31, 2021	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
<b>Fully Paid up Preference Shares</b>				
As at the beginning of the year	3,843,140	41,518.59	3,702,572	40,000.00
Add:- Issued during the year (note 11.10)	-	-	140,568	1,518.59
As at the end of the year	3,843,140	41,518.59	3,843,140	41,518.59

11.3 Details of shareholders holding more than 5% Equity Shares *	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
Smt. Uma Devi Kabra	3,275,468	13.69%	3,275,468	13.69%
Rameshwarlal Kabra (Karta of Rameshwarlal Kabra HUF)	2,267,728	9.48%	2,267,728	9.48%
Shri Mahendrakumar Kabra	2,162,147	9.04%	2,429,278	10.15%
TPG Asia VII SF Pte Limited	1,990,128	8.32%	1,990,128	8.32%
Shri Hemant Kabra	1,699,859	7.11%	1,699,859	7.11%
Smt. Kirtidevi Kabra	1,414,077	5.91%	1,248,166	5.22%
Ram Ratna Research and Holdings Private Limited	1,269,616	5.31%	1,269,616	5.31%

11.4 Details of shareholders holding more than 5% Compulsory Convertible Preference Share *	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
TPG Asia VII SF Pte Limited	3,843,140	100.00%	3,843,140	100.00%

\* As per the records of the company, including its register of members

Details of Shares held by promoter at the end of the year

Promoter Name	As at 31.03.2022			As at 31.03.2021		
	No of Shares	% of total shares	% change during the year	No of Shares	% of total shares	% change during the year
Uma Kabra	3,275,468	13.69	-	3,275,468	13.69	-0.24
Mahendra Kumar Kabra	2,162,147	9.04	-1.12	2,429,278	10.15	0.21
Rameshwarlal Kabra HUF	2,267,728	9.48	-	2,267,728	9.48	-0.21
Hemant Kabra	1,699,859	7.11	-	1,699,859	7.11	0.37
Ram Ratna Research & Holding Pvt. Ltd.	1,269,616	5.31	-	1,269,616	5.31	0.25
Kirtidevi Kabra	1,414,077	5.91	0.63	1,264,426	5.29	-0.05
Shreegopal Kabra HUF	980,290	4.10	-	980,290	4.10	-0.09
Asha Muchhal	827,131	3.46	-	827,131	3.46	-0.08
Priti Saboo	671,131	2.81	-0.42	771,131	3.22	-0.07



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Promoter Name	As at 31.03.2022			As at 31.03.2021		
	No of Shares	% of total shares	% change during the year	No of Shares	% of total shares	% change during the year
Shreegopal Kabra	748,606	3.13	0.21	698,956	2.92	-0.07
Sumeet Kabra	634,657	2.65	-	634,657	2.65	0.47
Mahhesh Kabra	577,217	2.41	-	577,217	2.41	0.01
Tribhuvanprasad Kabra	565,582	2.36	-	565,582	2.36	-0.05
MEW Electricals Limited	559,000	2.34	-	559,000	2.34	-0.05
Rameshwarlal Kabra	-	-	-2.17	519,930	2.17	-0.05
Rajesh Kabra	825,453	3.45	1.53	459,437	1.92	0.03
Tribhuvanprasad Kabra HUF	359,000	1.50	-	359,000	1.50	-0.03
Ram Ratna Wires Limited	341,120	1.42	-	341,120	1.42	-0.03
Ashok Loya	340,000	1.42	-	340,000	1.42	-0.03
Jag-Bid Finvest Private Limited	336,000	1.40	-	336,000	1.40	0.04
Mahendra Kumar Kabra HUF	288,552	1.21	-	288,552	1.21	0.01
Mamta Ashok Loya	200,000	0.84	-	200,000	0.84	-0.02
Kabel Buildcon Solutions Pvt. Ltd.	176,800	0.74	-	176,800	0.74	-0.02
Ratnidevi Kabra	-	-	-0.72	171,715	0.72	-0.02
Sarita Jhanwar	140,395	0.59	-	140,395	0.59	-0.01
Gaurishanker Loya	140,000	0.59	-	140,000	0.59	-0.01
Arjun Kabra	100,000	0.42	-	100,000	0.42	-0.01
Ivaan Kabra	100,000	0.42	0.42	-	-	-
Monal Kabra	100,000	0.42	0.42	-	-	-
Anant Loya	95,000	0.40	-	95,000	0.40	-0.01
Anant S. Loya HUF	65,000	0.27	-	65,000	0.27	-0.01
Satyanarayan Loya HUF	30,000	0.13	-	30,000	0.13	-
Sunita Loya	20,000	0.08	-	20,000	0.08	-
Sarswati Loya	15,000	0.06	0.06	-	-	-
Satyanarayan Loya	-	-	-0.06	15,000	0.06	-
Anuj Loya	5,501	0.02	-	5,501	0.02	-
Saroj Loya	5,000	0.02	-	5,000	0.02	-
Aditya Loya	3,000	0.01	-	3,000	0.01	-
Nikunj Loya	3,000	0.01	-	3,000	0.01	-
Ashish Loya	2,500	0.01	-	2,500	0.01	-
Neha Loya	2,000	0.01	-	2,000	0.01	-
Vvidhi M Kabra	293,709	1.23	1.23	250	0.00	-
Devas Kabra	250	0.00	-	250	0.00	-
Jhanvi Kabra	250	0.00	-	250	0.00	-
<b>Total</b>	<b>21,640,039</b>	<b>90.45</b>	<b>-</b>	<b>21,640,039</b>	<b>90.45</b>	<b>0.23</b>

### 11.5 Terms/ rights attached to Equity shares:

The Company has only one class of equity shares having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting, except in the 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.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### **11.6 Terms/ rights attached to Preference shares:**

The Company has only one class of Compulsory Convertible Preference shares (CCPS) having nominal value of ₹ 1,080.33/- per share. These CCPS shall rank pari-passu in all respects (including with respect to dividend and voting rights) with the then-existing Equity Shares of the Company. Post conversion to equity, these CCPS shall have the same right as of the equity shareholders.

**11.7** The Board of Directors of the Company, at its meeting held on September 06, 2018 had approved a proposal to buy back of upto 7,50,724 equity shares for an aggregate amount of ₹ 8,110.30 Lakhs (excluding tax on distributed income) being 3.11% of the total paid up equity share capital at ₹ 1,080.33 per equity share, which was approved by the shareholders by means of a special resolution in Extra Ordinary General Meeting held on September 11, 2018.

A Letter of Offer was made to all eligible shareholders. The Company bought back 7,50,724 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares bought on October 31, 2018. The excess of cost of buy-back of ₹ 9,971.47 Lakhs (including ₹ 1,861.17 Lakhs towards tax on distributed income) over par value of shares was offset from Securities Premium ₹ 1,300.81 Lakhs, General Reserve ₹ 3,000 Lakhs and retained earnings ₹ 5,595.58 Lakhs. The company has transferred an amount equivalent to face value of ₹ 75.07 Lakhs from retained earnings to Capital Redemption Reserve in accordance with Act.

### **11.8 No Shares have been allotted by way of Bonus during period of five years immediately preceding Balance Sheet date**

**11.9** The Board of Directors of the Company, at its meeting held on September 06, 2018 had approved the proposal to issue 37,02,572 Compulsory Convertible Preference Shares (CCPS) to TPG Asia VII SF Pte Ltd (the Investor). These CCPS are issued pursuant to Shareholder's Agreement and Securities Subscription and Share Purchase Agreement among the Company, the Promoters and the Investor.

These CCPS shall be convertible into Equity Shares on the specified conversion dates at a specified conversion ratio in accordance with and upon the terms and conditions as set out in the Securities Subscription and Share Purchase Agreement.

### **11.10 Aggregate number of equity shares allotted as fully paid up pursuant to contract without consideration received in cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the financial year:**

The Company has issued 5,28,798 fully paid up equity shares of ₹ 10 each and 1,40,568 Compulsory Convertible Preference Shares (CCPS) of ₹ 1080.33 to the shares holders of Ram Ratna Electrical Private Limited pursuant to scheme of amalgamation for consideration other than cash (refer note 51).

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

(₹ in Lakhs)

<b>Note 12: OTHER EQUITY</b>		<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>a) Capital Redemption Reserve</b>			
	Balance at the beginning of year	75.07	75.07
	Changes during year	-	-
	Balance at end of the year	75.07	75.07
<b>b) Capital Reserve</b>			
	Balance at the beginning of year	1,250.52	1,250.52
	Changes during year	-	-
	Balance at end of the year	1,250.52	1,250.52
<b>c) Retained Earnings</b>			
	Balance at the beginning of year	58,376.50	44,916.47
	Profit for the year	20,973.78	13,429.80
	Dividends	(2,776.72)	-
	Re-measurement of post employment benefits obligation	(54.10)	30.23
	Balance at end of the year	76,519.46	58,376.50
<b>d) Other Comprehensive Income</b>			
	Fair value gain on investment in equity instruments through other comprehensive income		
	Balance at the beginning of year	972.68	237.05
	Increase on account of change in fair value of investments	1,699.48	735.63
	Balance at end of the year	2,672.16	972.68
<b>e) Share suspense account</b>			
	Balance at the beginning of year	-	1,571.48
	Shares issued pursuant to scheme of amalgamation(refer note 51)	-	(1,571.48)
	Balance at end of the year	-	-
<b>f) ESOP reserve</b>			
	Balance at the beginning of year	-	-
	Created during year	75.18	-
	Balance at end of the year	75.18	-
		<b>80,592.39</b>	<b>60,674.77</b>

(₹ in Lakhs)

<b>Note 13A: BORROWINGS</b>	<b>Non-Current</b>		
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
<b>Secured</b>			
<b>Term Loans from Bank</b>			
	Rupee Loans (Refer Note 13.1 & 13.3)	4,999.63	4,875.00
<b>Term loan from financial institution</b>			
	Rupee loans (Refer Note 13.1 & 13.3)	930.63	2,241.75
	Vehicle loans (Refer note 13.2 & 13.4)	1.06	11.39
		<b>5,931.32</b>	<b>7,128.14</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Note 13B: BORROWINGS	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Working capital loans</b>		
<b>From banks</b>		
Foreign currency loans (Refer Note 13.5)	5,079.08	-
Rupee loans		
Short term (Refer Note 13.5)	22,696.40	34,421.44
Repayable on demand (Refer Note 13.5)	2,569.05	1,771.58
<b>Unsecured</b>		
<b>Working capital loans</b>		
<b>From banks</b>		
Rupee loans - short term (Refer Note 13.5)	11,925.61	3,305.47
<b>Current maturities of long term borrowings</b>		
Rupee loans (Note 13.1)	3,810.93	3,125.00
Vehicle loans (Note 13.2)	8.21	31.76
	<b>46,089.28</b>	<b>42,655.25</b>

### Notes to 13A & 13B

(₹ in Lakhs)

Note 13.1 : Term Loans (Rupee Loans)	Number of Quarterly Installments	Rate of Interest for year ended 31 March 2022	Rate of Interest for year ended 31 March 2021	As at March 31, 2022	As at March 31, 2021
Term Loan I-CITICorp Financial Institution	16	8.15%	8.15%	373.12	870.62
Term Loan II-CITICorp Financial Institution	16	8.15%	8.15%	193.50	451.50
Term Loan III-CITICorp Financial Institution	16	8.95%	8.95%	1,675.12	2,419.63
Term Loan IV-HDFC Bank	16	7.20%	8.15%	2,250.00	3,000.00
Term Loan V-HDFC Bank	16	7.20%	7.30%	2,625.00	3,500.00
Term Loan VI-HDFC Bank	16	7.20%	-	1,193.25	-
Term Loan VII-HDFC Bank	16	7.20%	-	1,431.20	-
				<b>9,741.19</b>	10,241.75
Less : Current maturities of long term borrowing under "Borrowings" (Note 13 B)				<b>3,810.93</b>	3,125.00
				<b>5,930.26</b>	7,116.75

(₹ in Lakhs)

Note 13.2 : Vehicle Loans	Number of Monthly Installments	Rate of Interest for year ended 31 March 2021 & 31 March 2022	As at March 31, 2022	As at March 31, 2021
Vehicles Loans	24-52	8.45% - 9.10%	9.27	43.15
Less : Current maturities of long term borrowing under "Borrowings" (Note 13 B)			8.21	31.76
			<b>1.06</b>	11.39

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 13.3 :

- (a) Term Loans of Citicorp Finance India Limited Bank ₹ 2,241.74 Lakhs (P.Y. ₹ 3,741.75 Lakhs) are secured by way of first pari-passu charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed. Term loans are further secured by all the present and future movable fixed assets (excluding vehicles) of the Company. These loans are also secured by second pari-passu charge with the Security Trustee over the present & future current assets of the Company. Further personal guarantees for term loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.
- (b) Term Loan of HDFC Bank ₹ 7,499.45 Lakhs (P.Y. ₹ 6,500.00) are secured by way of first charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed. Term loans are further secured by present and future movable fixed assets of the Company. These loans are also secured by second charge with the Security Trustee over the present & future current assets of the Company. Further personal guarantees for term loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.

**Note 13.4 : Vehicle loans are secured by way of hypothecation of specific vehicle.**

### Note 13.5 :

- (a) All secured working capital facilities consisting of Foreign Currency Loan of ₹ 5,079.08 Lakhs (P.Y. ₹ 00.00 Lakhs), Working Capital Loans of ₹ 22,696.40 Lakhs (P.Y. ₹ 34,421.44 Lakhs) and Rupee Loan - Repayable of demand of ₹ 2,569.05 Lakhs (P.Y. ₹ 1,771.58 Lakhs) are secured by way of second pari-passu charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed.
- (b) These loans are further secured by second pari-passu charge over the present and future movable fixed assets (excluding vehicles) of the Company.
- (c) These loans are also secured by first pari-passu charge with the Security Trustee over the present & future current assets of the Company.
- (d) Further personal guarantees for working capital loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.
- (e) Working Capital demand loans carry interest rate from 7.70% to 9.15% (P.Y. 7.70% to 9.10% ) with different tenure.

**Note 13.6 : There is no default in terms of repayment of principal and interest amount.**

**Note 13.7 :** All the charges created or satisfied during the current year and previous year were registered with Registrar of companies within statutory period.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Note 13.8 : Summary of Bank returns / stock statements filed by the Company with its bankers are as follows :

(₹ in Lakhs)

Name of Bank / FI	Quarter	Particulars	2021-22			Reason for discrepancies
			Amounts as per the Books of Accounts	Amounts as reported in the Quarterly Return Statement	Amounts of Difference	
DBS BANK, HDFC BANK, HSBC BANK KOTAK BANK STATE BANK OF INDIA SCB BANK	1	Inventory	52,026.89	52,537.85	510.96	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade Receivable	53,093.75	52,213.84	(879.92)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade payable	4,512.38	4,555.59	43.21	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
	2	Inventory	46,223.05	46,363.83	140.78	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade Receivable	59,374.28	58,935.67	(438.61)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade payable	4,941.08	5,112.27	171.18	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

Name of Bank / FI	Quarter	Particulars	2021-22			Reason for discrepancies
			Amounts as per the Books of Accounts	Amounts as reported in the Quarterly Return Statement	Amounts of Difference	
DBS BANK, HDFC BANK, HSBC BANK KOTAK BANK STATE BANK OF INDIA SCB BANK	3	Inventory	52,641.76	51,881.42	(760.34)	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade Receivable	63,278.01	62,805.98	(472.04)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade payable	4,188.10	4,328.27	140.17	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
	4	Inventory	50,255.08	50,513.73	258.65	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade Receivable	73,325.48	73,314.88	(10.60)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage which is offset by credit notes issued to customers at year end.
		Trade payable	3,695.17	4,093.47	398.30	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		<b>Total</b>	<b>467,555.03</b>	<b>466,656.78</b>	<b>(898.26)</b>	



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

Name of Bank / FI	Quarter	Particulars	2020-21			Reason for discrepancies
			Amounts as per the Books of Accounts	Amounts as reported in the Quarterly Return Statement	Amounts of Difference	
DBS BANK, HDFC BANK, HSBC BANK KOTAK BANK STATE BANK OF INDIA SCB BANK	1	Inventory	24,183.22	23,648.35	(534.87)	Inventories pertaining to consumables, stores & spares were not included considering the amount involved was immaterial or Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade Receivable	41,114.04	41,104.04	(9.99)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade payable	1,017.00	1,017.00	-	-
	2	Inventory	30,116.53	30,176.55	60.01	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade Receivable	46,833.60	46,687.92	(145.68)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade payable	3,234.77	3,131.28	(103.48)	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

Name of Bank / FI	Quarter	Particulars	2020-21			Reason for discrepancies
			Amounts as per the Books of Accounts	Amounts as reported in the Quarterly Return Statement	Amounts of Difference	
DBS BANK, HDFC BANK, HSBC BANK KOTAK BANK STATE BANK OF INDIA SCB BANK	3	Inventory	34,807.98	35,092.35	284.37	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade Receivable	51,222.44	51,038.87	(183.56)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade payable	2,208.58	2,121.81	(86.77)	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
	4	Inventory	42,441.49	43,557.70	1,116.21	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Trade Receivable	55,903.74	55,758.56	(145.18)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage which is offset by credit notes issued to customers at year end.
		Trade payable	2,296.54	2,102.80	(193.74)	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Total	335,379.93	335,437.25	57.32	

**Note 13.9 :** Term loans were applied for the purpose for which the loans were obtained.

**Note 13.10 :** Funds raised on short term basis have not been utilised for long term purposes and spent for the purpose it were obtained.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Note 14A: LEASE LIABILITIES	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 40)	822.68	526.36
	<b>822.68</b>	526.36

(₹ in Lakhs)

Note 14B: LEASE LIABILITIES	Current	
	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 40)	325.06	306.64
	<b>325.06</b>	306.64

(₹ in Lakhs)

Note 15: OTHER FINANCIAL LIABILITIES	Current	
	As at March 31, 2022	As at March 31, 2021
Retention money relating to capital expenditure	297.80	156.77
Retention money relating to capital expenditure-MSME	142.65	9.95
Interest accrued and due on borrowings	104.49	69.84
Interest accrued but not due on borrowings	49.57	40.28
Accrued salary & benefits	1,023.72	692.10
Commission to directors	272.33	192.25
Derivative liabilities	0.68	39.87
Creditors for capital expenditure	211.04	199.84
Creditors for capital expenditure-MSME	62.84	1.34
Security deposits (Note 15.1)	248.67	232.77
Unclaimed dividends	0.03	6.99
Other payables (Note 15.2)	81.57	95.36
	<b>2,495.39</b>	1,737.36

Note 15.1: Security deposits includes deposits from customers and employees against vehicles.

15.2 Other payables includes payable against reimbursement of expenses to employees.

(₹ in Lakhs)

Note 16A: PROVISIONS	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Compensated absences (Note 35C)	717.16	604.39
	<b>717.16</b>	604.39

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

(₹ in Lakhs)

Note 16B: PROVISIONS	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Provision for employee benefits</b>		
Compensated absences (Note 35C)	430.57	329.62
<b>Others</b>		
Provision for warranty (Note 16B.1)	969.28	216.84
	<b>1,399.85</b>	<b>546.46</b>

**Note 16B.1**

The provision of warranty as required to be disclosed in compliance with Ind AS 37, Provisions, Contingent liabilities and Contingent Assets's as under :

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	216.84	-
Created during the year	1,481.77	216.84
Utilised during the year	729.33	-
Closing Balance	969.28	216.84

Note :Warranty costs are provided based on a estimates of the cost required to be incurred for repairs,replacement,material cost,servicing,and past experience in respect of warranty costs.

(₹ in Lakhs)

Note 17: INCOME TAXES	As at March 31, 2022	As at March 31, 2021
<b>A. The major components of income tax expenses for the year are as under :-</b>		
(i) Income Tax Expenses recognised in the Statement of Profit & Loss		
<b>Current Tax :-</b>		
In respect of current year	6,482.65	4,891.18
(Excess) in respect of preceding years	29.89	(78.89)
<b>Deferred Tax :-</b>		
In respect of current year	529.65	(208.70)
Income tax expenses recognised in statement of profit & loss	7,042.19	4,603.59
(ii) Income tax expenses recognised in the OCI		
<b>Deferred Tax :-</b>		
Deferred tax expenses on fair value of equity instruments through OCI	10.28	69.86
Deferred tax benefit on re-measurement of post employment benefits obligation	(18.20)	10.16
	<b>(7.92)</b>	<b>80.02</b>
<b>B. Reconciliation of estimated income tax expenses and the accounting profit for the year is as under:</b>		
Profit before tax	28,015.97	18,033.39
Expected income tax expense at statutory income tax rate	7,051.06	4,538.64
Tax adjustment of earlier years	29.89	(78.89)
Tax effect on non deductible expenses	138.30	66.59
Effect of incentive tax credits	(1.94)	64.61
Others	(175.13)	12.64
<b>Current tax expense as per Statement of Profit and Loss for the period</b>	<b>7,042.18</b>	<b>4,603.59</b>
Effective rate of tax	25.14%	25.53%
Statutory rate of tax	25.17%	25.17%

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

**Note 17.1 :** The tax rate used for the 31 March 2022 and 31 March 2021 reconciles above with the corporate tax rate of 25.17%, payable by corporate entities in India on taxable profits under Indian Income Tax Laws.

(₹ in Lakhs)				
<b>C: The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:</b>	<b>As at March 31, 2021</b>	<b>Recognized in Profit and Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>As at March 31, 2022</b>
<b>Deferred tax liabilities</b>				
Difference between written down value as per books of account and Income Tax Act, 1961.	1,693.16	(22.58)	-	<b>1,670.58</b>
Difference in carrying value and tax base of investments in equity measured at FVTOCI	256.02	-	10.28	<b>266.30</b>
Difference in carrying value and tax base of investments in Mutual Fund	127.56	237.92	-	<b>365.48</b>
Mark to market exchange gain & loss	1.59	149.27	-	<b>150.86</b>
<b>Deferred tax assets</b>				
Provision for expenses allowed for tax purpose on payment basis (net)	(120.78)	(38.49)	-	<b>(159.27)</b>
Allowance for expected credit loss on trade receivables	(906.29)	45.48	-	<b>(860.81)</b>
Provision for advance given to supplier	(143.03)	103.73	-	<b>(39.30)</b>
Provision for warranty	(54.57)	54.57	-	<b>-</b>
Lease liabilities	(4.57)	(4.49)	-	<b>(9.06)</b>
Merger expenses of RREL	(12.89)	4.23	-	<b>(8.66)</b>
Re-measurement of post employment benefits obligation	(47.39)	-	(18.20)	<b>(65.59)</b>
<b>Net Deferred tax liabilities</b>	<b>788.81</b>	<b>529.64</b>	<b>(7.92)</b>	<b>1,310.53</b>

(₹ in Lakhs)				
<b>The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:</b>	<b>As at April 1, 2020</b>	<b>Recognized in Profit and Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>As at March 31, 2021</b>
<b>Deferred tax liabilities</b>				
Difference between written down value as per books of account and Income Tax Act, 1961.	1,691.74	1.42	-	1,693.16
Difference in carrying value and tax base of investments in equity measured at FVTOCI	186.16	-	69.86	256.02
Difference in carrying value and tax base of investments in Mutual Fund	55.66	71.89	-	127.56
<b>Deferred tax assets</b>				
Provision for expenses allowed for tax purpose on Payment basis (net)	(125.78)	5.00	-	(120.78)
Allowance for expected credit loss on trade receivable	(773.14)	(133.15)	-	(906.29)
Mark to market exchange gain & loss	(35.00)	36.59	-	1.59
Provision for advance given to supplier	-	(143.03)	-	(143.03)
Provision for warranty	-	(54.57)	-	(54.57)
Lease liabilities	(3.21)	(1.36)	-	(4.57)
Merger expenses of RREL	(3.86)	(9.03)	-	(12.89)
Disallowance under sec 40(a)(ia)	(0.08)	0.08	-	-
Preliminary expenditure	(17.46)	17.46	-	-
Re-measurement of post employment benefits obligation	(57.55)	-	10.16	(47.39)
<b>Net Deferred tax liabilities</b>	<b>917.48</b>	<b>(208.70)</b>	<b>80.02</b>	<b>788.81</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

(₹ in Lakhs)

Note 18A: OTHER LIABILITIES	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Deferred income (Note 18.1)	0.89	1.76
	<b>0.89</b>	<b>1.76</b>

(₹ in Lakhs)

Note 18B: OTHER LIABILITIES	Current	
	As at March 31, 2022	As at March 31, 2021
Advances from customers	2,552.09	437.34
Deferred income (Note 18.1)	112.31	372.58
Statutory dues		
VAT & WCT	60.61	-
Provident fund and professional tax	111.26	92.52
TDS / TCS payable	410.50	257.46
Goods and services tax	703.02	44.34
Custom Duty Payable	204.73	-
	<b>4,154.52</b>	<b>1,204.24</b>

**Note: 18.1** Deferred income mainly represents grants relating to property, plant and equipment and includes ₹ 111.87 Lakhs (P.Y. March 31, 2021 ₹ 372.58 Lakhs) related 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 recognised are released to the statement of profit and loss based on fulfillment of related export obligations.

(₹ in Lakhs)

Note 19: TRADE PAYABLES	As at March 31, 2022	As at March 31, 2021
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises (Note 30)	1,109.90	930.85
- total outstanding dues of creditors other than micro enterprises and small enterprises	15,677.48	10,418.09
	<b>16,787.38</b>	<b>11,348.94</b>

**Trade Payables ageing schedule as at March 31, 2022**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					31.03.2022
	Unbilled	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	-	1,109.85	-	-	0.05	1,109.90
Undisputed- Others	2,584.74	12,988.91	33.52	35.73	34.58	15,677.48
Disputed- MSME	-	-	-	-	-	-
Disputed- Others	-	-	-	-	-	-
<b>Total</b>	<b>2,584.74</b>	<b>14,098.76</b>	<b>33.52</b>	<b>35.73</b>	<b>34.63</b>	<b>16,787.38</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Trade Payables ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					31.03.2021
	Unbilled	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	-	930.67	0.18	-	-	930.85
Undisputed- Others	1,044.45	9,263.35	35.20	33.94	41.15	10,418.09
Disputed- MSME	-	-	-	-	-	-
Disputed- Others	-	-	-	-	-	-
<b>Total</b>	<b>1,044.45</b>	<b>10,194.02</b>	<b>35.38</b>	<b>33.94</b>	<b>41.15</b>	<b>11,348.94</b>

(₹ in Lakhs)

<b>Note 20: REVENUE FROM OPERATIONS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Revenue from contract with customers (Note 44)</b>		
Sales of Products	<b>410,820.34</b>	251,307.17
Finished goods	<b>21,109.92</b>	15,226.05
Traded goods	<b>431,930.26</b>	266,533.22
<b>Other operating revenues :</b>		
Sale of scrap	<b>6,638.01</b>	4,421.33
Processing charges	<b>25.35</b>	21.65
Export incentive	-	618.02
	<b>6,663.36</b>	5,061.00
	<b>438,593.62</b>	271,594.22

(₹ in Lakhs)

<b>Note 21: OTHER INCOME</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Interest Income:</b>		
Bank deposits	<b>40.42</b>	214.40
Others (Note 21.1)	<b>56.31</b>	114.46
<b>Dividend Income:</b>		
Dividends from quoted equity investments	<b>14.11</b>	7.05
<b>Fair value Gain on Investment on mutual fund</b>	<b>945.34</b>	400.15
<b>Other Non Operating Income:</b>		
Rent income	<b>29.36</b>	29.10
Guarantee commission	<b>130.35</b>	58.78
Foreign exchange gain (net)	<b>2,650.85</b>	1,035.37
Grant related to property, plant & equipment	<b>369.16</b>	0.44
Gain on sale of property plant & equipment (net)	<b>202.77</b>	8.72
Gain on sale of mutual fund investments	<b>0.35</b>	320.74
Other income	<b>8.30</b>	9.96
Bad debts recovered	-	0.34
Reversal of Expected credit Loss provision on trade receivable (net)	<b>180.71</b>	-
	<b>4,628.03</b>	2,199.51



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Note 21.1: Interest others include interest from customers

(₹ in Lakhs)

<b>Note 22A: COST OF MATERIALS CONSUMED</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Inventories at the beginning of the year	<b>8,443.59</b>	8,011.69
Add :Purchases	<b>362,513.44</b>	217,751.82
	<b>370,957.03</b>	225,763.51
Less :Inventories at the end of the year	<b>13,405.57</b>	8,443.59
	<b>357,551.46</b>	217,319.92

(₹ in Lakhs)

<b>Note 22B: PURCHASES OF TRADED GOODS</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Electrical appliances	<b>15,661.70</b>	12,806.38
	<b>15,661.70</b>	12,806.38

(₹ in Lakhs)

<b>Note 23: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Inventories at the end of the year:</b>		
Finished goods	<b>41,823.52</b>	31,765.11
Work-in-progress	<b>11,945.66</b>	9,882.93
Stock-in-trade	<b>2,982.53</b>	2,660.15
Scrap	<b>154.95</b>	183.47
	<b>56,906.66</b>	44,491.66
<b>Less:- Inventories at the beginning of the year</b>		
Finished goods	<b>31,765.11</b>	16,069.64
Work-in-progress	<b>9,882.93</b>	9,491.82
Stock-in-trade	<b>2,660.15</b>	3,463.89
Scrap	<b>183.47</b>	81.89
	<b>44,491.66</b>	29,107.24
	<b>(12,415.00)</b>	(15,384.42)

(₹ in Lakhs)

<b>Note 24: EMPLOYEE BENEFITS EXPENSE</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Salaries, wages and incentives	<b>15,617.72</b>	12,371.24
Remuneration to directors*	<b>1,034.46</b>	780.31
Employees share based payment expenses( Note 49)	<b>75.18</b>	-
Contributions to:		
Provident fund & ESIC ( Note 35B)	<b>610.94</b>	493.82
Gratuity fund ( Note 35A)	<b>206.56</b>	209.02
Compensated absences	<b>468.91</b>	410.82
Staff welfare expenses	<b>871.56</b>	569.26
	<b>18,885.33</b>	14,834.47

\* Including commission given to directors ₹ 272.33 Lakhs (P.Y. ₹ 192.25 Lakhs)

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 25: FINANCE COSTS</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Interest on financial liabilities carried at amortised cost</b>		
Interest on borrowings	2,208.33	2,609.27
Interest on lease liabilities	31.02	31.10
Other borrowing costs	36.07	57.25
Net exchange difference regarded as adjustment to borrowing cost	51.87	6.78
Interest on income tax	1.05	1.23
	<b>2,328.34</b>	<b>2,705.63</b>

(₹ in Lakhs)

<b>Note 26: DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Depreciation of property, plant and equipment ( Note 2A)	4,042.11	3,989.52
Amortisation of intangible assets ( Note 2C)	180.36	180.83
Depreciation of right-of-use assets ( Note 2D)	386.04	304.74
	<b>4,608.51</b>	<b>4,475.09</b>

(₹ in Lakhs)

<b>Note 27: Other Expenses</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Rent expenses (Note 40)	155.24	95.21
Rates and taxes	173.90	218.20
Repairs and Maintenance of :		
Buildings	276.70	82.52
Plant and machinery	1,322.54	1,061.88
Others	191.23	166.68
Commission on sales	1,574.35	1,054.24
Advertisement expenses	3,869.87	2,124.22
Business promotion expenses	1,043.06	471.87
Travelling expenses	835.00	416.23
Payment to Auditors (Note 29)	59.07	57.24
Legal and professional fees	1,629.48	1,094.44
Insurance charges	355.72	236.33
Allowance for expected credit loss on trade receivables(net)	-	529.05
Bad debts	105.96	-
Bank charges	96.54	205.32
Consumption of consumable stores and spares	317.30	180.33
Corporate social responsibility expenses (Note 32)	330.34	327.64
Donation	174.22	176.49
Director sitting fees & commission-independent directors (Note 33)	22.10	23.50
Freight & distribution charges	8,201.93	4,897.15
Power and fuel	3,702.42	3,066.23
Research & development expenses (Note 41)	418.58	209.44
Warranty expenses	1,481.77	216.84
Miscellaneous expenses	2,248.02	2,092.22
	<b>28,585.34</b>	<b>19,003.27</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 28 : Contingent Liabilities and Commitments</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Contingent Liabilities</b>		
A) Claims against the Company not acknowledged as debts		
Service tax and GST demands (Note 28.1)	<b>212.20</b>	209.34
Income Tax Demands (Note 28.1)	<b>219.55</b>	231.05
Sales tax / Vat demands -C Forms (Note 28.1)	<b>953.54</b>	998.57
Labour Law demand (Note 28.1)	<b>15.61</b>	12.38
B) Channel financing guarantees(Note 28.2)	<b>4,257.58</b>	5,460.00
<b>Commitments</b>		
A) Estimated amount of contracts remaining to be executed and not provided for:		
- On Capital Account (net of advance)	<b>2,153.15</b>	2,660.93

28.1 : Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement/decisions pending with the relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows.

28.2 : The Company has arranged Channel Finance facility for its customers from banks against which sum of ₹ 17,043.70 Lakhs (P.Y. ₹ 10,855.37 Lakhs) has been utilised as on the date of balance sheet. Accordingly, the contingency on company on account of customers defaulting in repayment to the respective banks is ₹ 4,257.58 lakhs (P.Y. ₹ 5,460 Lakhs) (to the extent of recourse available with bank).

(₹ in Lakhs)

<b>Note 29 : Payment to Auditors</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Payment to Auditors of the Company :</b>		
a) As auditors	<b>55.00</b>	55.00
b) For certifications services	<b>2.20</b>	0.76
c) For expenses reimbursement	<b>1.87</b>	1.48
	<b>59.07</b>	57.24

(₹ in Lakhs)

<b>Note 30 : Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>	<b>2021-22</b>	<b>2020-21</b>
(a) Principal amount and the interest due thereon remaining unpaid to any suppliers at the end of the each accounting year :		
Principal	<b>1,172.74</b>	932.20
Interest	<b>4.73</b>	1.19
(b) (i) The delayed payment of principal amount paid beyond the appointed day the year.	<b>18,182.29</b>	3,873.58
(ii) Interest actually paid under Section 16 of the MSMED Act, 2006	<b>0.21</b>	0.15
(c) The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond appointed date during the year) but without adding the interest specified under the MSMED Act, 2006	<b>36.27</b>	16.80
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	<b>63.13</b>	22.34
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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 Management. This has been relied upon by the auditors.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 31 : Dividend</b>	<b>2021-22</b>	<b>2020-21</b>
Dividend paid ₹ 10.00 (P.Y. ₹ 0.00) per equity share of ₹ 10.00 each	<b>2,392.41</b>	-
Dividend paid ₹ 10.00 (P.Y. ₹ 0.00) per Compulsory Convertible Preference Share of ₹ 1,080.33 each	<b>384.31</b>	-

31.1 Dividend proposed of ₹ 18 each (P.Y. ₹ 10 each) by board of directors on June 22, 2022 per equity share before the financial statements approved for issue but not recognized as a Liability in financial statements.

31.2 Dividend proposed of ₹ 18 each (P.Y. ₹ 10 each) by board of directors on June 22, 2022 per Compulsory Convertible Preference Share before the financial statements approved for issue but not recognized as a Liability in financial statements.

### Note 32 : Expenditure on Corporate Social Responsibility initiatives

(₹ in Lakhs)

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
Corporate Social Responsibility expenses for the period	<b>330.34</b>	327.64
<b>Various Head of expenses included in above:</b>		
Promoting education	<b>291.78</b>	319.66
Rural development	<b>29.31</b>	-
Women empowerment	<b>5.00</b>	-
Promoting health care including preventive health care	<b>4.25</b>	7.43
Conservation of natural resources	-	0.55
Gross amount required to be spent by the Company during the year.	<b>326.69</b>	330.90
Amount approved by the board to be spent during the year	<b>326.69</b>	330.90
Amount spent during the year on:	<b>330.34</b>	327.64
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	<b>330.34</b>	327.64
Details of related party transactions	-	-
<b>Provision for CSR Expenses related to ongoing projects</b>		
Opening Balance	<b>34.70</b>	-
Add: Provision created during the period	-	94.00
Less: Provision utilised during the period	<b>34.70</b>	59.30
Closing Balance	-	34.70
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	3.26
The total of previous years' shortfall amounts		-

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

**Note 33: Related Party Disclosures as required under Ind AS- 24 are given below :**

### **Relationships**

#### **a) Key Management Personnel:**

Shri Tribhuvanprasad Kabra	- Chairman
Shri Shreegopal Kabra	- Managing Director
Shri Mahendrakumar Kabra	- Joint Managing Director
Shri Ashok Loya	- Whole Time Director
Shri Mahhesh Kabra	- Whole Time Director
Shri Sumeet Kabra	- Whole Time Director
Smt. Kirtidevi Kabra	- Whole Time Director
Shri Sanjay Taparia	- Whole Time Director
Shri Rajesh Babu Jain	- Whole Time Director
Shri Partha Chakraborti (upto 31.03.2021)	- Chief Financial Officer
Shri Rajeev Pandiya(wef. 01.04.2021)	- Chief Financial Officer
Shri Himanshu Parmar	- Company Secretary

#### **Non Executive Directors:**

Shri Ramamirtham Kannan  
Shri Bhagwat Singh Babel  
Shri Mukund Chitale  
Shri Punit Bhatia  
Shri Mitesh Daga

#### **b) Relatives of Key Management Personnel:**

Shri Rameshwarlal Kabra	- Father of Shri Tribhuvanprasad Kabra, Shri Mahendrakumar Kabra and Shri Shreegopal Kabra
Smt. Ratnidevi Kabra	- Mother of Shri Tribhuvanprasad Kabra, Shri Mahendrakumar Kabra and Shri Shreegopal Kabra
Late Shri. Satyanarayan Loya	- Father of Shri Ashok Loya
Smt. Saraswati S. Loya	- Mother of Shri Ashok Loya
Shri Hemant Kabra	- Son of Shri Mahendrakumar Kabra
Late Smt. Umadevi Kabra	- Wife of Shri Tribhuvanprasad Kabra
Smt. Vvidhi Kabra	- Wife of Shri Mahhesh Kabra
Shri Anant Loya	- Brother of Shri Ashok Loya
Ms. Neha Loya	- Daughter of Shri Ashok Loya
Smt. Mamta Loya	- Wife of Shri Ashok Loya
Shri Nikunj Loya	- Son of Shri Ashok Loya
Shri Shaurya Taparia	- Son of Shri Sanjay Taparia
Smt. Vandana Jain	- Wife of Shri Rajesh Babu Jain
Smt. Sarita Jhawar	- Daughter of Shri Tribhuvan prasad Kabra
Shri Rajesh Kabra	- Son of Shri Shreegopal Kabra
Shri Gaurishankar Loya	- Brother of Shri Ashok Loya
Smt. Priti Saboo	- Daughter of Shree Gopal Kabra
Shri Deves Kabra	- Son of Shri Mahhesh Kabra

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Janvi Kabra	- Daughter of Shri Mahhesh Kabra
Saumya Sumeet Kabra	- Daughter of Shri Sumeet Kabra
Samaya Sumeet Kabra	- Daughter of Shri Sumeet Kabra

### **c) Entities over which Key Management Personnel and their relatives are able to exercise significant influence:**

MEW Electricals Limited	Indian Electrical & Electronics Manufacturers Association
Ram Ratna International	Rameshswarlal Kabra (HUF)
Kabel Buildcon Solutions Private Limited	Tribhuvan Prashad Kabra (HUF)
Ram Ratna Infrastructure Private Limited	Mahendra R. Kabra (HUF)
Ram Ratna Wires Limited	Shreegopal Kabra (HUF)
Pratik Wire & Cable Machine Private Limited	Mahhesh T. Kabra (HUF)
Jagbid Finvest Private Limited	Global Copper Private Limited
RR Electrical Middel East FZC	Epavo Electricals Private Limited
Ram Ratna Research & Holdings Private Limited	Maa Ratnidevi Kabra Maheshwari Mahila Sashaktikaran Trust

### **d) Joint venture:**

RR-Imperial Electricals Limited (Bangladesh)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Transactions with the related parties in the ordinary course of business:

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2021-22		2021-22		2021-22		2021-22		2021-22	
	2020-21	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Purchase of Goods</b>										
MEW Electricals Limited	-	-	-	-	205.55	96.82	-	-	205.55	96.82
Ram Ratna International	-	-	-	-	204.19	18.79	-	-	204.19	18.79
Epavo Electricals Private Limited	-	-	-	-	95.04	-	-	-	95.04	-
Indian Electrical & Electronics Manufacturers Association (IEEMA)	-	-	-	-	4.29	3.29	-	-	4.29	3.29
Others	-	-	-	-	17.22	5.97	-	-	17.22	5.97
<b>Sale of Goods</b>										
Ram Ratna International	-	-	-	-	17,730.66	9,771.95	-	-	17,730.66	9,771.95
Global Copper Private Limited	-	-	-	-	701.83	127.42	-	-	701.83	127.42
RR-Imperial Electricals Limited	-	-	-	-	-	-	1,033.50	625.03	1,033.50	625.03
Others	-	-	-	-	2,027.09	2,314.70	-	-	2,027.09	2,314.70
<b>Purchase of Capital Goods</b>										
Pratik Wire & Cable Machine Private Limited	-	-	-	-	45.93	72.87	-	-	45.93	72.87
<b>Income :</b>										
<b>Rent</b>										
Ram Ratna International	-	-	-	-	0.42	0.42	-	-	0.42	0.42
<b>Job Work</b>										
MEW Electricals Limited	-	-	-	-	3.59	-	-	-	3.59	-
Ram Ratna Wires Limited	-	-	-	-	1.29	-	-	-	1.29	-
<b>Expenses:</b>										
<b>Interest on loan</b>										
Sumeet Kabra	-	41.91	-	-	-	-	-	-	-	41.91
Mahendrakumar Kabra	-	35.17	-	-	-	-	-	-	-	35.17
Kritidevi Kabra	-	10.83	-	-	-	-	-	-	-	10.83
Ratidevi Kabra	-	-	-	33.61	-	-	-	-	-	33.61
Rajesh Kabra	-	-	-	11.81	-	-	-	-	-	11.81
Hemant Kabra	-	-	-	48.38	-	-	-	-	-	48.38
Shreegopal Kabra (HUF)	-	-	-	-	-	6.17	-	-	-	6.17
Rameshwarlal Kabra (HUF)	-	-	-	-	-	16.61	-	-	-	16.61



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Ram Ratna Research & Holdings Private Limited	-	-	-	7.78	-	-	-	-	-	7.78
Others	-	16.78	-	11.81	-	-	-	-	-	46.68
<b>Business support service</b>										
Ram Ratna International	-	-	-	667.39	1,153.14	667.39	-	-	1,153.14	667.39
<b>Rent and Other Services</b>										
Mahesh Kabra	-	0.37	-	-	-	-	-	-	-	0.37
Mahendrakumar Kabra	-	0.74	-	-	-	-	-	-	-	0.74
Ratnidevi Kabra	-	-	47.01	39.83	-	-	-	-	47.01	39.83
Umadevi Kabra	-	-	22.66	19.08	-	-	-	-	22.66	19.08
Kabel Buildcon Solutions Private Limited	-	-	-	13.68	8.68	13.68	-	-	8.68	13.68
Shreegopal Kabra (HUF)	-	-	-	40.00	47.01	40.00	-	-	47.01	40.00
MEW Electricals Limited	-	-	-	6.58	2.83	6.58	-	-	2.83	6.58
Others	-	-	4.62	0.15	-	0.15	-	-	4.62	4.44
Donations										
Maa Ratnidevi Kabra	-	-	-	-	106.00	-	-	-	106.00	-
Maheshwari Mahila Sashaktikaran Trust										
<b>Directors :</b>										
<b>Sitting Fees &amp; commission</b>										
Bhagwat Singh Babel	4.10	4.70	-	-	-	-	-	-	4.10	4.70
Ramamirtham Kannan	3.50	4.10	-	-	-	-	-	-	3.50	4.10
Mahendrakumar Kabra	1.00	2.00	-	-	-	-	-	-	1.00	2.00
Mukund Chitale	2.50	2.70	-	-	-	-	-	-	2.50	2.70
<b>Commission</b>										
Tribhuvanprasad Kabra	136.17	96.13	-	-	-	-	-	-	136.17	96.13
Shreegopal Kabra	136.17	96.13	-	-	-	-	-	-	136.17	96.13
Bhagwat Singh Babel	4.00	4.00	-	-	-	-	-	-	4.00	4.00
Ramamirtham Kannan	4.00	4.00	-	-	-	-	-	-	4.00	4.00
Mukund Chitale	4.00	4.00	-	-	-	-	-	-	4.00	4.00

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	756.17	584.81	-	-	-	-	-	-	756.17	584.81
<b>Managerial Remuneration (Note 33.1)</b>										
Ashok Loya	60.00	47.50	-	-	-	-	-	-	60.00	47.50
Kritidevi Kabra	72.00	57.00	-	-	-	-	-	-	72.00	57.00
Sanjay Taparia	90.00	60.00	-	-	-	-	-	-	90.00	60.00
Shreegopal Kabra	144.00	114.00	-	-	-	-	-	-	144.00	114.00
Sumeet Kabra	72.00	57.00	-	-	-	-	-	-	72.00	57.00
Tribhuvanprasad Kabra	144.00	114.00	-	-	-	-	-	-	144.00	114.00
Mahesh Kabra	72.00	57.00	-	-	-	-	-	-	72.00	57.00
Rajesh Babu Jain	102.17	78.31	-	-	-	-	-	-	102.17	78.31
Partha Chakraborti	-	161.21	-	-	-	-	-	-	-	161.21
Rajeev Pandiya	172.82	-	-	-	-	-	-	-	172.82	-
Himanshu Parmar	26.03	15.60	-	-	-	-	-	-	26.03	15.60
<b>Reimbursement paid</b>										
Tribhuvanprasad Kabra	9.93	2.54	-	-	-	-	-	-	9.93	2.54
Mahendrakumar Kabra	2.71	1.49	-	-	-	-	-	-	2.71	1.49
Shreegopal Kabra	3.88	5.14	-	-	-	-	-	-	3.88	5.14
Mahesh Kabra	3.72	1.82	-	-	-	-	-	-	3.72	1.82
Others	5.83	1.56	-	-	-	-	-	-	5.83	1.56
<b>Dividend :</b>										
<b>Dividend Paid</b>										
Mahendrakumar Kabra	216.21	-	-	-	-	-	-	-	216.21	-
Shreegopal Kabra	84.86	-	-	-	-	-	-	-	84.86	-
Kritidevi Kabra	141.41	-	-	-	-	-	-	-	141.41	-
Hemant Kabra	-	-	169.99	-	-	-	-	-	169.99	-
Umadevi Kabra	-	-	327.55	-	-	-	-	-	327.55	-
Rajesh Kabra	-	-	82.55	-	-	-	-	-	82.55	-
Priti Saboo	-	-	77.11	-	-	-	-	-	77.11	-
Ram Ratra Research and Holding Private Limited	-	-	-	-	126.96	-	-	-	126.96	-
Rameshwarlal Kabra (HUF)	-	-	-	-	226.77	-	-	-	226.77	-
Shreegopal Kabra (HUF)	-	-	-	-	98.03	-	-	-	98.03	-
Others	223.45	-	94.96	-	206.05	-	-	-	524.46	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2020-21		2020-21		2020-21		2020-21		2020-21	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Dividend Received</b>										
Ram Ratna Wires Limited	-	-	-	-	14.11	7.05	-	-	14.11	7.05
<b>Loans Accepted</b>										
Mahesh Kabra	-	35.00	-	-	-	-	-	-	-	35.00
Mahendrakumar Kabra	-	135.00	-	-	-	-	-	-	-	135.00
Sumeet Kabra	-	21.05	-	-	-	-	-	-	-	21.05
Umadevi Kabra	-	-	-	75.00	-	-	-	-	-	75.00
Hemant Kabra	-	-	-	63.42	-	-	-	-	-	63.42
Ram Ratna Research and Holding Private Limited	-	-	-	-	-	75.00	-	-	-	75.00
Saumya Sumeet Kabra	-	-	-	30.00	-	-	-	-	-	30.00
Ashok Loya	-	25.00	-	-	-	-	-	-	-	25.00
Rameshwari Lal Kabra (HUF)	-	-	-	-	-	135.00	-	-	-	135.00
Others	-	20.00	-	15.99	-	67.00	-	-	-	102.99

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	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	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Loans Repaid</b>										
Mahendrakumar Kabra	-	792.90	-	-	-	-	-	-	-	792.90
Sumeet Kabra	-	954.30	-	-	-	-	-	-	-	954.30
Kirtidevi Kabra	-	244.95	-	-	-	-	-	-	-	244.95
Hemant Kabra	-	-	-	1,098.56	-	-	-	-	-	1,098.56
Rajesh Kabra	-	-	-	270.37	-	-	-	-	-	270.37
Ratidevi Kabra	-	-	-	744.95	-	-	-	-	-	744.95
Ram Ratna Research and Holding Private Limited	-	-	-	-	-	156.02	-	-	-	156.02
Shreegopal Kabra (HUF)	-	-	-	-	-	141.70	-	-	-	141.70
Rameshwarlal Kabra (HUF)	-	-	-	-	-	379.10	-	-	-	379.10
Others	-	381.90	-	447.55	-	265.80	-	-	-	1,095.25
<b>Outstanding balances</b>										
<b>Rental Deposits Receivable</b>										
Umadevi Kabra	-	-	40.00	40.00	-	-	-	-	40.00	40.00
Ratidevi Kabra	-	-	15.00	15.00	-	-	-	-	15.00	15.00
Hemant Kabra	-	-	1.26	10.50	-	-	-	-	1.26	10.50
Shreegopal Kabra (HUF)	-	-	-	-	15.00	15.00	-	-	15.00	15.00
Kabel Buildcon Solutions Private Limited	-	-	-	-	3.68	3.68	-	-	3.68	3.68
<b>Trade Payable</b>										
Ram Ratna International	-	-	-	-	316.12	198.62	-	-	316.12	198.62
Others	-	-	-	-	5.43	-	-	-	5.43	-
<b>Advances to vendor</b>										
EPAVO Electricals Private Limited	-	-	-	-	27.00	-	-	-	27.00	-
Pratik Wire & Cable Machine Private Limited	-	-	-	-	3.12	-	-	-	3.12	-
Others	-	-	-	-	1.73	0.78	-	-	1.73	0.78
<b>Trade Receivable</b>										
Ram Ratna International	-	-	-	-	718.45	1,747.78	-	-	718.45	1,747.78
RR-Imperial Electricals Limited	-	-	-	-	-	-	555.71	1,067.11	555.71	1,067.11
Others	-	-	-	-	26.75	19.90	-	-	26.75	19.90

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	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	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Personal guarantee given</b>										
<b>For Secured borrowings</b>										
Tribhuvanprasad Kabra										
Mahendrakumar Kabra										
Shreegopal Kabra	43,846.00	50,592.59							43,846.00	50,592.59
Mahesh Kabra										
Sumeet Kabra										
<b>For Un-secured borrowings</b>										
Tribhuvanprasad Kabra										
Mahendrakumar Kabra										
Shreegopal Kabra	10,709.00	3,305.47							10,709.00	3,305.47
Mahesh Kabra										
Sumeet Kabra										

33.1: Includes provision of ₹ 5.09 Lakhs (P.Y. ₹ 4.19 Lakhs) post employment benefits and ₹ 8.98 Lakhs (P.Y. ₹ 4.76 Lakhs) for leave encashment.

33.2: All outstanding balances are unsecured and are repayable/receivable in cash and all the transactions with these related parties are priced on arm's length basis.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 34: 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:

(₹ in Lakhs)

Particulars	As at 31.03.2022				As at 31.03.2021			
	USD	GBP	Euro	INR	USD	GBP	Euro	INR
Booked against Foreign Currency Non-Resident borrowing	67.00	-	-	5,079.46	-	-	-	-
Booked against import creditors	-	-	-	-	3.50	-	-	256.51
Booked against firm commitments or highly probable forecasted transactions -Against export trade receivables*	240.31	82.00	23.55	28,711.78	125.82	91.00	6.20	19,187.05

\* The Company follows a practice of booking forward contracts against firm commitments or highly probable forecast transactions. Certain of the export debtors as mentioned above will be settled against the forward contracts taken on firm commitments or highly probable transactions.

- b) The details of foreign currency exposure that is not hedged by derivatives instrument or otherwise are as under:

(₹ in Lakhs)

Payables	As at 31.03.2022				As at 31.03.2021			
	USD	GBP	Euro	INR	USD	GBP	Euro	INR
Import Creditors	58.38	-	0.18	4,440.60	28.32	-	1.90	2,245.08

(₹ in Lakhs)

Receivables	As at 31.03.2022				As at 31.03.2021			
	USD	GBP	Euro	INR	USD	GBP	Euro	INR
Export trade receivables	55.67	1.46	2.28	4,559.39	78.58	0.60	2.55	5,972.17

### Note 35 : 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 summaries the components of net benefit expense recognised in the statement of profit & 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	1,385.40	1,196.24
Current Service Cost	216.48	195.12
Interest Cost	81.34	72.57
Past Service Cost	-	-
Benefits Paid	(81.24)	(44.24)
Remeasurement (gains)/ losses	72.29	(34.29)
<b>Defined Benefit Obligation at the end of the year</b>	<b>1,674.27</b>	<b>1,385.40</b>

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars		Gratuity	
		2021-22	2020-21
<b>ii)</b>	<b>Change in Plan Assets</b>		
	Fair value of plan assets at the beginning of the year	1,544.11	981.38
	Return on plan assets	91.26	58.67
	Employer Contributions	241.34	542.20
	Benefits Paid	(81.24)	(44.24)
	Remeasurement gains/ (losses)	0.00	6.10
	<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,795.47</b>	<b>1,544.11</b>
<b>iii)</b>	<b>Amount recognized in the Balance Sheet</b>		
	Present value of funded defined benefit obligation	1,674.27	1,385.40
	Fair value of plan assets at the end of the year	1,795.47	1,544.11
	<b>Amount Recognized in the Balance Sheet</b>	<b>(121.20)</b>	<b>(158.71)</b>
<b>iv)</b>	<b>Expenses recognized in the Statement of Profit &amp; Loss and Other Comprehensive Income</b>		
	<b>Employee Benefits Expense</b>		
	Current Service Cost	216.48	195.12
	Past Service Cost	-	-
	Interest Cost	81.34	72.57
	Expected Return on plan assets	(91.26)	(58.67)
		<b>206.56</b>	<b>209.02</b>
	<b>Other Comprehensive Income</b>		
	Remeasurement gains/ (losses)	(0.00)	(6.10)
	Actuarial loss arising from changes in financial assumption	86.18	17.51
	Actuarial (gain) arising from changes in demographic assumption	(19.79)	(6.80)
	Actuarial (gain)/loss arising on account of experience changes	5.91	(44.99)
		<b>72.30</b>	<b>(40.38)</b>
<b>v)</b>	<b>Investment details</b>		
	LIC- Administrator of the plan fund	1,795.47	1,544.11
<b>vi)</b>	<b>Principal assumption used in determining defined benefit obligation</b>		
	Discount rate (per annum)	6.95%	6.25%
	Salary escalation rate (per annum)	8.50%	7.00%
	Attrition rate		
	18-20 year	5.00%	4.00%
	21-30 year	12.00%	12.00%
	31-50 year	10.00%	8.00%
	51-57 year	15.00%	9.00%
	Mortality rate	<b>Indian Assured Lives Mortality (2012-14) Ult table</b>	<b>Indian Assured Lives Mortality (2012-14) Ult table</b>



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

(₹ in Lakhs)

Particulars		Gratuity	
		2021-22	2020-21
<b>vii)</b>	<b>Sensitivity Analysis</b>		
	<b>Increase in 50bps on DBO</b>		
	Change in discounting rate	<b>1,615.08</b>	1,328.47
	Change in Salary Escalation	<b>1,733.74</b>	1,444.36
	<b>Decrease in 50bps on DBO</b>		
	Change in discounting rate	<b>1,737.39</b>	1,446.62
	Change in Salary Escalation	<b>1,617.70</b>	1,329.60
<b>viii)</b>	<b>Maturity profile of defined benefit obligation (undiscounted value)</b>		
	Within the next 12 months (next annual reporting period)	<b>208.45</b>	167.95
	Between 2 and 5 years	<b>698.53</b>	455.30
	Between 5 and 9 years	<b>644.45</b>	477.11
	Between 10 and Above	<b>1,577.12</b>	1,553.04

- i) The average duration of the defined benefit plan obligation at the end of the reporting period is 7.30 years (P.Y. 8.64 years)
- ii) 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.
- iii) 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.
- iv) 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.
- v) The Company's Gratuity Fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under State and Central Government Securities, Money market instruments such as NCD / Bonds etc and in equity as mentioned below:

Assets	% of Investment pattern as on 31.03.2022	% of Investment pattern as on 31.03.2021
Central Govt Securities	<b>23.57</b>	20.63
State Govt Securities	<b>45.67</b>	46.91
C.B.L.O., Bank balance etc.	<b>3.29</b>	4.02
Other approved securities	<b>0.01</b>	0.01
NCD / Bonds	<b>17.57</b>	18.75
Equity	<b>9.89</b>	9.68
<b>Total</b>	<b>100.00</b>	100.00

- (vi) Expected contribution of plan in next year is ₹ 00.00 Lakhs (P.Y. ₹. 00.00).
- (vii) The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset).

### B) Defined Contribution Plan - Provident fund and Employees state insurance

The Company makes its contribution along with the share of employees' contribution deducted from salary on monthly basis to Employees' Provident Fund and Employees state insurance corporation administered by the Central and state Government respectively. 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*	588.95	460.97
Contribution to Employees state insurance	34.70	39.79

\*Includes contribution of ₹ 12.72 (P.Y. ₹ 6.99) for Research and Development Employees.

### C) Other Employee benefits - Compensated absences

The employees are entitled for the compensation in respect of unveiled leave as per the policy of the Company. The liability towards compensated absences is recognized based on actuarial valuation carried out using Projected Unit Credit method.

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Amount recognized in the Balance Sheet</b>		
i) Current Liability	430.57	329.62
ii) Non- Current Liability	717.16	604.39

Actuarial Assumptions	As at March 31, 2022	As at March 31, 2021
Discount Rate	6.95%	6.25%
Salary growth rate	8.50%	7.00%
Attrition rate		
18-20 year	5.00%	4.00%
21-30 year	12.00%	12.00%
31-50 year	10.00%	8.00%
51-57 year	15.00%	9.00%

Note 36 : Calculations of Earnings Per Share	2021-22	2020-21
Profit for the year (₹ in Lakhs)	20,973.78	13,429.80
<b>Movement of Equity shares:</b>		
Number of equity share at the beginning of the year*	27,767,214	27,767,214
Number of equity share at the end of the year*	27,767,214	27,767,214
Weighted average number of equity shares outstanding during the year (for basic)*	27,767,214	27,767,214
Add : Weighted average Equity Options (Time Based)	44,475	-
Add : Weighted average Equity Options (Performance Based)	8,895	-
Weighted average number of equity shares outstanding during the year (for diluted)*	27,820,585	27,767,214
Face value of equity share (in ₹)	10.00	10.00
<b>Earnings Per Share</b>		
Basic Earnings Per Share (in ₹)	75.53	48.37
Diluted Earnings Per Share (in ₹)	75.39	48.37

\*It includes 38,43,140 compulsory convertible preference shares.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 37 :

#### Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

#### A) Category-wise classification of financial instruments:

(₹ in Lakhs)

Assets	Refer Note	Non-Current		Current	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>					
Investments in quoted equity shares (Note 37.1)	3A	2,789.65	1,130.21	-	-
Investments in unquoted equity shares (Note 37.1)	3A	1,265.96	1,215.64	-	-
<b>Financial assets measured at fair value through profit &amp; loss (FVTPL)</b>					
Investments in mutual funds	3B	-	-	20,547.35	19,602.01
<b>Financial assets measured at amortised cost</b>					
Security deposits	5A & 5B	205.85	150.98	194.24	99.36
Loan to employees	4A & 4B	5.21	9.63	22.01	64.82
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5A	11.27	8.01	-	-
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	201.89	182.06
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	14.09	11.10
Forward contract receivable	5B	-	-	600.16	46.28
Others (Insurance claim and recoverable expenses)	5B	-	-	179.28	8.63
Trade receivables	9	-	-	51,714.29	42,036.23
Cash and bank balances	10A	-	-	1,229.90	839.57
Bank Balances other than cash and cash equivalents	10B	-	-	0.03	6.99

(₹ in Lakhs)

Liabilities	Refer Note	Non-Current		Current	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Financial Liabilities measured at fair value through profit or loss (FVTPL)</b>					
Forward contract payable	15	-	-	0.68	39.87
<b>Financial Liabilities measured at amortised cost</b>					
Borrowings	13A & 13B	5,931.32	7,128.14	46,089.28	42,655.25
Lease Liabilities	14A & 14B	822.68	526.36	325.06	306.64
Security deposits and others	15	-	-	248.67	232.77
Unclaimed dividend	15	-	-	0.03	6.99
Retention money relating to capital expenditure	15	-	-	297.80	156.77
Interest accrued and due	15	-	-	104.49	69.84

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Liabilities	Refer Note	Non-Current		Current	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due	15	-	-	49.57	40.28
Accrued salary & benefits	15	-	-	1,023.72	692.10
Director's Commission	15	-	-	272.33	192.25
Creditors for capital expenditure	15	-	-	211.04	199.84
Other payables	15	-	-	81.57	95.36
Trade payables	19	-	-	16,787.38	11,348.94

Note 37.1 Investment are not held for trading. Upon the application of Ind AS 109 - Financial Instruments, the Company 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 Company.

Note 37.2 Investment in joint venture amounting to ₹1,637.31 Lakhs (31.03.2021 ₹1,637.31 Lakhs) are measured at cost in accordance with Ind AS 27 requirements since the same is scoped out of Ind AS -109 for the purpose of measurement, the same have not been disclosed in tables above.

### 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:

(₹ in Lakhs)

Financial Assets / Financial Liabilities as at March 31, 2022	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in quoted equity shares (Note 3A)	2,789.65	2,789.65	-	-
Investments in unquoted equity shares (Note 3A)	1,265.96	-	-	1,265.96
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>				
Investments in mutual funds (Note 3B)	20,547.35	20,547.35	-	-
Forward contract receivable (Note 5B)	600.16	-	600.16	-
<b>Financial liabilities measured at fair value through profit or loss (FVTPL)</b>				
Forward contract payable (Note 15)	0.68	-	0.68	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Financial Assets/ Financial Liabilities as at March 31, 2021	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in quoted equity shares (Note 3A)	1,130.21	1,130.21	-	-
Investments in unquoted equity shares (Note 3A)	1,215.64	-	-	1,215.64
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>				
Investments in mutual funds (Note 3B)	19,602.01	19,602.01		
Forward contract receivable (Note 5B)	46.28		46.28	-
<b>Financial liabilities measured at fair value through profit or loss (FVTPL)</b>				
Forward contract payable (Note 15)	39.87	-	39.87	-

The carrying amounts of financial assets and financial 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 31st March, 2022 and 31st 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 (c) Credit Risk comprising of trade receivable risk and financial instrument risk and . 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 of the Company . 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, Liquidity Risk and Credit 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 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 STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 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	520.20	497.72
Decrease in interest rate by 100 basis points	(520.20)	(497.72)

(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 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%	450.00	410.86
Decrease in exchange rates by 5%	(450.00)	(410.86)

### Commodity Price Risk

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.

### 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 March 31, 2022 the carrying value of such equity instruments recognised at fair value through OCI amounts to ₹ 4,055.61 Lakhs (P.Y. 31.03.2021 ₹ 2,345.85 Lakhs). The price risk arises due to uncertainties about the future market values of these investments and the same is classified in the balance sheet as fair value through OCI.

A sensitivity analysis demonstrating the impact of change in the carrying value of investment in equity instrument as at reporting date is given below:

Particulars	Impact on OCI before tax	
	2021-22	2020-21
Increase by 5%	202.78	117.29
Decrease by 5%	(202.78)	(117.29)

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### 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)

At March 31, 2022	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	46,089.28	5,931.32	52,020.60	52,020.60
Derivative financial liabilities (Note 15)	0.68	-	0.68	0.68
Other financial liabilities (Note 15)	2,494.71	-	2,494.71	2,494.71
Trade payables (Note 19)	16,787.38	-	16,787.38	16,787.38

(₹ in Lakhs)

At March 31, 2021	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	42,655.25	7,128.14	49,783.39	49,783.39
Derivative financial liabilities (Note 15)	39.87	-	39.87	39.87
Other financial liabilities (Note 15)	1,697.49	-	1,697.49	1,697.49
Trade payables (Note 19)	11,348.94	-	11,348.94	11,348.94

### Credit Risk

Credit risk refers to the risk that counterparty 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 to 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 minimize the credit risk. The credit risk for the financial guarantees issued by the Company to banks 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 and financial guarantees, as a practical expedient, the Company computes credit loss allowance based on expected credit loss method. The movement in expected credit loss allowance is as under:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	3,600.98	3,071.93
Add/(Less): Allowance for expected credit loss	(180.71)	529.05
Balance at the end of the year	3,420.27	3,600.98

### Note 38 : Segment Information

The Company has presented data relating to its segments based on its financial statements. Accordingly, in terms of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments", disclosures related to segments are presented.

#### Identification of segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.



## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment based on an analysis of various performance indicators by business segments and geographic segments.

### Segment revenue and expenses:

It has been identified to a segment on the basis of relationship to operating activities of the segment. The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins. Intersegment revenue and profit is eliminated at company level.

Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting as the underlying instruments are managed on a company.

### Segment assets and liabilities:

Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable. The accounting policies of the reportable segments are same as that of company's accounting policies described. The Company is organised into business units based on its products and services and has two reportable segments as follows.

**Wire and Cable:** Manufacture and sale of wires and cables.

**Consumer electrical goods :** Fans, LED lighting, switches, switchgears, water heaters and domestic appliances.

### A) The following summary describes the operations in each of the Company's reportable segments:

Following summary describes the operations in each of the Company's reportable segments:

(₹ In Lakhs)

Particulars	31 <sup>st</sup> March 2022				31 <sup>st</sup> March 2021			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
<b>Income</b>								
External Revenue	414,707.39	27,457.74	-	442,165.13	253,174.69	19,562.23	-	272,736.92
Inter segment revenue	-	29.76	(29.76)	-	-	19.23	(19.23)	-
<b>Total Income</b>	<b>414,707.39</b>	<b>27,487.50</b>	<b>(29.76)</b>	<b>442,165.13</b>	<b>253,174.69</b>	<b>19,581.46</b>	<b>(19.23)</b>	<b>272,736.92</b>
<b>Segment Results</b>								
External	32,271.93	(2,984.15)	-	29,287.78	22,688.64	(3,006.42)	-	19,682.22
<b>Segment/Operating results</b>	<b>32,271.93</b>	<b>(2,984.15)</b>	<b>-</b>	<b>29,287.78</b>	<b>22,688.64</b>	<b>(3,006.42)</b>	<b>-</b>	<b>19,682.22</b>
<b>Un-allocated items:</b>								
Finance income				1,056.53				1,056.80
Finance costs				2,328.34				2,705.63
<b>Profit before tax</b>				<b>28,015.97</b>				<b>18,033.39</b>
Provision for taxation				7,042.19				4,603.59
<b>Profit for the year</b>				<b>20,973.78</b>				<b>13,429.80</b>
Depreciation & amortisation expenses	4,199.34	409.17	-	4,608.51	4,147.22	284.35	-	4,431.57

### (B) Revenue by Geography

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
Within India	337,838.17	212,917.67
Outside India	100,755.45	58,676.55
<b>Total Revenue</b>	<b>438,593.62</b>	<b>271,594.22</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### (C) Segment assets

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March 2022				31 <sup>st</sup> March 2021			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
Segment assets	157,431.64	16,864.44	-	174,296.08	131,888.41	14,009.58	-	145,897.99
<b>Unallocated assets:</b>								
Non -Current Investment	-	-	-	5,692.92	-	-	-	3,983.16
Current investments	-	-	-	20,547.35	-	-	-	19,602.01
Cash and bank balances	-	-	-	1,229.90	-	-	-	839.57
Bank balances other than cash and cash equivalents	-	-	-	0.03	-	-	-	6.99
Loans	-	-	-	27.22	-	-	-	74.45
Other financial assets	-	-	-	1,406.78	-	-	-	506.43
Income tax assets (net)	-	-	-	1,337.17	-	-	-	523.52
<b>Total assets</b>	<b>157,431.64</b>	<b>16,864.44</b>	<b>-</b>	<b>204,537.45</b>	<b>131,888.41</b>	<b>14,009.58</b>	<b>-</b>	<b>171,434.12</b>

### (D) Segment liabilities

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March 2022				31 <sup>st</sup> March 2021			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
Segment liabilities	18,769.95	6,785.24	-	25,555.19	10,694.51	4,748.65	-	15,443.16
<b>Unallocated liabilities:</b>								
Borrowings (Non-Current and Current, including Current Maturity)	-	-	-	52,020.60	-	-	-	49,783.38
Lease liabilities	-	-	-	1,147.74	-	-	-	833.00
Deferred tax liabilities (net)	-	-	-	1,310.53	-	-	-	788.81
<b>Total</b>	<b>18,769.95</b>	<b>6,785.24</b>	<b>-</b>	<b>80,034.06</b>	<b>10,694.51</b>	<b>4,748.65</b>	<b>-</b>	<b>66,848.35</b>

E) All non current assets of the Company are located in India.

F) There is no transaction with single external customer which amounts to 10% or more of the Company's revenue.

### Note 39 : Details of Loans, Guarantee and Investments U/s 186 of the Companies Act, 2013

(₹ in Lakhs)

Party Name	Nature of Transaction	As at 31.03.2022	As at 31.03.2021
Ram Ratna Wires Limited	Investment	2,789.09	1,130.03
Comfort Intech Limited	Investment	0.56	0.18
MEW electricals Ltd	Investment	1,265.96	1,215.64
RR-Imperial Electricals Limited - Bangladesh	Investment	1,637.31	1,637.31

There are no new investments made during the Current year. Above represents carrying amount of existing investments as at respective balance sheet date.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 40: Right of use assets :

#### i) The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the co assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the co has the right to direct the use of the asset.

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the co 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 and lease payments have been classified as financing cash flows.

#### ii) 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, rental income is recognized on a straight line basis over the term of the relevant lease.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

#### iii) Others

- (a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- (b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application, variable lease and low value asset.
- (c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- (d) Applied the practical expedient in the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- (e) The effective interest rate for lease liabilities is 9.22% p.a., with maturity between 2021-2027.

The changes in the carrying value of right of use for the year ended 31 March 2022 are shown in Note no 2(D)

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

The following is the break-up of current and non-current lease liabilities :

(₹ in Lakhs)

Particulars	2021-22	2020-21
Non-current lease liabilities	822.68	526.36
Current lease liabilities	325.06	306.64
<b>Total</b>	<b>1,147.74</b>	833.00

The following is the movement in lease liabilities :

(₹ in Lakhs)

Particulars	2021-22	2020-21
As at the beginning of the year	833.00	429.81
Additions	737.80	702.51
Finance cost accrued during the year	31.03	31.10
Deletions	(54.85)	-
Payment of lease liabilities	(399.24)	(330.42)
<b>As at the end of the year</b>	<b>1,147.74</b>	833.00

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	2021-22	2020-21
21-22	-	306.64
22-23	325.06	191.80
23-24	288.64	167.32
24-25	246.09	114.20
25-26	200.90	53.04
26-27	87.05	-

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Depreciation expense of right-of-use assets	386.04	304.74
Interest expense on lease liabilities	31.03	31.10
Expense relating to short-term leases (included in other expenses)	155.24	95.21
	<b>572.31</b>	431.05

Lease contracts entered by the company majorly pertains for Marketing offices and warehouse taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitment towards variable rent as per the contract.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 41 : Research & Development

The Company is continuously engaged in Research & Development of new product & process improvement of existing products, in which the Company operates. Detail of expenses incurred on Research & Development activities during the year, are as under:

(₹ in Lakhs)

Particulars	2021-22		2020-21	
Capital Expenditure *		<b>28.43</b>		41.86
Revenue Expenditure				
- Cost of Raw Material	<b>155.15</b>		214.53	
- Salary & Wages	<b>355.71</b>		156.90	
- Other Expenses	<b>10.14</b>		9.69	
- Sales of Scrap	<b>(102.42)</b>	<b>418.58</b>	(172)	209.44
<b>Total</b>		<b>447.01</b>		251.30

\* Capital Expenditure included in Plant & Machinery reported in Note : 2A

### Note 42: Capital Management

For the purpose of the company's capital management, capital includes issued capital (Equity & Preference) and all other equity reserves attributable to the equity shareholders of the company.

The primary objective of the Company's Capital Management is to maximize the Shareholder Value and to safeguard the company's ability to meet its Liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit. The company's policy is to keep the ratio below 1.5.

No changes were made in the objectives, policies or processes for managing capital during the year ended as at 31st March, 2022 and as at 31st March, 2021.

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Net debt (total debt less cash and cash equivalents) (A)	<b>50,790.70</b>	48,943.82
Total capital (B)	<b>124,503.39</b>	104,585.77
Total capital and net debt C=(A+B)	<b>175,294.09</b>	153,529.59
Gearing ratio (A/C)	<b>0.29</b>	0.32

### Note 43: Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements.

The Company has acquired Home Electric Business (HEB) from Luminous Power Technologies Private Limited through business transfer agreement dated April 12, 2022 along with management control on May 1, 2022. The Company is in the process of making a final determination of expected consideration to be paid as a part of such business transfer agreement.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 44: Disclosure under Ind AS 115 “Revenue from Contracts with Customers”

#### (A) Reconciliation of amount of revenue recognized in the statement of profit & loss with the contracted price:

(₹ in Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Revenue as per contracted price	441,935.41	272,986.81
<b>Adjustment</b>		
Less : Sales Return	927.23	1,802.32
Less : Rebate & Discounts	9,077.92	4,651.27
<b>Other operating revenue</b>	<b>6,663.36</b>	5,061.00
<b>Revenue from contract with customers</b>	<b>438,593.62</b>	271,594.22

The management determines that the segment information reported under Note 38 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

#### (B) Contract Balances (Net of allowances expected credit loss)

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(₹ in Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Receivables, which are included in ‘trade and other receivables’	51,714.29	42,036.23
Contact Liabilities, Advances from customers	2,552.09	437.34
	<b>49,162.20</b>	41,598.89

#### (C) Significant Payment Terms

Generally, the company provides credit period in the range of 30 to 75 days for customers.

### Note 45 : Disclosure under rule 16A of Companies (Acceptance of Deposits) Rule 2014:

(₹ in Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Money received from Director during the year	-	236.05
Balance outstanding at the end of the year	-	-

**Note 46:** The Company’s international transactions with associated enterprises are at arm’s length, as per the independent accountant’s report for the year ended 31 March 2021 .The Management believes that the Company’s international transactions with associated enterprises post 31 March 2021 continue to be at arm’s length and that transfer pricing legislations will not have any impact on the financial statements, particularly on the amount of tax expenses for the year and the amount of provision for taxation at the year end.

**Note 47:** Financial statements are approved by Board of Director’s in their meeting held on June 22, 2022.

### Note 48: Estimation of uncertainties relating to the global health pandemic from COVID-19

The outbreak of Corona virus (COVID-19) pandemic is causing disturbance and slowdown of economic activity throughout the world and is impacting operations of the businesses, by way of interruption in production, supply chain disruption, unavailability of personnel, closure of production facilities etc.

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising property, plant and equipments, trade receivables, inventories, investments, and other current and non-current assets as at the balance sheet date and has concluded that there are no material adjustments required in the Standalone Financial Statements. Based on the forecasted cash flows, management believes that they will be able to discharge all their liabilities/obligations due in next one year. In evaluating the possible impact due to COVID-19, the company has used internal and external sources of information available till date.

Considering the nature of COVID-19, the company will continue to closely monitor any material changes to future economic conditions.

### Note 49: Employee Stock Option Plan

On November 10, 2020, pursuant to the approval by the shareholders in the EGM, the Board was authorized to create and grant from time to time, in one or more tranches, not exceeding 3,50,000 employee stock options to or for the benefit of such person(s) who are in employment of the Company, present and future, within the meaning of RRKL ESOP 2020 plan and eligible to receive such options under the Act, as may be decided under the RRKL ESOP 2020 plan, exercisable into not more than 3,50,000 equity shares of face value of ₹ 10/- each fully paid-up, where one employee stock option would convert into one fully paid-up equity share of face value of ₹ 10/- each upon exercise, on such terms and in such manner as the Board / Committee may decide in accordance with the provisions of the applicable laws and the provisions of RRKL ESOP 2020 plan.

50% of the Options granted to a Participating Employee will be subject to time-based conditions ("Time Based Options") and the balance 50% of the Options granted to a Participating Employee will be subject to performance-based conditions ("Performance Based Options"). There shall be a minimum period of one year between the grant of Options and the vesting of such Options. Plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (the nomination and remuneration committee). The performance parameters will be based on budgeted target EBITDA. These instruments will generally vest between a minimum of one to a maximum of five years from the grant date.

**(A) The Company has granted 62,040 employee stock options during the FY 2021-22 to its eligible employee including under RRKL ESOP 2020 plan, details are as under:**

#### Equity-settled share-based payment transaction

Particulars	Tranch I	Tranch II	Tranch III	Tranch IV	Tranch V
<b>Time based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	4,629	4,629	4,629	4,629	4,629
Grant Date	April 01, 2021	April 01, 2021	April 01, 2021	April 01, 2021	April 01, 2021
Vesting date	April 01, 2022	April 01, 2023	April 01, 2024	April 01, 2025	April 01, 2026
Exercise price (₹ per share)	1,080.30	1,080.30	1,080.30	1,080.30	1,080.30
Fair Value per Stock Option (₹ per share)	125.00	140.10	169.20	183.20	196.60
<b>Performance based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	4,629	4,629	4,629	4,629	4,629
Vesting date	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026
Exercise price (₹ per share)	1,080.30	1,080.30	1,080.30	1,080.30	1,080.30
Fair Value per Stock Option (₹ per share)	140.10	154.90	169.20	183.20	196.60
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

<b>Particulars</b>	<b>Tranch I</b>	<b>Tranch II</b>	<b>Tranch III</b>	<b>Tranch IV</b>	<b>Tranch V</b>
<b>Time based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	3,333	3,333	3,333	3,333	3,333
Grant Date	June 01, 2021	June 01, 2021	June 01, 2021	June 01, 2021	June 01, 2021
Vesting date	June 01, 2022	June 01, 2023	June 01, 2024	June 01, 2025	June 01, 2026
Exercise price (₹ per share)	1,080.30	1,080.30	1,080.30	1,080.30	1,080.30
Fair Value per Stock Option (₹ per share)	180.00	198.10	215.60	232.50	248.70
<b>Performance based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	3,333	3,333	3,333	3,333	3,333
Vesting date	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026
Exercise price (₹ per share)	1,080.30	1,080.30	1,080.30	1,080.30	1,080.30
Fair Value per Stock Option (₹ per share)	180.00	198.10	215.60	232.50	248.70
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

<b>Particulars</b>	<b>Tranch I</b>	<b>Tranch II</b>	<b>Tranch III</b>	<b>Tranch IV</b>	<b>Tranch V</b>
<b>Time based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	2,964	2,964	2,964	2,964	2,964
Grant Date	September 30, 2021	September 30, 2021	September 30, 2021	September 30, 2021	September 30, 2021
Vesting date	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2025	September 30, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	231.70	254.90	277.30	299.00	319.90
<b>Performance based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	2,964	2,964	2,964	2,964	2,964
Vesting date	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2025	September 30, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	231.70	254.90	277.30	299.00	319.90
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Particulars	Tranch I	Tranch II	Tranch III	Tranch IV	Tranch V
<b>Time based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	741	741	741	741	741
Grant Date	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Vesting date	March 31, 2023	November 08, 2023	November 08, 2024	November 08, 2025	November 08, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	647.00	647.00	682.00	715.30	746.80
<b>Performance based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	741	741	741	741	741
Vesting date	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2025	September 30, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	647.00	682.00	715.30	746.80	776.80
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

Particulars	Tranch I	Tranch II	Tranch III	Tranch IV	Tranch V
<b>Time based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	741	741	741	741	741
Grant Date	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Vesting date	March 31, 2023	November 08, 2023	November 08, 2024	November 08, 2025	November 08, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	647.00	647.00	682.00	715.30	746.80
<b>Performance based options</b>					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	741	741	741	741	741
Vesting date	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2025	September 30, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	647.00	682.00	715.30	746.80	776.80
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### (B) Fair Valuation

62,040 share options were granted during the year (with vesting plan of 20% each year). Weighted average fair value of the options granted during the year:

Grant date	Option Value per unit granted	
	Term based	Performance based
01.04.2021	162.8	168.8
01.06.2021	215	215
30.09.2021	276.5	276.5
31.03.2022	687.6	713.6

The fair value of option has been done by an independent firm of Professional Valuers on the date of grant using the Black-Scholes Merton Model.

### (C) The Key assumptions in the Black-Scholes Merton Model for calculating fair value as on the date of grant :

Particulars	01.04.2021	01.06.2021	30.09.2021	31.03.2022	31.03.2022
Risk Free Rate	5.58%	5.70%	5.63%	6.20%	6.20%
Discount for lack of marketability	22.00%	22.00%	22.00%	22.00%	22.00%
Implied EV/EBITDA multiple and calibration factor	1.0x	1.0x	1.0x	1.0x	1.0x

### (D) Movement of Options Granted :

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
	No. of shares	No. of shares
Outstanding at the beginning of the year	64,796	-
Granted during the year	62,040	129,590
Vested during the year	-	-
Exercised during the year	-	-
Options expired (due to resignation)	64,796	64,794
Outstanding at the end of the year	62,040	64,796
Options exercisable at the end of the year	-	-

Grant date	Exercise price per share option (in ₹).
01.04.2021	1,080.30
01.06.2021	1,080.30
30.09.2021	1,350.00
31.03.2022	1,350.00

### (E) Break up of employee stock option expense

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Term based options	37.07	11.46
Performance based options	38.11	11.30
<b>Total</b>	<b>75.18</b>	<b>22.76</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 50 : Undisclosed Income

There has been no undisclosed 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), also there are no previously unrecorded income or related assets which are required to be recorded in the books of account during the year.

### Note 51: Amalgamation of Ram Ratna Electricals Limited with the company

- (a) The Scheme of Amalgamation of Ram Ratna Electricals Limited (RREL) (referred to as 'transferor company') with R R Kabel Limited ('the Scheme'), was approved by the National Company Law Tribunal, Mumbai Bench vide their orders dated August 19, 2020. The Company had carried out the accounting prescribed in the Scheme and made the required disclosure for Amalgamations in the nature of merger, as required under Appendix C of Ind AS 103 Business Combinations, for Business Combinations of entities under "Common Control" and accordingly given effect in the financial statements for the year ended 31 March 2020. RREL is engaged in the business of manufacturing, trading and otherwise dealing in consumer electricals, such as fans and lights, and consumer appliances such as water heaters, heat convectors, electric irons and switches and similar products.
- (b) In accordance with the Scheme, the Company had taken over all the assets aggregating to ₹ 11,432.04 lakhs, liabilities aggregating to ₹ 11,211.41 lakhs and other equity amounting to ₹ (1,101.37) lakhs at their respective book values against capital issuance of ₹ 71.48 lakhs to the shareholders of RREL as on the appointed date, the resultant surplus of ₹ 1250.52 lakhs has been credited to capital reserve.

In terms of the Scheme, the Company has allotted 5,28,798 equity shares of ₹ 10 each and 1,40,568 Compulsory convertible preference shares of ₹ 1,080.33 each to existing shareholders of RREL based on share entitlement ratio as per the Scheme.

### Note 52 :Struck off Company

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

### Note 53 : Finance Performance Ratio

Particulars	Numerator	Denominator	31.03.2022	31.03.2021	% of variance	Explanation for change in the ratio by more than 25%
<b>Liquidity Ratio</b>						
Current Ratio (times)	Current Assets	Current Liabilities	<b>2.14</b>	2.16	-0.78%	
<b>Solvency Ratio</b>						
Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	<b>0.42</b>	0.48	-12.22%	
Debt Service Coverage Ratio (times)	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest + Lease Payments + Principal Repayments	<b>4.31</b>	3.34	29.07%	The ratio has improved due to increase in profit and reduction in finance cost.
<b>Profitability ratio</b>						
Net Profit Ratio (%)	Profit After Tax	Total Sales	<b>4.73%</b>	4.91%	-3.53%	
Return on Equity Ratio (%)	Profit After Tax	Closing Shareholder's Equity	<b>16.85%</b>	12.84%	31.19%	The ratio has improved due to increase in profits.
Return on Capital employed (%)	Earning before interest and tax	Tangible Net Worth + Total Debt + Deferred Tax Liability	<b>16.95%</b>	13.30%	27.52%	The Ratio has improved due to increase in earnings and reduction in finance cost .

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

Particulars	Numerator	Denominator	31.03.2022	31.03.2021	% of variance	Explanation for change in the ratio by more than 25%
Return on Investment (%)	Income from investments	Average investment	<b>10.72%</b>	6.72%	59.48%	The ratio has improved due to better return on investment
<b>Utilization Ratio</b>						
Trade Receivables turnover ratio (times)	Net Credit Sales	Average Trade Receivables	<b>9.36</b>	6.47	44.58%	Trade receivables turnover ratio improved due to higher channel finance revenue .
Inventory turnover ratio (times)	Cost of goods sold or Sales	Average Inventory	<b>5.80</b>	4.72	22.84%	
Trade payables turnover ratio (times)	Net Credit Purchases	Average Trade Payables	<b>26.88</b>	15.66	71.61%	Trade payable turnover ratio improved due to lower average trade payables.
Net capital turnover ratio (times)	Net Sales	Working Capital	<b>5.40</b>	4.06	32.93%	The ratio has improved due to increase in sales & better working capital management

**Note 54 : Utilization of borrowed fund**

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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 55 :** The previous year's figures have been regrouped / rearranged wherever necessary to conform to the current periods classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1 April 2021.

As per our Report of even date

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

**R R Kabel Limited**

CIN: U28997MH1995PLC085294

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

**Tribhuvanprasad Kabra**  
Chairman  
DIN : 00091375

**Shreegopal Kabra**  
Managing Director  
DIN : 00140598

**Rupen Shah**  
Partner  
Membership No. 116240

**Rajeev Pandiya**  
Chief Financial Officer  
Membership No. 089631

**Himanshu Parmar**  
Company Secretary  
Membership No.FCS 10118

Place : Ahmedabad  
Date: 22 June,2022

Place : Mumbai  
Date: 22 June,2022

# INDEPENDENT AUDITOR'S REPORT

To the Members of R R Kabel Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of R R Kabel Limited (hereinafter referred to as the "Company"), and its joint venture, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditors on separate financial statements of joint venture were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its joint venture as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### 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 SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Company and its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Company and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Company and its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and its joint venture are responsible for overseeing the financial reporting process of each company.

### 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.

## INDEPENDENT AUDITORS' REPORT (Contd.)

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

- Identify and assess the risks of material misstatement of the 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 company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 Company 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 statements of such entities or business activities within the Company and its 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 entity included in the consolidated financial statements, which has 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. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Company and such 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.

### Other Matter(s)

The consolidated financial statements include the Company's share of net profit (including other comprehensive income) of Rs. 419.71 lakhs for the year ended 31 March 2022, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture is based solely on the reports of the other auditors.

The above joint venture is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditors under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statements of such joint venture located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such joint venture located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.



## INDEPENDENT AUDITORS' REPORT (Contd.)

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of the joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Company as on 31 March 2022 taken on record by the Board of Directors of the Company, none of the directors of the Company, is disqualified as on 31 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 with reference to financial statements of the Company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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 and based on the consideration of the reports of the other auditors on separate financial statements of the joint venture, as noted in the "Other Matters" paragraph:
  - a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Company and its joint venture. Refer Note 28(A) to the consolidated financial statements.
  - b. The Company and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.
  - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.
  - d. (i) The management of the Company has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 54 to the consolidated financial statements, 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 persons or entities, 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.
  - (ii) The management of the Company has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 54 to the consolidated financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

## INDEPENDENT AUDITORS' REPORT (Contd.)

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been 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) above contain any material misstatement.
- e. The final dividend paid by the Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 31 to the consolidated financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

C. With respect to the matter to be included in the Auditor's report under Section 197(16):

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

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

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Rupen Shah**

Partner

Membership No.: 116240

ICAI UDIN:22116240ALKVCQ9993

Place: Ahmedabad

Date: 22 June 2022

**ANNEXURE A TO THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF R R KABEL LIMITED FOR THE YEAR ENDED 31 MARCH 2022 (REFERRED TO IN PARAGRAPH 1 UNDER ‘REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS’ SECTION OF OUR REPORT OF EVEN DATE)**

In our opinion and according to the information and explanations given to us, following Company incorporated in India and included in the consolidated financial statements, have unfavourable remarks given by its auditors in their reports under the Companies (Auditor’s Report) Order, 2020 (CARO):

<b>Sr. No.</b>	<b>Name of the entity</b>	<b>CIN</b>	<b>The Company/JV</b>	<b>Clause number of the CARO report which is unfavourable</b>
<b>1</b>	<b>R R Kabel Limited</b>	<b>U28997MH1995PLC08529</b>	<b>The Company</b>	<b>(i) (c)</b>

For **B S R & Co. LLP**  
Chartered Accountants  
Firm’s Registration No.:101248W/W-100022

**Rupen Shah**  
Partner

Membership No.: 116240  
ICAI UDIN:22116240ALKVCQ9993

Place: Ahmedabad  
Date: 22 June 2022

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF R R KABEL LIMITED FOR THE YEAR ENDED 31 MARCH 2022**  
**REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT**  
**(REFERRED TO IN PARAGRAPH 2(A)(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE**

**Opinion**

In conjunction with our audit of the consolidated financial statements of R R Kabel Limited (hereinafter referred to as "the Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company, as of that date.

In our opinion, the Company, incorporated in India, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 consolidated 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 internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated 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 consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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..

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

Chartered Accountants

Firm's Registration No. 101248W/W-100022

**Rupen Shah**

Partner

Membership No. 116240

ICAI UDIN:22116240ALKVCQ9993

Place: Ahmedabad

Date: 22 June 2022

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	2A	38,370.42	38,598.78
Capital work-in-progress	2B	4,231.02	668.18
Intangible assets under development	2C	60.00	48.50
Other intangible assets	2C	366.53	527.54
Right of use assets	2D	1,111.73	814.81
<b>Financial assets</b>			
Investments	3A	6,219.23	4,060.14
Loans	4A	5.21	9.63
Other financial assets	5A	217.12	158.99
Income tax assets (net)	6	1,337.17	523.53
Other non-current assets	7A	659.86	1,433.42
		<b>52,578.29</b>	<b>46,843.52</b>
<b>Current assets</b>			
Inventories	8	70,962.08	53,405.48
<b>Financial assets</b>			
Investments	3B	20,547.35	19,602.01
Trade receivables	9	51,714.29	42,036.23
Cash and cash equivalents	10A	1,229.90	839.57
Bank Balances other than cash and cash equivalents	10B	0.03	6.99
Loans	4B	22.01	64.82
Other financial assets	5B	1,189.66	347.43
Other current assets	7B	6,820.15	8,365.05
		<b>152,485.47</b>	<b>124,667.58</b>
<b>Total Assets</b>		<b>205,063.76</b>	<b>171,511.10</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11A	2,392.41	2,392.41
Instrument entirely equity in nature	11B	41,518.59	41,518.59
Other equity	12	81,118.69	60,751.75
		<b>125,029.69</b>	<b>104,662.75</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	13A	5,931.32	7,128.14
Lease liabilities	14A	822.68	526.36
Provisions	16A	717.16	604.39
Deferred tax liabilities (net)	17	1,310.53	788.81
Other non-current liabilities	18A	0.89	1.76
		<b>8,782.58</b>	<b>9,049.46</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	13B	46,089.28	42,655.25
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	19	1,109.90	930.85
- total outstanding dues of creditors other than micro enterprises and small enterprises	19	15,677.48	10,418.09
Lease liabilities	14B	325.06	306.64
Other financial liabilities	15	2,495.39	1,737.36
Provisions	16B	1,39 9.85	546.46
Other current liabilities	18B	4,154.52	1,204.24
		<b>71,251.48</b>	<b>57,798.89</b>
<b>Total Equity and Liabilities</b>		<b>205,063.75</b>	<b>171,511.10</b>
Significant accounting policies	1		
See accompanying notes to the consolidated financial statements	1-58		

As per our Report of even date

For and on behalf of the Board of Directors of

**R R Kabel Limited**

CIN: U28997MH1995PLC085294

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

Chartered Accountants

Firm Registration No: 101248W/W-100022

**Rupen Shah**

Partner

Membership No. 116240

Place: Ahmedabad

Date: 22 June, 2022

**Tribhuvanprasad Kabra**

Chairman

DIN : 00091375

**Rajeev Pandiya**

Chief Financial Officer

Membership No. 089631

**Shreegopal Kabra**

Managing Director

DIN : 00140598

**Himanshu Parmar**

Company Secretary

Membership No. FCS 10118

Place: Mumbai

Date: 22 June, 2022

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	2021-22	2020-21
<b>Revenue From Operations</b>	20		
Sale of Products		431,930.26	266,533.22
Other Operating Revenues		6,663.36	5,061.00
Other Income	21	4,628.03	2,199.51
<b>Total Revenue</b>		<b>443,221.65</b>	<b>273,793.73</b>
Cost of materials consumed	22A	357,551.46	217,319.92
Purchase of traded goods	22B	15,661.70	12,806.38
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	(12,415.00)	(15,384.40)
Employee benefits expense	24	18,885.33	14,834.47
Finance costs	25	2,328.34	2,705.63
Depreciation and amortization expense	26	4,608.51	4,475.09
Other expenses	27	28,585.34	19,003.25
<b>Total expenses</b>		<b>415,205.68</b>	<b>255,760.34</b>
<b>Profit before share in Profit of joint venture and tax</b>		<b>28,015.97</b>	<b>18,033.38</b>
Add : Share of Profit of joint venture (net of taxes)		419.71	109.82
<b>Profit before tax</b>		<b>28,435.68</b>	<b>18,143.20</b>
Tax expense:	17		
Current tax		6,482.65	4,891.18
Short/(Excess) provision of earlier years		29.89	(78.89)
Deferred tax Charge / (Credit)		529.65	(208.70)
		<b>7,042.19</b>	<b>4,603.59</b>
<b>Profit for the year</b>		<b>21,393.49</b>	<b>13,539.61</b>
<b>Other Comprehensive Income/(Loss)</b>			
A) Items that will not be reclassified to Profit and Loss			
a) (i) Re-measurement of post employment benefits obligation		(72.30)	40.39
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		18.20	(10.16)
b) (i) Fair value gain on investment in equity instrument through OCI		1,709.76	805.49
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		(10.28)	(69.86)
B) Items that will be reclassified to Profit or Loss			
a) Exchange difference arising on translation of foreign operation		29.61	(46.97)
<b>Total Other Comprehensive Income (net of Tax)</b>		<b>1,674.99</b>	<b>718.89</b>
<b>Total Comprehensive Income for the year</b>		<b>23,068.48</b>	<b>14,258.50</b>
<b>Earnings per Equity Share (Nominal value of ₹ 10/- each):</b>	36		
Basic		77.05	48.76
Diluted		76.90	48.76
Significant Accounting Policies	1		
See accompanying Notes to the Consolidated Financial Statements	1-58		

As per our Report of even date

For and on behalf of the Board of Directors of

R R Kabel Limited

CIN: U28997MH1995PLC085294

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

Chartered Accountants

Firm Registration No: 101248W/W-100022

**Rupen Shah**

Partner

Membership No. 116240

**Tribhuvanprasad Kabra**

Chairman

DIN : 00091375

**Rajeev Pandiya**

Chief Financial Officer

Membership No. 089631

**Shreegopal Kabra**

Managing Director

DIN : 00140598

**Himanshu Parmar**

Company Secretary

Membership No. FCS 10118

Place : Ahmedabad

Date: 22 June, 2022

Place: Mumbai

Date: 22 June, 2022



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Profit Before Tax</b>	<b>28,435.68</b>	18,143.20
<b>Adjustments for:</b>		
Depreciation & amortization	4,608.51	4,475.09
Grant related to property, plant & equipment	(369.16)	(0.44)
Share of (profit)/Loss from Jointly Controlled Entity	(419.71)	(109.82)
Finance costs	2,328.34	2,705.63
Employees share based payment expenses	75.18	-
Interest income	(96.73)	(328.86)
Dividend income	(14.11)	(7.05)
Gain on sale of mutual fund investments	(0.35)	-
Fair value gain on investment on mutual fund	(945.34)	(400.15)
Allowances for doubtful debts & Bad Debts	105.96	529.05
Reversal of Expected credit Loss provision on trade receivable (net)	(180.71)	-
Provisions for Warranty expenses	752.45	216.84
Unrealised foreign exchange loss	608.90	230.55
Gain on Sale of Property, Plant & Equipment	(202.77)	(8.72)
<b>Operating profit before working capital changes</b>	<b>34,686.14</b>	25,445.32
<b>Adjustments for:</b>		
(Increase) in trade receivables	(9,595.31)	(1,146.97)
(Increase)/Decrease in financial assets	(827.05)	100.15
Decrease/(Increase) in Other assets	1,640.22	(4,243.38)
Increase in Inventories	(17,556.60)	(15,884.53)
Increase /(Decrease) in Trade payables	5,408.08	(6,676.03)
(Decrease) in financial liabilities	(693.61)	(74.70)
(Decrease)/Increase in Other liabilities & provision	4,081.30	(440.56)
Cash generated from/(used )in operations	17,143.17	(2,920.69)
Income Taxes paid (net of refund)	(7,326.19)	(4,185.20)
<b>Net cash generated from /(used in) operating activities (A)</b>	<b>9,816.99</b>	(7,105.88)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant & equipment including changes in capital advance & capital creditors	(6,822.53)	(4,741.87)
Proceeds from sale of property, plant & equipment	471.77	96.40
Refund of Share application money - Joint Venture	-	8.20
Investment in fixed deposits with banks	(23.09)	3,986.67
Investment in Mutual Fund (net of redeemed)	-	(319.99)
Gain on sale of investment on mutual fund	0.35	-
Dividend received on quoted investment	14.11	7.05
Interest received	93.74	375.70
<b>Net cash (used in) Investing activities (B)</b>	<b>(6,265.65)</b>	(587.83)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars	2021-22	2020-21
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non current borrowing	3,380.00	3,500.00
Repayment of non current borrowing	(757.67)	(1,513.22)
Proceeds from short term borrowing (net)	(385.11)	8,630.70
Finance costs paid	(2,222.28)	(2,874.58)
Repayment of lease obligations	(399.23)	(330.42)
Dividend paid	(2,776.72)	-
Net cash generated from/(used in) financing activities (C)	(3,161.01)	7,412.48
<b>(D) Net increase/(decrease) in cash and equivalents ( A+B+C )</b>	<b>390.33</b>	<b>(281.24)</b>
<b>Add : Cash and cash equivalents as at the beginning of the year</b>	<b>839.57</b>	<b>1,120.79</b>
<b>Cash and cash equivalents as at the end of the year ( Refer note below)</b>	<b>1,229.90</b>	<b>839.55</b>

**Note :**

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 (Note 10) (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	3.25	5.07
Balance with banks	726.65	834.50
Term deposits (with original maturity of 3 months or less)	500.00	-
<b>Cash and cash equivalents in Cash Flow Statement</b>	<b>1,229.90</b>	<b>839.57</b>

c) Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

Particulars	As at March 31, 2021	Cash Flow	Non Cash Changes			As at March 31, 2022
			Fair value changes	Forex difference	Current / Non-current classification	
Borrowings - Non Current	7,128.14	2,622.33	-	-	(3,819.15)	5,931.32
Borrowings - Current	42,655.25	(385.11)	-	-	3,819.15	46,089.28

(₹ in Lakhs)

Particulars	As at March 31, 2020	Cash Flow	Non Cash Changes			As at March 31, 2021
			Fair value changes	Forex difference	Current / Non-current classification	
Borrowings - Non Current	8,298.12	1,986.78	-	-	(3,156.76)	7,128.14
Borrowings - Current	30,867.79	8,630.70	-	-	3,156.76	42,655.25

As per our Report of even date

For and on behalf of the Board of Directors of

R R Kabel Limited

CIN: U28997MH1995PLC085294

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

**Tribhuvanprasad Kabra**  
Chairman  
DIN : 00091375

**Shreegopal Kabra**  
Managing Director  
DIN : 00140598

**Rupen Shah**  
Partner  
Membership No. 116240

**Rajeev Pandiya**  
Chief Financial Officer  
Membership No. 089631

**Himanshu Parmar**  
Company Secretary  
Membership No.FCS 10118

Place : Ahmedabad  
Date: 22 June,2022

Place : Mumbai  
Date: 22 June,2022

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2022

(A) SHARE CAPITAL	Equity Shares		Compulsory Convertible Preference Shares	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
<b>Opening balance as at April 1, 2020</b>	23,395,276	2,339.53	3,702,572	40,000.00
Changes in share capital	528,798	52.88	140,568	1,518.59
<b>Closing balance as at March 31, 2021</b>	23,924,074	2,392.41	3,843,140	41,518.59
Changes in share capital	-	-	-	-
<b>Closing balance as at March 31, 2022</b>	<b>23,924,074</b>	<b>2,392.41</b>	<b>3,843,140</b>	<b>41,518.59</b>

(₹ in Lakhs)

		Capital Redemption Reserve (refer note a)	Capital Reserve (refer note b)	Retained Earnings	Equity Instruments through OCI (refer note c)	Share Suspense Account (refer note d)	Foreign Currency Translation Reserve (refer note e)	ESOP Outstanding (refer note f)	Total
<b>(B) OTHER EQUITY</b>									
<b>Opening balance as at April 1, 2020</b>	(A)	75.07	1,250.52	44,596.65	237.05	1,571.48	333.97	-	48,064.73
Profit for the year		-	-	13,539.61	-	-	-	-	13,539.61
Other comprehensive income		-	-	30.23	735.63	-	-	-	765.86
Exchange difference arising on translation of foreign operation		-	-	-	-	-	(46.97)	-	(46.97)
<b>Share issued in pursuant to scheme of amalgamation (refer note 51)</b>	(B)	-	-	13,460.03	735.63	-	(46.97)	14,195.66	14,195.66
		-	-	-	-	(1,571.48)	-	-	(1,571.48)
<b>Closing balance as at March 31, 2021</b>	(C)	75.07	1,250.52	58,166.49	972.68	(1,571.48)	-	-	(1,571.48)
<b>Profit for the year</b>	(D) = (A+B+C)	75.07	1,250.52	58,166.49	972.68	-	287.00	-	60,751.75
Other comprehensive income/(loss)		-	-	21,393.49	-	-	-	-	21,393.49
Exchange difference arising on translation of foreign operation		-	-	(54.10)	1,699.48	-	-	-	1,645.38
		-	-	-	-	-	29.61	-	29.61
<b>Dividends</b>	(E)	-	-	21,339.39	1,699.48	-	29.61	-	23,068.48
Employee stock option		-	-	(2,776.72)	-	-	-	-	(2,776.72)
		-	-	-	-	-	-	75.18	75.18
<b>Closing balance as at March 31, 2022</b>	(F)	75.07	1,250.52	76,729.15	2,672.16	-	316.61	75.18	81,118.69
	(G) = (D+E+F)	75.07	1,250.52	76,729.15	2,672.16	-	316.61	75.18	81,118.69

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2022

### Note :

**(a) Capital Redemption Reserve**

Capital redemption reserve of ₹ 75.07 Lakhs was created to the extent of share capital extinguished.

**(b) Capital Reserve**

Capital reserve of ₹ 1,250.52 Lakhs was created pursuant to scheme of amalgamation

**(c) Equity Instruments through Other Comprehensive Income**

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.

**(d) Share Suspense account**

Share Suspense account includes ₹ 52.88 Lakhs towards equity shares suspense account and ₹ 1,518.60 Lakhs towards compulsory convertible preference share suspense account created pursuant to scheme of amalgamation. During the year the Group has issued 5,28,798 fully paid up equity shares of ₹ 10 each and 1,40,568 Compulsory Convertible Preference Shares (CCPS) of ₹ 1,080.33 each pursuant to scheme of amalgamation (refer Note 51).

**(e) Foreign Currency Translation Reserve**

Foreign currency translation reserve comprises of exchange differences arising from translation of financial statements of foreign Joint venture.

**(f) ESOP Outstanding**

Employee stock option reserve of ₹ 75.18 Lakhs represents recognition of fair value of equity- settled share based option plan. Fair value of equity- settled share based payment transactions with employees is recognized in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding . The Company has two stock option schemes under which options to subscribe for the Company's shares have been granted to certain employees. The ESOP Outstanding is used to recognise the value of equity- settled share- based payments provided to employees, including key management personnel, as part of their remuneration.

As per our Report of even date

For and on behalf of the Board of Directors of

**R R Kabel Limited**

CIN: U28997MH1995PLC085294

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

Chartered Accountants

Firm Registration No: 101248W/W-100022

**Rupen Shah**

Partner

Membership No. 116240

Place : Ahmedabad

Date: 22 June,2022

**Tribhuvanprasad Kabra**

Chairman

DIN : 00091375

**Rajeev Pandiya**

Chief Financial Officer

Membership No. 089631

**Shreegopal Kabra**

Managing Director

DIN : 00140598

**Himanshu Parmar**

Company Secretary

Membership No.FCS 10118

Place : Mumbai

Date: 22 June,2022

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

### CONSOLIDATED CORPORATE INFORMATION

The consolidated financial statements comprise consolidated financial statements of R R Kabel Limited (the Group) and its Joint venture RR-Imperial Electricals Limited for the year ended March 31, 2022.

The group is mainly into the manufacturing of PVC insulated wires and cables, power cables and special cables. The Group has four manufacturing sites in India. The first unit is situated in the UT of Dadra and Nagar Haveli, second unit is situated at waghodia in the State of Gujarat, third unit of consumer electrical division at Roorkee in the state of Uttarakhand and fourth unit of lighting business at Bengaluru in the state of Karnataka. The group has strategically located its sales offices and depots pan India.

The Scheme of Amalgamation of Ram Ratna Electricals Limited with R R Kabel Limited, was approved by the National Company Law Tribunal, Mumbai Bench vide their orders dated August 19, 2020. The group had carried out the accounting prescribed in the Scheme and made the required disclosure for Amalgamations in the nature of merger, as required under Appendix C of Ind AS 103 Business Combinations, for Business Combinations of entities under "Common Control". RREL is engaged in the business of manufacturing, trading and otherwise dealing in consumer electrical, such as fans and lights, and consumer appliances such as water heaters, heat convectors, electric irons and switches and similar products.

The Joint venture is engaged in the business of manufacturing of enamelled winding wires, strips, PVC Insulated wires and cables.

The consolidated financial statements as at March 31, 2022 present the consolidated financial position of the Group & Joint venture. The consolidated financial statements were approved by the Board of Directors and authorized for issue on June 22, 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

#### (A) BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

##### (i) Statement of compliance

The Group has prepared its Consolidated Financial Statements to comply with the accounting standards specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. These Consolidated financial statements include Balance Sheet as at 31 March 2022, the Statement of Profit and Loss including Other Comprehensive Income, Cash flows Statement and Statement of changes in equity for the year ended 31 March 2022, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements").

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

The consolidated financial statements for the year ended 31 March 2022 have been prepared on an accrual basis and a historical cost convention except for the following financial assets and liabilities which have been measured at fair value at the end of each reporting period:

- (a) Derivative financial instruments
- (b) Certain financial assets and liabilities (Refer note 37 for accounting policy regarding financial instruments)
- (c) Net defined benefit plan

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies and methods of computation followed in the consolidated financial statements are same as compared with the annual consolidated financial statements for the year ended 31 March 2021.

#### Current/ Non- Current Classification

Any asset or 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;

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

- 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.

### (iii) Functional and Presentation Currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group and the Joint venture operates ('the functional currency'). The functional and presentation currency of the Group and the Joint venture is Indian Rupees (₹).

## (B) USE OF ESTIMATES AND JUDGEMENTS

In the course of applying the policies outlined in all notes, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. 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. Such changes are reflected in the assumptions when they occur. The Group uses the following critical accounting estimates in preparation of its consolidated financial statements:

### (i) Useful lives of property, plant & equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in current and future periods.

### (ii) Impairment of investments in joint- ventures

Determining whether the investment in joint ventures is impaired requires an estimate in the value in use of investments. The Group reviews its carrying value of investment carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. In considering the value in use, the Board of Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

### (iii) Provision

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

### (iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

### (v) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (Refer note 37 for accounting policy on Fair value measurement of financial instruments).

### (vi) Provision for income tax and deferred tax assets

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

### (vii) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the group to use assumptions. These assumptions have been explained under employee benefits note.

### (viii) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### (i) KEY ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and the aging disclosures and 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. 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 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. Changes in accounting estimates are recognised prospectively.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, valuation of inventories, recoverability of deferred tax assets, commitments and contingencies.

### (ii) Basis of consolidation of Joint Venture

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 joint venture 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.

## (C) OTHER SIGNIFICANT ACCOUNTING POLICIES

### (i) Revenue

Revenue from contracts with customers is recognised when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Group considers below, if any:

**Variable Consideration:** This includes trade discounts, rebates and returns. It 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:** Such Amounts are 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.

**Trade Receivable:** A receivable represents the Group's right to an amount of consideration that is unconditional i.e., only the passage of time is required before payment of consideration is due.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### (ii) 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 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.

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 consolidated financial statements upon sale or retirement of the property, plant & equipment and the resultant gains or losses are recognised in the statement of profit and loss. Property, Plant & Equipment to be disposed of is reported at the lower of the carrying value or the fair value less cost of sale.

On transition to Ind AS, the has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per Previous GAAP as the deemed cost of the property, plant and equipment.

On transition to Ind AS, the company has elected to continue the accounting treatment as prescribed under para 48A of AS-11 "The effect of change in foreign currency" monetary items recognised in financial statements for the year ending immediately before the beginning of first Ind AS financial reporting period.

### (iii) 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.

### (iv) Depreciation on Property, Plant & Equipment and Amortisation of intangible Assets

Depreciation on property, plant and equipment is provided using the straight-line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 in consideration with useful life of the assets as estimated by the management.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

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 and residual values 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	30	Office & Other Equipment	5 to 10
Workers Quarters	60	Vehicles	8 to 10
Plant & Equipment	15	Computer / Laptop / Computer hardware	3
Furniture & Fixtures	10	Computer Servers	6
Electrical Installations	10	Computer Software	5

### (v) 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.

### (vi) Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the assesses whether:(i) the contract involves the use of an identified asset (ii) the has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the has the right to direct the use of the asset.

At the date of commencement of the lease, the recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### **The Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

### **(vii) Investments**

Investments in mutual funds are primarily held for the group's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

Refer financial instruments accounting policy ix for methods of valuation.

### **(viii) 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 comprises the cost of purchases, the cost of conversion and the cost of packing materials in case of Finished Goods.

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 on factory buildings and plant & machineries, power & fuel, factory management and administration expenses, repairs & maintenance and consumable stores & 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.

### **(ix) 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, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to / deducted from the fair value on initial recognition.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### 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 carried at amortised cost

A financial asset is subsequently measured at amortised cost 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, using the Effective Interest Rate (EIR) method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the consolidated statement of profit and loss.

#### Financial assets measured at fair value

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is to hold these assets in order to collect contractual cash flows or 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 and the Joint venture in respect of equity instruments (other than equity instruments of 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 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 consolidated statement of profit & loss.

#### Impairment of financial assets

The Group and the Joint venture 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 at an amount equal to lifetime ECL. 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 expires
- The Group and the Jointly Controlled Entity 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Where the Group and the Joint venture has transferred an asset, the Group and the Joint venture 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 retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the group and the Joint venture has not retained control of the financial asset. Where the Group and the Joint venture retain 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 and the Joint venture are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Joint venture after deducting all its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### **Financial Liabilities**

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 losses 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 and the Joint venture 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 consolidated 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 consolidated statement of profit and loss. Derivatives are carried as financial assets when fair value is positive & as financial liabilities when fair value is negative.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### 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 and the Jointly Controlled Entity or the counterparty.

### (x) **Fair Value Measurement**

The Group and Joint venture 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 consolidated 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

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group and the Jointly Controlled Entity 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.

### (xi) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Group and Joint venture 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the and the Jointly Controlled Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

### (xii) **Government Grant**

Government grants are recognised when there is reasonable assurance that the grant will be received and the Group and the Joint venture 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 &



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

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 is included in the balance sheet as deferred income.

### (xiii) 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 and Joint venture 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

The Group's net obligation in respect of an approved gratuity plan, which is defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability/(asset) is recognized in the statement of profit and loss. Past service cost is immediately recognized in the statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

##### (ii) Defined contribution plan

A Defined Contribution Plan is plan under which the Group makes contribution to Employee's Provident Fund and Employees State Insurance Contribution Fund administrated by the Central Government. The Group's contribution is charged to the Statement of Profit & Loss.

#### (c) Other Long-Term Employee Benefits – Compensated absence and earned leave

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.

### (xiv) 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, if any. All other borrowing costs are expensed in the period in which they occur.

### (xv) 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 & 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 under the Income Tax Act, 1961("the IT Act").

The 's and the Joint venture's liability for current tax is calculated using tax rates and tax laws that have been enacted by the end of reporting period.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit under the I T 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. 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 all 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 that have been enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group 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 this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### (xvi) 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 and accordingly information of two reportable segments (Wires & Cables and Consumer Electricals) have been disclosed.

### (xvii) Employee Share Based Payment

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Standalone Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share Option Outstanding.

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The dilutive effect, if any of outstanding options is reflected as additional share dilution in computation of diluted earnings per share.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 49.

### **(xviii) Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effect of transactions of 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 to be cash and 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 which 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 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.

### **(xxi) Research and Development**

Research and Development expenditure of a revenue nature is expensed out under the respective heads of account in the year in which it is 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.

### **(xxii) Other Income**

Interest income from a financial asset is recognized 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 basis, by reference to the principal outstanding and at 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.

Export entitlements are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend income is recognized when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of dividend can be measured reliably.

### **(xxiii) Recent pronouncements**

Recent accounting pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1-Apr-2022, as below:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

a) Ind AS 16- Proceeds before intended use

The amendments clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as a part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1,2022. The company has evaluated the amendment and there is no impact on its consolidated financial statements.

b) Ind AS 103- Reference to Conceptual Framework

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.

c) Ind AS 37 - Onerous Contracts

**Costs of Fulfilling a Contract** The amendments specify that 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 (example would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the company does not expect the amendment to have any significant impact in its financial statements.

The amendments are extensive, and the company is evaluating the same.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Note : 2

A) PROPERTY, PLANT & EQUIPMENT  
TANGIBLE ASSETS

Particulars	Gross Block			Accumulated Depreciation			Net Block As at March 31, 2022
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For the year 2021-22	
Land - Free Hold	3,888.75	297.20	173.65	4,012.30	-	-	4,012.30
Buildings	1,514.01	62.22	49.64	1,526.59	99.29	23.81	1,408.22
Factory Buildings	12,285.06	380.54	-	12,665.60	1,785.86	486.46	10,393.28
Worker's Quarters	526.79	-	-	526.79	46.52	9.31	470.96
Plant & Machinery	29,841.67	2,586.69	198.58	32,229.78	10,688.78	2,936.24	18,742.81
Electric Installations	1,889.96	347.31	0.22	2,237.05	641.88	170.69	1,424.64
Furniture & Fixtures	902.23	83.15	1.90	983.48	349.10	95.67	539.51
Office & Other Equipments	896.59	287.19	29.70	1,154.08	549.47	131.40	496.39
Vehicles	1,733.76	86.98	129.17	1,691.57	719.14	188.53	882.31
<b>Total</b>	<b>53,478.82</b>	<b>4,131.28</b>	<b>582.86</b>	<b>57,027.24</b>	<b>14,880.04</b>	<b>4,042.11</b>	<b>38,370.42</b>
<b>B) Capital Work - in - Progress</b>	<b>668.18</b>	<b>6,016.14</b>	<b>2,453.30</b>	<b>4,231.02</b>	-	-	<b>4,231.02</b>

a) For Capital-work-in progress, following is the ageing schedule as on 31 March 2022:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	2,881.78	258.26	234.39	-	3,374.43
Others	833.03	23.56	-	-	856.59
<b>Total</b>	<b>3,714.81</b>	<b>281.82</b>	<b>234.39</b>	<b>-</b>	<b>4,231.02</b>

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule as at 31 March 2022:

CWIP	To be completed in		
	Less than 1 year	1-2 years	2-3 years
E Beam project	1,904.47	-	-
<b>Total</b>	<b>1,904.47</b>	<b>-</b>	<b>-</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

TANGIBLE ASSETS

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	For the year 2020-21	Deductions	As at March 31, 2021
Land - Free Hold	3,888.75	-	-	3,888.75	-	-	-	3,888.75
Buildings	1,514.01	-	-	1,514.01	75.24	24.05	-	1,414.72
Factory Buildings	11,122.05	1,163.01	-	12,285.06	1,312.61	473.25	-	10,499.20
Worker's Quarters	526.79	-	-	526.79	37.22	9.30	-	480.27
Plant & Machinery	26,889.62	3,055.28	103.23	29,841.67	7,898.51	2,857.90	67.63	19,152.89
Electric Installation	1,847.40	42.56	-	1,889.96	435.04	206.84	-	1,248.08
Furniture & Fixtures	853.66	48.57	-	902.23	251.79	97.31	-	553.13
Office & Other Equipments	794.42	102.71	0.54	896.59	414.27	135.57	0.37	347.12
Vehicles	1,538.16	336.61	141.01	1,733.76	622.95	185.30	89.11	1,014.62
<b>Total</b>	<b>48,974.86</b>	<b>4,748.74</b>	<b>244.78</b>	<b>53,478.82</b>	<b>11,047.63</b>	<b>3,989.52</b>	<b>157.11</b>	<b>38,598.78</b>
<b>B) Capital Work - in - Progress</b>	<b>1,537.21</b>	<b>3,155.43</b>	<b>4,024.46</b>	<b>668.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>668.18</b>

a) For Capital-work-in progress, following is the ageing schedule as on 31 March 2022:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	324.00	234.40	-	-	558.40
Others	104.28	5.50	-	-	109.78
<b>Total</b>	<b>428.28</b>	<b>239.90</b>	<b>-</b>	<b>-</b>	<b>668.18</b>

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule as at 31 March 2021:

CWIP	To be completed in		
	Less than 1 year	1-2 years	2-3 years
E Beam project	-	582.09	-
<b>Total</b>	<b>-</b>	<b>582.09</b>	<b>-</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

2.1 : Additions to Property, Plant & Equipment includes Items aggregating to ₹ 28.43 Lakhs (P.Y. ₹ 41.87 Lakhs) pertaining to Research and Development activities of the Company.

2.2 : The Title deeds of properties aggregating to ₹ 606.58 Lakhs (P.Y. ₹ 606.58 Lakhs) are under process of registration.

Particulars	Description of item of property	Title deeds held in the name of	Gross Block as on 31 March 2022	Gross Block as on 31 March 2021	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/ director	Property held since which year	Reason for not being held in the name of the Company	Disputed
Property, Plant & Equipment	Building at Howrah	Goldline Vyapaar Private Limited	364.22	364.22	No	2017	Title deed yet to be executed in the name of the Company	Yes
	Land at Roorkee	Ram Ratna Electricals Limited	147.31	147.31	No	2020	The title deed is in the name of erstwhile company that was amalgamated with the Company w.e.f. 01 April 2019 pursuant to scheme of Amalgamation sanctioned by Hon'ble Bombay High Court.	No
	Building at Roorkee	Ram Ratna Electricals Limited	95.05	95.05	No	2020	The title deed is in the name of erstwhile company that was amalgamated with the Company w.e.f. 01 April 2019 pursuant to scheme of Amalgamation sanctioned by Hon'ble Bombay High Court.	No

2.3 : There are no Interest costs capitalized during the period. (P.Y. Nil)

2.4 : The Company has capitalized foreign exchange fluctuation of ( ₹ 16.30) Lakhs (P.Y. ₹ 42.41 Lakhs) Lakhs on account of the policy change under para 46A of erstwhile regime of Accounting Standard.

2.5 : The details of property, plant & equipment pledged against borrowings are presented in Note 13.3, 13.4, 13.5.

2.6 : The amount of contractual commitments for the acquisition of property, plant & equipment is disclosed in Note 28.

2.7 : No proceedings have 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.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

C) INTANGIBLE ASSETS

Particulars	Gross Block			Accumulated Amortisation			Net Block As at March 31, 2022
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For the year 2021-22	
Software	387.34	19.35	-	406.69	283.86	74.33	358.19
Brand of Arraystrom	530.00	-	-	530.00	105.94	106.03	211.97
<b>Total</b>	<b>917.34</b>	<b>19.35</b>	-	<b>936.69</b>	<b>389.80</b>	<b>180.36</b>	<b>366.53</b>
ii) Under development	48.50	60.00	48.50	60.00	-	-	60.00

A) For Intangible asset under development, following is the ageing schedule as on 31 March 2022:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
ERP Upgradation Project	60.00	-	-	-	60.00
<b>Total</b>	<b>60.00</b>	-	-	-	<b>60.00</b>

Particulars	Gross Block			Accumulated Amortisation			Net Block As at March 31, 2021
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	For the year 2020-21	
Software	387.34	-	-	387.34	208.97	74.89	283.86
Brand of Arraystrom	530.00	-	-	530.00	-	105.94	105.94
<b>Total</b>	<b>917.34</b>	-	-	<b>917.34</b>	<b>208.97</b>	<b>180.83</b>	<b>389.80</b>
ii) Under development	48.50	48.50	-	48.50	-	-	48.50

a) For Intangible asset under development, following is the ageing schedule as on 31 March 2021:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
SCM Project	23.70	-	-	-	23.70
Others	24.80	-	-	-	24.80
<b>Total</b>	<b>48.50</b>	-	-	-	<b>48.50</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

D) RIGHT OF USE ASSETS

Particulars	Gross Block				Accumulated Amortisation			Net Block
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For the year 2021-22	As at March 31, 2022	As at March 31, 2022
Right of use Asset (Refer note 40)	1,300.24	737.80	71.31	1,966.73	485.42	386.04	855.00	1,111.73
<b>Total</b>	<b>1,300.24</b>	<b>737.80</b>	<b>71.31</b>	<b>1,966.73</b>	<b>485.42</b>	<b>386.04</b>	<b>855.00</b>	<b>1,111.73</b>

Particulars	Gross Block				Accumulated Amortisation			Net Block
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	For the year 2020-21	As at March 31, 2021	As at March 31, 2021
Right of use Asset (Refer note 40)	597.73	702.51	-	1,300.24	180.69	304.74	485.43	814.81
<b>Total</b>	<b>597.73</b>	<b>702.51</b>	<b>-</b>	<b>1,300.24</b>	<b>180.69</b>	<b>304.74</b>	<b>485.43</b>	<b>814.81</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss in Note 26.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Note 3A: INVESTMENTS	Nos.	Face Value	Non-Current	
			As at March 31, 2022	As at March 31, 2021
Investments in equity instruments				
i) Quoted equity shares (fully paid up)				
Other entity (measured at fair value and designated as fair value through other comprehensive income)				
Ram Ratna Wires Limited				
	1,410,768 (P.Y.14,10,768)	₹ 5	2,789.09	1,130.03
Comfort Intech Limited				
	2,500 (P.Y.2,500)	₹ 10	0.56	0.18
ii) Unquoted Equity Shares (Fully Paid up)				
a) Joint venture (measured at cost, Note 1 (c) (vii))				
RR-Imperial Electricals Limited - Bangladesh (35%)				
	22,190,854 (P.Y. 2,21,90,854)	Taka 10	2,163.62	1,714.29
b) Other entity (measured at fair value and designated as fair value through other comprehensive income)				
MEW Electricals Limited				
	50,000 (P.Y.50,000)	₹ 100	1,265.96	1,215.64
			<b>6,219.23</b>	4,060.14
Aggregate market value of quoted investments			<b>2,789.65</b>	1,130.21
Aggregate amount of unquoted investments at cost			<b>2,163.62</b>	1,714.29
Aggregate of unquoted investments at fair value			<b>1,265.96</b>	1,215.64

(₹ in Lakhs)

Note 3B: INVESTMENTS	Current	
	As at March 31, 2022	As at March 31, 2021
Investments in mutual fund instruments* (fair value through profit & loss)		
i) UTI Liquid Cash Fund Regular Plan - Growth	2,249.70	2,175.97
ii) Axis Treasury Advantage Fund- Regular Growth	4,235.58	4,072.49
iii) HDFC Ultra Short Term Fund- Regular Growth	3,687.97	3,558.38
iv) IDFC Low Duration Fund-Growth Regular Plan	3,678.49	3,547.94
v) UTI Treasury Advantage Fund Regular Growth Plan	4,444.72	4,070.29
vi) Axis Liquid Fund Growth	2,250.89	2,176.94
Aggregate amount of mutual fund investments	<b>20,547.35</b>	19,602.01
Aggregate amount of quoted investments at market value	<b>20,547.35</b>	19,602.01

(₹ in Lakhs)

Note 4A: LOANS	Non-Current	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good :</b>		
Loans to employees	5.21	9.63
	<b>5.21</b>	9.63

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Note 4B: LOANS	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good :</b>		
Loans to employees	22.01	64.82
	<b>22.01</b>	<b>64.82</b>

(₹ in Lakhs)

Note 5A: OTHER FINANCIAL ASSETS	Non-Current	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good:</b>		
Security deposits (Note 5.1)	205.85	150.98
Term deposits held as margin money or security against borrowing, guarantees or other commitments	11.27	8.01
	<b>217.12</b>	<b>158.99</b>

(₹ in Lakhs)

Note 5B: OTHER FINANCIAL ASSETS	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good:</b>		
Security deposits (Note 5.1)	194.24	99.36
Term deposits held as margin money or security against borrowing, guarantees or other commitments	201.89	182.06
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	14.09	11.10
Derivative assets	600.16	46.28
Others (Insurance claim and recoverable expenses)	179.28	8.63
	<b>1,189.66</b>	<b>347.43</b>

(₹ in Lakhs)

Note 5.1 Security deposit includes:	As at March 31, 2022	As at March 31, 2021
Deposits given to directors, relatives of directors & firms in which director is a partner	71.26	80.50
Deposits given to a private limited company in which some of the directors are director or member	3.68	3.68

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 6: NON CURRENT INCOME TAX ASSETS (Net)</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Income tax (net of provisions)	<b>1,337.17</b>	523.53
	<b>1,337.17</b>	523.53

(₹ in Lakhs)

<b>Note 7A: OTHER ASSETS</b>	<b>Non-Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured, considered good:</b>		
Capital advances	<b>357.93</b>	1,036.19
Balances with government authorities :		
- Value added tax	<b>113.75</b>	165.97
- Service tax and excise duty paid under protest	<b>56.95</b>	58.78
Prepaid expenses	<b>10.03</b>	13.77
Gratuity (Note 35)	<b>121.20</b>	158.71
	<b>659.86</b>	1,433.42

(₹ in Lakhs)

<b>Note 7B: OTHER ASSETS</b>	<b>Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Unsecured, considered good:</b>		
Balances with government authorities:		
- Excise duty	<b>44.76</b>	102.98
- Goods and services tax	<b>2,460.67</b>	2,942.56
- Export incentives & duty scripts	-	577.44
Prepaid expenses	<b>606.10</b>	714.39
Advances to suppliers	<b>3,698.43</b>	4,017.62
Advance to employees	<b>10.19</b>	10.06
	<b>6,820.15</b>	8,365.05

The group had filed a writ petition in Honorable Gujarat High Court to ascertain eligibility of credit for taxes paid on certain expenditures incurred in the normal course of business. Based on the management's internal assessment and on the basis of legal view obtained, management expects a favorable outcome from this writ petition and accordingly does not expect any impact on the financial statements or possible / probable outflow of resources on account of this writ petition.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 8: INVENTORIES</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Raw materials (In transit ₹ 3,304.74 Lakhs ; P.Y. ₹ 1,606.76 Lakhs)	<b>12,880.00</b>	8,041.61
Work-in-progress	<b>11,945.66</b>	9,882.93
Finished goods	<b>41,823.52</b>	31,765.11
Stock in trade	<b>2,982.54</b>	2,660.15
Others:		
Packing materials	<b>525.57</b>	401.98
Scrap	<b>154.95</b>	183.47
Consumable stores and spares	<b>637.70</b>	460.96
Fuel	<b>12.14</b>	9.27
	<b>70,962.08</b>	53,405.48

8.1 The Company (reversed) / charged inventory write- down (net) of ₹ (367.24) lakhs and ₹ 519.19 lakhs to statement of profit and loss for the year ended 31 March, 2022 and 31- March, 2021 respectively.

8.2 The inventories are hypothecated as a security as disclosed in Note 13.5.

(₹ in Lakhs)

<b>Note 9: TRADE RECEIVABLES</b>	<b>Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Secured, considered good	<b>2,198.83</b>	2,532.44
Unsecured, considered good	<b>50,320.12</b>	40,234.95
Unsecured, Significant increase in credit risk	<b>2,472.58</b>	2,653.03
Unsecured, credit impaired	<b>143.03</b>	216.79
	<b>55,134.56</b>	45,637.21
Less: allowance for credit impaired	<b>143.03</b>	216.79
Less: allowance on expected credit loss	<b>3,277.24</b>	3,384.19
	<b>51,714.29</b>	42,036.23

The Group's exposure to credit risk, currency risk and market risk related to trade receivables are disclosed in note 37 (C).

Note : Trade receivables includes debts due from group companies ₹ 1,300.83 Lakhs (P.Y. ₹ 2,947.41 Lakhs)

(₹ in Lakhs)

<b>Note 9.1 Dues from directors or firms or private companies</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Due from private companies in which director is director or member	<b>24.21</b>	12.63
Due from firm in which director is partner	<b>718.45</b>	1,747.78

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Trade Receivables ageing schedule as at March 31,2022

(₹ 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
Undisputed- considered good	50,873.52	433.09	302.47	104.01	1.20	51,714.29
Undisputed- significant increase in credit risk	94.19	38.98	108.08	195.77	367.64	804.66
Undisputed- credit impaired	-	-	-	-	-	-
Disputed- considered good	-	-	-	-	-	-
Disputed- significant increase in credit risk	-	19.85	366.01	654.22	1,432.50	2,472.58
Disputed- credit impaired	-	-	-	85.19	57.84	143.03
<b>Total</b>	<b>50,967.71</b>	<b>491.92</b>	<b>776.56</b>	<b>1,039.19</b>	<b>1,859.18</b>	<b>55,134.56</b>

### Trade Receivables ageing schedule as at March 31,2021

(₹ 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
Undisputed- considered good	40,200.46	632.08	780.62	419.03	4.05	42,036.24
Undisputed- significant increase in credit risk	100.48	75.18	138.79	100.18	316.53	731.16
Undisputed- credit impaired	-	-	-	-	-	-
Disputed- considered good	-	-	-	-	-	-
Disputed- significant increase in credit risk	33.25	360.76	711.01	628.80	919.21	2,653.03
Disputed- credit impaired	-	33.48	40.28	85.19	57.84	216.79
<b>Total</b>	<b>40,334.19</b>	<b>1,101.50</b>	<b>1,670.70</b>	<b>1,233.20</b>	<b>1,297.63</b>	<b>45,637.22</b>

(₹ in Lakhs)

<b>Note 10: CASH AND BANK BALANCES</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>(A) Cash and cash equivalents</b>		
Balances with bank	726.65	834.50
Cash on hand	3.25	5.07
Term deposits (with original maturity of 3 months or less)	500.00	-
	<b>1,229.90</b>	839.57
<b>(B) Balance other than Cash and cash equivalents</b>		
Earmarked balance with Bank for unclaimed dividend	0.03	6.99
	<b>1,229.93</b>	846.56



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

(₹ in Lakhs)

<b>Note 11A: EQUITY SHARE CAPITAL</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Authorised Capital</b> 57,000,000 (P.Y. 57,000,000) Equity Shares of ₹ 10 each	<b>5,700.00</b>	5,700.00
<b>Issued, Subscribed and Paid Up Capital</b> 2,39,24,074 (P.Y. 2,39,24,074) Equity shares of ₹ 10 each fully paid up	<b>2,392.41</b> -	2,392.41 -
	<b>2,392.41</b>	2,392.41

(₹ in Lakhs)

<b>NOTE 11B: INSTRUMENT ENTIRELY EQUITY IN NATURE</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Authorised Capital</b> 3,843,140 (P.Y. 3,843,140) Compulsory Convertible Preference Shares of ₹ 1,080.33 each	<b>41,518.59</b>	41,518.59
<b>Issued, Subscribed and Paid Up Capital</b> 3,843,140 (P.Y. 3,843,140) Compulsory Convertible Preference Share of ₹ 1,080.33 each fully paid up	<b>41,518.59</b>	41,518.59
	<b>41,518.59</b>	41,518.59

<b>11.1 Reconciliation of Equity Shares outstanding at the beginning &amp; at the end of the year</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>No. of shares</b>	<b>(₹ in Lakhs)</b>	<b>No. of shares</b>	<b>(₹ in Lakhs)</b>
<b>Fully Paid up Equity Shares</b>				
As at the beginning of the year	<b>23,924,074</b>	<b>2,392.41</b>	23,395,276	2,339.53
Add:- Issued during the year (note 11.10)	-	-	528,798	52.88
As at the end of the year	<b>23,924,074</b>	<b>2,392.41</b>	23,924,074	2,392.41

<b>11.2 Reconciliation of Compulsory Convertible Preference Share outstanding at the beginning &amp; at the end of the year</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>No. of shares</b>	<b>(₹ in Lakhs)</b>	<b>No. of shares</b>	<b>(₹ in Lakhs)</b>
<b>Fully Paid up Preference Shares</b>				
As at the beginning of the year	<b>3,843,140</b>	<b>41,518.59</b>	3,702,572	40,000.00
Add:- Issued during the year (note 11.10)	-	-	140,568	1,518.59
As at the end of the year	<b>3,843,140</b>	<b>41,518.59</b>	3,843,140	41,518.59

<b>11.3 Details of shareholders holding more than 5% Equity Shares*</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>No. of shares</b>	<b>% of Holding</b>	<b>No. of shares</b>	<b>% of Holding</b>
Smt. Uma Devi Kabra	<b>3,275,468</b>	<b>13.69%</b>	3,259,250	13.93%
Shri Mahendrakumar Kabra	<b>2,429,278</b>	<b>10.15%</b>	2,326,162	9.94%
Rameshwarlal Kabra (Karta of Rameshwarlal Kabra HUF)	<b>2,267,728</b>	<b>9.48%</b>	2,267,728	9.69%
TPG Asia VII SF Pte Limited	<b>1,990,128</b>	<b>8.32%</b>	1,990,128	8.51%
Shri Hemant Kabra	<b>1,699,859</b>	<b>7.11%</b>	1,575,248	6.73%
Smt. Kirtidevi Kabra	<b>1,248,166</b>	<b>5.22%</b>	1,248,166	5.34%
Ram Ratna Research and Holdings Private Limited	<b>1,269,616</b>	<b>5.31%</b>	1,182,500	5.05%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

11.4 Details of shareholders holding more than 5% Compulsory Convertible Preference Share *	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of Holding	No. of shares	% of Holding
TPG Asia VII SF Pte Limited	3,843,140	100.00%	3,843,140	100.00%

\* As per the records of the group, including its register of members

Details of Shares held by promoter at the end of the year

Promoter Name	As at March 31, 2022			As at March 31, 2021		
	No of Shares	% of total shares	% change during the year	No of Shares	% of total shares	% change during the year
Uma Kabra	3,275,468	13.69	-	3,275,468	13.69	-0.24
Mahendra Kumar Kabra	2,162,147	9.04	-1.12	2,429,278	10.15	0.21
Rameshwarlal Kabra HUF	2,267,728	9.48	-	2,267,728	9.48	-0.21
Hemant Kabra	1,699,859	7.11	-	1,699,859	7.11	0.37
Ram Ratna Research & Holding Pvt. Ltd.	1,269,616	5.31	-	1,269,616	5.31	0.25
Kirtidevi Kabra	1,414,077	5.91	0.63	1,264,426	5.29	-0.05
Shreegopal Kabra HUF	980,290	4.10	-	980,290	4.10	-0.09
Asha Muchhal	827,131	3.46	-	827,131	3.46	-0.08
Priti Saboo	671,131	2.81	-0.42	771,131	3.22	-0.07
Shreegopal Kabra	748,606	3.13	0.21	698,956	2.92	-0.07
Sumeet Kabra	634,657	2.65	-	634,657	2.65	0.47
Mahhesh Kabra	577,217	2.41	-	577,217	2.41	0.01
Tribhuvanprasad Kabra	565,582	2.36	-	565,582	2.36	-0.05
MEW Electricals Limited	559,000	2.34	-	559,000	2.34	-0.05
Rameshwarlal Kabra	-	-	-2.17	519,930	2.17	-0.05
Rajesh Kabra	825,453	3.45	1.53	459,437	1.92	0.03
Tribhuvanprasad Kabra HUF	359,000	1.50	-	359,000	1.50	-0.03
Ram Ratna Wires Limited	341,120	1.42	-	341,120	1.42	-0.03
Ashok Loya	340,000	1.42	-	340,000	1.42	-0.03
Jag-Bid Finvest Private Limited	336,000	1.40	-	336,000	1.40	0.04
Mahendra Kumar Kabra HUF	288,552	1.21	-	288,552	1.21	0.01
Mamta Ashok Loya	200,000	0.84	-	200,000	0.84	-0.02
Kabel Buildcon Solutions Pvt. Ltd.	176,800	0.74	-	176,800	0.74	-0.02
Ratnadevi Kabra	-	-	-0.72	171,715	0.72	-0.02
Sarita Jhanwar	140,395	0.59	-	140,395	0.59	-0.01
Gaurishanker Loya	140,000	0.59	-	140,000	0.59	-0.01
Arjun Kabra	100,000	0.42	-	100,000	0.42	-0.01
Ivaan Kabra	100,000	0.42	0.42	-	-	-
Monal Kabra	100,000	0.42	0.42	-	-	-
Anant Loya	95,000	0.40	-	95,000	0.40	-0.01

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Promoter Name	As at March 31, 2022			As at March 31, 2021		
	No of Shares	% of total shares	% change during the year	No of Shares	% of total shares	% change during the year
Anant S. Loya HUF	65,000	0.27	-	65,000	0.27	-0.01
Satyanarayan Loya HUF	30,000	0.13	-	30,000	0.13	-
Sunita Loya	20,000	0.08	-	20,000	0.08	-
Sarswati Loya	15,000	0.06	0.06	-	-	-
Satyanarayan Loya	-	-	-0.06	15,000	0.06	-
Anuj Loya	5,501	0.02	-	5,501	0.02	-
Saroj Loya	5,000	0.02	-	5,000	0.02	-
Aditya Loya	3,000	0.01	-	3,000	0.01	-
Nikunj Loya	3,000	0.01	-	3,000	0.01	-
Ashish Loya	2,500	0.01	-	2,500	0.01	-
Neha Loya	2,000	0.01	-	2,000	0.01	-
Vvidhi M Kabra	293,709	1.23	1.23	250	0.00	-
Devas Kabra	250	0.00	-	250	0.00	-
Jhanvi Kabra	250	0.00	-	250	0.00	-
<b>Total</b>	<b>21,640,039</b>	<b>90.45</b>	<b>-</b>	<b>21,640,039</b>	<b>90.45</b>	<b>0.23</b>

### 11.5 Terms/ rights attached to Equity shares:

The Group has only one class of equity shares having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting, except in the 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.

### 11.6 Terms/ rights attached to Preference shares:

The Group has only one class of Compulsory Convertible Preference shares (CCPS) having nominal value of ₹ 1,080.33/- per share. These CCPS shall rank pari-passu in all respects (including with respect to dividend and voting rights) with the then-existing Equity Shares of the Company. Post conversion to equity, these CCPS shall have the same right as of the equity shareholders.

**11.7** The Board of Directors of the Group, at its meeting held on September 06, 2018 had approved a proposal to buy back of upto 7,50,724 equity shares for an aggregate amount of ₹ 8,110.30 Lakhs (excluding tax on distributed income) being 3.11% of the total paid up equity share capital at ₹ 1,080.33 per equity share, which was approved by the shareholders by means of a special resolution in Extra Ordinary General Meeting held on September 11, 2018. A Letter of Offer was made to all eligible shareholders. The Group bought back 7,50,724 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares bought on October 31, 2018. The excess of cost of buy-back of ₹ 9,971.47 Lakhs (including ₹ 1,861.17 Lakhs towards tax on distributed income) over par value of shares was offset from Securities Premium ₹ 1,300.81 Lakhs, General Reserve ₹ 3,000 Lakhs and retained earnings ₹ 5,595.58 Lakhs. The company has transferred an amount equivalent to face value of ₹ 75.07 Lakhs from retained earnings to Capital Redemption Reserve in accordance with Act.

**11.8** No Shares have been allotted by way of Bonus during period of five years immediately preceding Balance Sheet date.

**11.9** The Board of Directors of the Group, at its meeting held on September 06, 2018 had approved the proposal to issue 37,02,572 Compulsory Convertible Preference Shares (CCPS) to TPG Asia VII SF Pte Ltd (the Investor). These CCPS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

are issued pursuant to Shareholder's Agreement and Securities Subscription and Share Purchase Agreement among the Company, the Promoters and the Investor. These CCPS shall be convertible into Equity Shares on the specified conversion dates at a specified conversion ratio in accordance with and upon the terms and conditions as set out in the Securities Subscription and Share Purchase Agreement.

### 11.10 Aggregate number of equity shares allotted as fully paid up pursuant to contract without consideration received in cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the financial year:

The Company has issued 5,28,798 fully paid up equity shares of ₹ 10 each and 1,40,568 Compulsory Convertible Preference Shares (CCPS) of ₹ 1080.33 to the shares holders of Ram Ratna Electrical Private Limited pursuant to scheme of amalgamation for consideration other than cash (refer note 51).

		(₹ in Lakhs)	
<b>Note 12: OTHER EQUITY</b>		<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>a) Capital Redemption Reserve</b>			
	Balance at the beginning of year	75.07	75.07
	Changes during year	-	-
	Balance at end of the year	75.07	75.07
<b>b) Capital Reserve</b>			
	Balance at the beginning of year	1,250.52	1,250.52
	Changes during year	-	-
	Balance at end of the year	1,250.52	1,250.52
<b>c) Retained Earnings</b>			
	Balance at the beginning of year	58,166.49	44,596.65
	Profit for the year	21,393.49	13,539.61
	Dividends	(2,776.72)	-
	Re-measurement of post employment benefits obligation	(54.10)	30.23
	Balance at end of the year	76,729.15	58,166.49
<b>d) Other Comprehensive Income</b>			
	Fair value gain on investment in equity instruments through other comprehensive income		
	Balance at the beginning of year	972.68	237.05
	Increase on account of change in fair value of investments	1,699.48	735.63
	Balance at end of the year	2,672.16	972.68
<b>e) Share suspense account</b>			
	Balance at the beginning of year	-	1,571.48
	Shares issued pursuant to scheme of amalgamation(refer note 51)	-	(1,571.48)
	Balance at end of the year	-	-
<b>f) Foreign currency translation reserve</b>			
	Balance at the beginning of year	287.00	-
	Addition during the Year	29.61	287.00
	Balance at end of the year	316.61	287.00
<b>g) ESOP reserve</b>			
	Balance at the beginning of year	-	-
	Created during year	75.18	-
	Balance at end of the year	75.18	-
		<b>81,118.69</b>	<b>60,751.75</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

(₹ in Lakhs)

Note 13A: BORROWINGS	Non-Current	
	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Term Loans from Bank</b>		
Rupee Loans (Refer Note 13.1 & 13.3)	<b>4,999.63</b>	4,875.00
<b>Term loan from financial institution</b>		
Rupee loans (Refer Note 13.1 & 13.3)	<b>930.63</b>	2,241.75
<b>Vehicle loans</b> (Refer note 13.2 & 13.3)	<b>1.06</b>	11.39
	<b>5,931.32</b>	7,128.14

(₹ in Lakhs)

Note 13B: BORROWINGS	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Working capital loans</b>		
<b>From banks</b>		
Foreign currency loans (Refer Note 13.5)	<b>5,079.08</b>	-
Rupee loans		
Short term (Refer Note 13.5)	<b>22,696.40</b>	34,421.44
Repayable on demand (Refer Note 13.5)	<b>2,569.05</b>	1,771.58
<b>Unsecured</b>		
<b>Working capital loans</b>		
<b>From banks</b>		
Rupee loans - short term(Refer Note 13.5)	<b>11,925.61</b>	3,305.47
<b>Current maturities of long term borrowings</b>		
Rupee loans (Note 13.1)	<b>3,810.93</b>	3,125.00
Vehicle loans (Note 13.2)	<b>8.21</b>	31.76
	<b>46,089.28</b>	42,655.25

**Notes to 13A & 13B**

(₹ in Lakhs)

Note 13.1 : Term Loans (Rupee Loans)	Number of Quarterly Installments	Rate of Interest for year ended 31 March 2022	Rate of Interest for year ended 31 March 2021	As at March 31, 2022	As at March 31, 2021
Term Loan I-CITICorp Financial Institution	16	8.15%	8.15%	<b>373.12</b>	870.62
Term Loan II-CITICorp Financial Institution	16	8.15%	8.15%	<b>193.50</b>	451.50
Term Loan III-CITICorp Financial Institution	16	8.95%	8.95%	<b>1,675.11</b>	2,419.63
Term Loan IV-HDFC Bank	16	7.20%	8.15%	<b>2,250.00</b>	3,000.00
Term Loan V-HDFC Bank	16	7.20%	7.30%	<b>2,625.00</b>	3,500.00
Term Loan VI-HDFC Bank	16	7.20%	-	<b>1,193.25</b>	-
Term Loan VII-HDFC Bank	16	7.20%	-	<b>1,431.20</b>	-
				<b>9,741.18</b>	10,241.75
Less : Current maturities of long term borrowing under "Borrowings" (Note 13 B)				<b>3,810.93</b>	3,125.00
				<b>5,930.25</b>	7,116.75

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 13.2 : Vehicle Loans</b>	Number of Monthly Installments	Rate of Interest for year ended 31 March 2021 & 31 March 2022	<b>As at March 31, 2022</b>	As at March 31, 2021
Vehicles Loans	24-52	8.45% - 9.10%	<b>9.27</b>	43.15
Less : Current maturities of long term borrowing under "Borrowings" (Note 13 B)			<b>8.21</b>	31.76
			<b>1.06</b>	11.39

### Note 13.3 :

- (a) Term Loans of Citicorp Finance India Limited Bank ₹ 2,241.74 Lakhs (P.Y. ₹ 3,741.75 Lakhs) are secured by way of first pari-passu charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed. Term loans are further secured by all the present and future movable fixed assets (excluding vehicles) of the Company. These loans are also secured by second pari-passu charge with the Security Trustee over the present & future current assets of the Company. Further personal guarantees for term loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.
- (b) Term Loan of HDFC Bank ₹ 7,499.45 Lakhs (P.Y. ₹ 6,500.00) are secured by way of first charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed. Term loans are further secured by present and future movable fixed assets of the Company. These loans are also secured by second charge with the Security Trustee over the present & future current assets of the Company. Further personal guarantees for term loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.

### Note 13.4 : Vehicle loans are secured by way of hypothecation of specific vehicle.

### Note 13.5 :

- (a) All secured working capital facilities consisting of Foreign Currency Loan of ₹ 5,079.08 Lakhs (P.Y. ₹ 00.00 Lakhs), Working Capital Loans of ₹ 22,696.40 Lakhs (P.Y. ₹ 34,421.44 Lakhs) and Rupee Loan - Repayable of demand of ₹ 2,569.05 Lakhs (P.Y. ₹ 1,771.58 Lakhs) are secured by way of second pari-passu charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed.
- (b) These loans are further secured by second pari-passu charge over the present and future movable fixed assets (excluding vehicles) of the Company.
- (c) These loans are also secured by first pari-passu charge with the Security Trustee over the present & future current assets of the Company.
- (d) Further personal guarantees for working capital loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.
- (e) Working Capital demand loans carry interest rate from 7.70% to 9.15% (P.Y. 7.70% to 9.10% ) with different tenure.

**Note 13.6 :** There is no default in terms of repayment of principal and interest amount.

**Note 13.7 :** All the charges created or satisfied during the current year and previous year were registered with Registrar of companies within statutory period

**Note 13.8 :** Bank returns / stock statements filed by the Company with its bankers are in agreement with books of account.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

		(₹ in Lakhs)			
Name of Bank / FI	Quarter	Particulars	2021-22		Reason for discrepancies
			Amounts as per the Books of Accounts	Amounts as reported in the Quarterly Return Statement	
	1	Inventory	52,026.89	52,537.85	510.96
		Trade Receivable	53,093.75	52,213.84	(879.92)
		Trade payable	4,512.38	4,555.59	43.21
	2	Inventory	46,223.05	46,363.83	140.78
		Trade Receivable	59,374.28	58,935.67	(438.61)
		Trade payable	4,941.08	5,112.27	171.18
DBS BANK, HDFC BANK, HSBC BANK KOTAK BANK STATE BANK OF INDIA SCB BANK	3	Inventory	52,641.76	51,881.42	(760.34)
		Trade Receivable	63,278.01	62,805.98	(472.04)
		Trade payable	4,188.10	4,328.27	140.17
	4	Inventory	50,255.08	50,513.73	258.65
		Trade Receivable	73,325.48	73,314.88	(10.60)
		Trade payable	3,695.17	4,093.47	398.30
		<b>Total</b>	<b>467,555.03</b>	<b>466,656.78</b>	<b>(898.26)</b>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

Name of Bank / FI	Quarter	Particulars	Amounts as per the Books of Accounts	2020-21		Reason for discrepancies	
				Amounts as reported in the Quarterly Return Statement	Amounts of Difference		
DBS BANK, HDFC BANK, HSBC BANK KOTAK BANK STATE BANK OF INDIA SCB BANK	1	Inventory	24,183.22	23,648.35	(534.87)	Inventories pertaining to consumables, stores & spares were not included considering the amount involved was immaterial or Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.	
		Trade Receivable	41,114.04	41,104.04	(9.99)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.	
		Trade payable	1,017.00	1,017.00	-	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.	
			Inventory	30,116.53	30,176.55	60.01	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		2	Trade Receivable	46,833.60	46,687.92	(145.68)	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
			Trade payable	3,234.77	3,131.28	(103.48)	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		3	Inventory	34,807.98	35,092.35	284.37	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
			Trade Receivable	51,222.44	51,038.87	(183.56)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
			Trade payable	2,208.58	2,121.81	(86.77)	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		4	Inventory	42,441.49	43,557.70	1,116.21	Certain inventories and provision for inventories pertaining to recent acquisition or amalgamation in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
			Trade Receivable	55,903.74	55,758.56	(145.18)	Receivables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
			Trade payable	2,296.54	2,102.80	(193.74)	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		<b>Total</b>	<b>335,379.93</b>	<b>335,437.25</b>	<b>57.32</b>		

Note 13.9 : Term loans were applied for the purpose for which the loans were obtained.

Note 13.10 : Funds raised on short term basis have not been utilised for long term purposes and spent for the purpose it were obtained.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

(₹ in Lakhs)

<b>Note 14A: LEASE LIABILITIES</b>	<b>Non-Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Lease liabilities(Note 40)</b>	<b>822.68</b>	526.36
	<b>822.68</b>	526.36

(₹ in Lakhs)

<b>Note 14B: LEASE LIABILITIES</b>	<b>Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Lease liabilities(Note 40)</b>	325.06	306.64
	325.06	306.64

(₹ in Lakhs)

<b>Note 15: OTHER FINANCIAL LIABILITIES</b>	<b>Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Retention money relating to capital expenditure	<b>297.80</b>	156.77
Retention money relating to capital expenditure-MSME	<b>142.65</b>	9.95
Interest accrued and due on borrowings	<b>104.49</b>	69.84
Interest accrued but not due on borrowings	<b>49.57</b>	40.28
Accrued salary & benefits	<b>1,023.72</b>	692.10
Commission to directors	<b>272.33</b>	192.25
Derivative liabilities	<b>0.68</b>	39.87
Creditors for capital expenditure	<b>211.04</b>	199.84
Creditors for capital expenditure-MSME	<b>62.84</b>	1.34
Security deposits (Note 15.1)	<b>248.67</b>	232.77
Unclaimed dividends	<b>0.03</b>	6.99
Other payables (Note 15.2)	<b>81.57</b>	95.36
	<b>2,495.39</b>	1,737.36

**Note 15.1:** Security deposits includes deposits from customers and employees against vehicles.

**15.2** Other payables includes payable against reimbursement of expenses to employees.

(₹ in Lakhs)

<b>Note 16A: PROVISIONS</b>	<b>Non-Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Provision for Employee Benefits</b>		
Compensated absences (Note 35C)	<b>717.16</b>	604.39
	<b>717.16</b>	604.39

(₹ in Lakhs)

<b>Note 16B: PROVISIONS</b>	<b>Current</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Provision for Employee Benefits</b>		
Compensated absences (Note 35C)	<b>430.57</b>	329.62
<b>Provision for warranty(Note 16B.1)</b>	<b>969.28</b>	216.84
	<b>1,399.85</b>	546.46

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 16B.1

The provision of warranty as required to be disclosed in compliance with Ind AS 37, Provisions, Contingent liabilities and Contingent Assets's as under :

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	216.84	-
Created during the year	1,481.77	216.84
Utilised during the year	729.33	-
Closing Balance	969.28	216.84

**Note** :Warranty costs are provided based on a estimates of the cost required to be incurred for repairs, replacement, material cost, servicing, and past experience in respect of warranty costs.

Note 17: INCOME TAXES	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
A. The major components of income tax expenses for the year are as under :-		
(i) Income tax expenses recognised in the statement of profit & loss		
<b>Current Tax :-</b>		
In respect of current year	6,482.65	4,891.18
(Excess) in respect of preceding years	29.89	(78.89)
<b>Deferred Tax :-</b>		
In respect of current year	529.65	(208.70)
Income tax expenses recognised in statement of profit & loss	7,042.19	4,603.59
(ii) Income tax expenses recognised in the OCI		
<b>Deferred Tax :-</b>		
Deferred tax on fair value of equity instruments through OCI	10.28	69.86
Deferred tax on re-measurement of post employment benefits obligation	(18.20)	10.16
	(7.92)	80.02
B. Reconciliation of estimated income tax expenses and the accounting profit for the year is as under:		
Profit before tax	28,015.97	18,033.39
Expected income tax expense at statutory income tax rate	7,051.06	4,538.64
Tax adjustment of earlier years	29.89	(78.89)
Tax effect on non deductible expenses	138.30	66.59
Others	(175.13)	12.64
<b>Current tax expense as per Statement of Profit and Loss for the period</b>	<b>7,042.18</b>	<b>4,603.59</b>
Effective rate of Tax	25.14%	25.53%
Statutory rate of Tax	25.17%	25.17%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

**Note 17.1 :** The tax rate used for the 31 March 2022 and 31 March 2021 reconciles above with the corporate tax rate of 25.17%, payable by corporate entities in India on taxable profits under Indian Income Tax Laws.

(₹ in Lakhs)

<b>C: The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:</b>	<b>As at March 31, 2021</b>	<b>Recognized in Profit and Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>As at March 31, 2022</b>
<b>Deferred tax liabilities</b>				
Difference between written down value as per books of account and Income Tax Act, 1961.	1,693.16	(22.58)	-	<b>1,670.58</b>
Difference in carrying value and tax base of investments in equity measured at FVTOCI	256.02	-	10.28	<b>266.30</b>
Difference in carrying value and tax base of investments in Mutual Fund	127.55	237.93	-	<b>365.48</b>
Mark to market exchange gain & loss	1.59	149.27	-	<b>150.86</b>
<b>Deferred tax assets</b>				
Provision for expenses allowed for tax purpose on payment basis (net)	(120.77)	(38.50)	-	<b>(159.27)</b>
Allowance for expected credit loss on trade receivable	(906.29)	45.48	-	<b>(860.81)</b>
Provision for advance given to supplier	(143.03)	103.73	-	<b>(39.30)</b>
Provision for warranty	(54.57)	54.57	-	<b>-</b>
Lease liabilities	(4.57)	(4.49)	-	<b>(9.06)</b>
Merger expenses of RREL	(12.89)	4.23	-	<b>(8.66)</b>
Re-measurement of post employment benefits obligation	(47.39)	-	(18.20)	<b>(65.59)</b>
<b>Net Deferred tax liabilities</b>	<b>788.81</b>	<b>529.64</b>	<b>(7.92)</b>	<b>1,310.53</b>

<b>The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:</b>	<b>As at April 31, 2020</b>	<b>Recognized in Profit and Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>As at March 31, 2021</b>
<b>Deferred tax liabilities</b>				
Difference between written down value as per books of account and Income Tax Act, 1961.	1,691.74	1.42	-	1,693.16
Difference in carrying value and tax base of investments in equity measured at FVTOCI	186.16	-	69.86	256.02
Difference in carrying value and tax base of investments in Mutual Fund	55.66	71.89	-	127.55
<b>Deferred tax assets</b>				
Provision for expenses allowed for tax purpose on payment basis (net)	(125.78)	5.01	-	(120.77)
Allowance for expected credit loss on trade receivable	(773.14)	(133.15)	-	(906.29)
Mark to market exchange gain & loss	(35.00)	36.59	-	1.59
Provision for advance given to supplier	-	(143.03)	-	(143.03)
Provision for warranty	-	(54.57)	-	(54.57)
Lease liabilities	(3.21)	(1.36)	-	(4.57)
Merger expenses of RREL	(3.86)	(9.03)	-	(12.89)
Disallowance under sec 40(a)(ia)	(0.08)	0.08	-	-
Preliminary expenditure	(17.46)	17.46	-	-
Re-measurement of post employment benefits obligation	(57.55)	-	10.16	(47.39)
<b>Net deferred tax liabilities</b>	<b>917.48</b>	<b>(208.69)</b>	<b>80.020</b>	<b>788.81</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Note 18A: OTHER LIABILITIES	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Deferred income (Note 18.1)	0.89	1.76
	<b>0.89</b>	1.76

(₹ in Lakhs)

Note 18B: OTHER LIABILITIES	Current	
	As at March 31, 2022	As at March 31, 2021
<b>Advances from customers</b>	<b>2,552.09</b>	437.34
Deferred income (Note 18.1)	112.31	372.58
Statutory dues		
VAT & WCT	60.61	-
Provident fund and professional tax	111.26	92.52
TDS / TCS payable	410.50	257.46
Goods and services tax	703.02	44.34
	<b>4,154.52</b>	1,204.24

**Note: 18.1** Deferred income mainly represents grants relating to property, plant and equipment and includes ₹ 111.87 Lakhs (P.Y. March 31, 2021 ₹ 372.58 Lakhs) related 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 recognised are released to the statement of profit and loss based on fulfillment of related export obligations.

(₹ in Lakhs)

Note 19: TRADE PAYABLES	As at March 31, 2022	As at March 31, 2021
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Note 30)	1,109.90	930.85
- total outstanding dues of creditors other than micro enterprises and small enterprises	15,677.48	10,418.09
	<b>16,787.38</b>	11,348.94

### Trade Payables ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					31.03.2022
	Unbilled	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	-	1,109.85	-	-	0.05	1,109.90
Undisputed- Others	2,584.74	12,988.91	33.52	35.73	34.58	15,677.48
Disputed- MSME	-	-	-	-	-	-
Disputed- Others	-	-	-	-	-	-
<b>Total</b>	<b>2,584.74</b>	<b>14,098.76</b>	<b>33.52</b>	<b>35.73</b>	<b>34.63</b>	<b>16,787.38</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Trade Payables ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					31.03.2021
	Unbilled	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	-	930.67	0.18	-	-	930.85
Undisputed- Others	1,044.45	9,263.35	35.20	33.94	41.15	10,418.09
Disputed- MSME	-	-	-	-	-	-
Disputed- Others	-	-	-	-	-	-
<b>Total</b>	<b>1,044.45</b>	<b>10,194.02</b>	<b>35.38</b>	<b>33.94</b>	<b>41.15</b>	<b>11,348.94</b>

(₹ in Lakhs)

<b>Note 20: REVENUE FROM OPERATIONS</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Revenue from contract with customers (Note 44)</b>		
Sales of products		
Finished goods	<b>410,820.34</b>	251,307.17
Traded goods	<b>21,109.92</b>	15,226.05
	<b>431,930.26</b>	266,533.22
<b>Other operating revenues :</b>		
Sale of scrap	<b>6,638.01</b>	4,421.33
Processing charges	<b>25.35</b>	21.65
Export incentives	-	618.02
	<b>6,663.36</b>	5,061.00
	<b>438,593.62</b>	271,594.22

(₹ in Lakhs)

<b>Note 21: OTHER INCOME</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Interest Income:</b>		
Bank deposits	<b>40.42</b>	214.40
Others (Note 21.1)	<b>56.31</b>	114.46
<b>Dividend Income:</b>		
Dividends from quoted equity investments	<b>14.11</b>	7.05
<b>Fair value gain on investment on mutual fund</b>	<b>945.34</b>	400.15
<b>Other Non Operating Income:</b>		
Rent income	<b>29.36</b>	29.10
Guarantee commission	<b>130.35</b>	58.78
Foreign exchange gain (net)	<b>2,650.85</b>	1,035.37
Grant related to property, plant & equipment	<b>369.16</b>	0.44
Gain on sale of property plant & equipment (net)	<b>202.77</b>	8.72
Gain on sale of mutual fund investments	<b>0.35</b>	320.74
Other income	<b>8.30</b>	9.96
Bad debts recovered	-	0.34
Reversal of Expected credit Loss provision on trade receivable (net)	<b>180.71</b>	-
	<b>4,628.03</b>	2,199.51

**Note 21.1:** Interest others include interest from customers

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 22A: COST OF MATERIALS CONSUMED</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Inventories at the beginning of the year	8,443.59	8,011.69
Add :Purchases	362,513.45	217,751.82
	<b>370,957.03</b>	225,763.51
Less :Inventories at the end of the year	13,405.57	8,443.59
	<b>357,551.46</b>	217,319.92

(₹ in Lakhs)

<b>Note 22B: PURCHASES OF TRADED GOODS</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Electrical appliances	15,661.70	12,806.38
	<b>15,661.70</b>	12,806.38

(₹ in Lakhs)

<b>Note 23: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Inventories at the end of the year:</b>		
Finished goods	41,823.52	31,765.11
Work-in-progress	11,945.66	9,882.92
Stock-in-trade	2,982.53	2,660.15
Scrap	154.95	183.47
	<b>56,906.66</b>	44,491.65
<b>Less: Inventories at the beginning of the year</b>		
Finished goods	31,765.11	16,069.64
Work-in-progress	9,882.93	9,491.83
Stock-in-trade	2,660.15	3,463.89
Scrap	183.47	81.89
	<b>44,491.66</b>	29,107.25
	<b>(12,415.00)</b>	(15,384.40)

(₹ in Lakhs)

<b>Note 24: EMPLOYEE BENEFITS EXPENSE</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Salaries, wages and incentives	15,617.72	12,371.24
Remuneration to directors*	1,034.46	780.31
Employees share based payment expenses( Note 49)	75.18	-
Contributions to:		
Provident fund & ESIC ( Note 35B)	610.94	493.82
Gratuity fund ( Note 35A)	206.56	209.02
Compensated absences	468.91	410.82
Staff welfare expenses	871.56	569.26
	<b>18,885.33</b>	14,834.47

\* Including commission given to directors ₹ 272.33 Lakhs (P.Y. ₹ 192.25 Lakhs)



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 25: FINANCE COSTS</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Interest on financial liabilities carried at amortised cost</b>		
Interest on borrowings	2,208.33	2,609.27
Interest on lease liabilities	31.02	31.10
Other borrowing costs	36.07	57.25
Net exchange difference regarded as adjustment to borrowing cost	51.87	6.78
Interest on income tax	1.05	1.23
	<b>2,328.34</b>	<b>2,705.63</b>

(₹ in Lakhs)

<b>Note 26: DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Depreciation of property, plant and equipment ( Note 2A)	4,042.11	3,989.52
Amortisation of intangible assets ( Note 2C)	180.36	180.83
Depreciation of right-of-use assets ( Note 2D)	386.04	304.74
	<b>4,608.51</b>	<b>4,475.09</b>

(₹ in Lakhs)

<b>Note 27: Other Expenses</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Rent expenses (Note 40)	155.24	95.21
Rates and taxes	173.90	218.20
Repairs and Maintenance of :		
Buildings	276.70	82.52
Plant and machinery	1,322.54	1,061.88
Others	191.23	166.68
Commission on sales	1,574.35	1,054.24
Advertisement expenses	3,869.87	2,124.22
Business promotion expenses	1,043.06	471.87
Travelling expenses	835.00	416.23
Payment to Auditors (Note 29)	59.07	57.24
Legal and professional fees	1,629.48	1,094.44
Insurance charges	355.72	236.33
Allowance for expected credit loss on trade receivables(net)	-	529.05
Bad debts	105.96	-
Bank charges	96.54	205.32
Consumption of consumable stores and spares	317.30	180.33
Corporate social responsibility expenses (Note 32)	330.34	327.64
Donation	174.22	176.49
Director sitting fees & commission-independent directors (Note 33)	22.10	23.50
Freight & distribution charges	8,201.93	4,897.15
Power and fuel	3,702.42	3,066.23
Research & development expenses (Note 41)	418.58	209.44
Warranty expenses	1,481.77	216.84
Miscellaneous expenses	2,248.02	2,092.20
	<b>28,585.34</b>	<b>19,003.25</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 28 : Contingent Liabilities and Commitments</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Contingent Liabilities</b>		
A) Claims against the Company not acknowledged as debts		
Service tax demands (Note 28.1)	<b>212.20</b>	209.34
Income Tax Demands (Note 28.1)	<b>219.55</b>	231.05
Sales tax / Vat demands -C Forms (Note 28.1)	<b>953.54</b>	998.57
Labour Law demand (Note 28.1)		
B) Channel financing guarantees(Note 28.2)	<b>4,257.58</b>	5,460.00
	<b>15.61</b>	12.38
<b>Commitments</b>		
A) Estimated amount of contracts remaining to be executed and not provided for:		
- On Capital Account (net of advance)	<b>2,153.15</b>	2,660.93

**28.1 :** Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement/decisions pending with the relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows.

**28.2 :** The Company has arranged Channel Finance facility for its customers from banks against which sum of ₹ 17,043.70 Lakhs (P.Y. ₹ 10,855.37 Lakhs) has been utilised as on the date of balance sheet. Accordingly, the contingency on company on account of customers defaulting in repayment to the respective banks is ₹ 4,257.58 lakhs (P.Y. ₹ 5,460 Lakhs) (to the extent of recourse available with bank).

(₹ in Lakhs)

<b>Note 29 : Payment to Auditors</b>	<b>2021-22</b>	<b>2020-21</b>
Payment to Auditors of the Group :		
a) As auditors	<b>55.00</b>	55.00
b) For certifications services	<b>2.20</b>	0.76
c) For expenses reimbursement	<b>1.87</b>	1.48
	<b>59.07</b>	57.24

(₹ in Lakhs)

<b>Note 30 : Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>	<b>2021-22</b>	<b>2020-21</b>
(a) Principal amount and the interest due thereon remaining unpaid to any suppliers at the end of the each accounting year :		
Principal	<b>1,172.74</b>	932.20
Interest	<b>4.73</b>	1.19
(b) (i) The delayed payment of principal amount paid beyond the appointed day the year.	<b>18,182.29</b>	3,873.58
(ii) Interest actually paid under Section 16 of the MSMED Act, 2006	<b>0.21</b>	0.15
(c) The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond appointed date during the year) but without adding the interest specified under the MSMED Act, 2006	<b>36.27</b>	16.80
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	<b>63.13</b>	22.34
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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 Management. This has been relied upon by the auditors.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

<b>Note 31 : Dividend</b>	<b>2021-22</b>	<b>2020-21</b>
Dividend paid ₹ 10.00 (P.Y. ₹ 0.00) per equity share of ₹ 10.00 each	<b>2,392.41</b>	-
Dividend paid ₹ 10.00 (P.Y. ₹ 0.00) per Compulsory Convertible Preference Share of ₹ 1,080.33 each	<b>384.31</b>	-

31.1 Dividend proposed of ₹ 18 each (P.Y. ₹ 10 each) by board of directors on June 22, 2022 per equity share before the financial statements approved for issue but not recognized as a Liability in financial statements.

31.2 Dividend proposed of ₹ 18 each (P.Y. ₹ 10 each) by board of directors on June 22, 2022 per Compulsory Convertible Preference Share before the financial statements approved for issue but not recognized as a Liability in financial statements.

### Note 32 : Expenditure on Corporate Social Responsibility initiatives

(₹ in Lakhs)

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
Corporate Social Responsibility expenses for the period	<b>330.34</b>	327.64
<b>Various Head of expenses included in above:</b>		
Promoting education	<b>291.78</b>	319.66
Rural development	<b>29.31</b>	-
Women empowerment	<b>5.00</b>	-
Promoting health care including preventive health care	<b>4.25</b>	7.43
Conservation of natural resources	-	0.55
Gross amount required to be spent by the company during the year.	<b>326.69</b>	330.90
Amount spent during the year on:	<b>330.34</b>	327.64
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	<b>330.34</b>	327.64
Details of related party transactions	-	-
<b>Provision for CSR Expenses related to ongoing projects</b>		
Opening Balance	<b>34.70</b>	-
Add: Provision created during the period	-	94.00
Less: Provision utilised during the period	<b>34.70</b>	59.30
Closing Balance	-	34.70
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	3.26
The total of previous years' shortfall amounts	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

**Note 33: Related Party Disclosures as required under Ind AS- 24 are given below :**

### **Relationships**

#### **a) Key Management Personnel:**

Shri Tribhuvanprasad Kabra	- Chairman
Shri Shreegopal Kabra	- Managing Director
Shri Mahendrakumar Kabra	- Joint Managing Director
Shri Ashok Loya	- Whole Time Director
Shri Mahhesh Kabra	- Whole Time Director
Shri Sumeet Kabra	- Whole Time Director
Smt. Kirtidevi Kabra	- Whole Time Director
Shri Sanjay Taparia	- Whole Time Director
Shri Rajesh Babu Jain	- Whole Time Director
Shri Partha Chakraborti (upto 31.03.2021)	- Chief Financial Officer
Shri Rajeev Pandiya(wef. 01.04.2021)	- Chief Financial Officer
Shri Himanshu Parmar	- Company Secretary

#### **Non Executive Directors:**

Shri Ramamirtham Kannan  
Shri Bhagwat Singh Babel  
Shri Mukund Chitale  
Shri Punit Bhatia  
Shri Mitesh Daga

#### **b) Relatives of Key Management Personnel:**

Shri Rameshwarlal Kabra	- Father of Shri Tribhuvanprasad Kabra, Shri Mahendrakumar Kabra and Shri Shreegopal Kabra
Smt. Ratnidevi Kabra	- Mother of Shri Tribhuvanprasad Kabra, Shri Mahendrakumar Kabra and Shri Shreegopal Kabra
Late shri. Satyanarayan Loya	- Father of Shri Ashok Loya
Smt. Saraswati S. Loya	- Mother of Shri Ashok Loya
Shri Hemant Kabra	- Son of Shri Mahendrakumar Kabra
Late Smt. Umadevi Kabra	- Wife of Shri Tribhuvanprasad Kabra
Smt. Vvidhi Kabra	- Wife of Shri Mahhesh Kabra
Shri Anant Loya	- Brother of Shri Ashok Loya
Ms. Neha Loya	- Daughter of Shri Ashok Loya
Smt. Mamta Loya	- Wife of Shri Ashok Loya
Shri Nikunj Loya	- Son of Shri Ashok Loya
Shri Shaurya Taparia	- Son of Shri Sanjay Taparia
Smt. Vandana Jain	- Wife of Shri Rajesh Babu Jain
Smt. Sarita Jhawar	- Daughter of Shri Tribhuvan prasad Kabra
Shri Rajesh Kabra	- Son of Shri Shreegopal Kabra
Shri Gaurishankar Loya	- Brother of Shri Ashok Loya
Smt. Priti Saboo	- Daughter of Shree Gopal Kabra
Shri Deves Kabra	- Son of Shri Mahhesh Kabra
Janvi Kabra	- Daughter of Shri Mahhesh Kabra
Saumya Sumeet Kabra	- Daughter of Shri Sumeet Kabra
Samaya Sumeet Kabra	- Daughter of Shri Sumeet Kabra

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### c) Entities over which Key Management Personnel and their relatives are able to exercise significant influence:

MEW Electricals Limited	Global Copper Private Limited
Ram Ratna International	Epavo Electricals Private Limited
Kabel Buildcon Solutions Private Limited	Maa Ratnidevi Kabra Maheshwari Mahila Sashaktikaran Trust
Ram Ratna Infrastructure Private Limited	
Ram Ratna Wires Limited	
Pratik Wire & Cable Machine Private Limited	
Jagbid Finvest Private Limited	
RR Electrical Middel East FZC	
Ram Ratna Research & Holdings Private Limited	
Indian Electrical & Electronics Manufacturers Association	
Rameshwarlal Kabra (HUF)	
Tribhuvan Prashad Kabra (HUF)	
Mahendra R. Kabra (HUF)	
Shreegopal Kabra (HUF)	
Mahhesh T. Kabra (HUF)	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Transactions with the related parties in the ordinary course of business:

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	<b>Purchase of Goods</b>									
MEW Electricals Limited	-	-	-	96.82	205.55	96.82	-	-	205.55	96.82
Ram Ratna International	-	-	-	238.85	462.69	238.85	-	-	462.69	238.85
Epavo Electricals Private Limited	-	-	-	-	95.04	-	-	-	95.04	-
Indian Electrical & Electronics Manufacturers Association (IEEMA)"	-	-	-	3.29	4.29	3.29	-	-	4.29	3.29
Others	-	-	-	5.97	17.22	5.97	-	-	17.22	5.97
<b>Sale of Goods</b>										
Ram Ratna International	-	-	-	9,771.95	17,730.66	9,771.95	-	-	17,730.66	9,771.95
Global Copper Private Limited	-	-	-	127.42	701.83	127.42	-	-	701.83	127.42
Others	-	-	-	2,314.70	2,027.09	2,314.70	-	-	2,027.09	2,314.70
<b>Purchase of Capital Goods</b>										
Pratik Wire & Cable Machine Private Limited	-	-	-	72.87	45.93	72.87	-	-	45.93	72.87

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	<b>Income :</b>									
<b>Rent</b>										
Ram Ratna Interational	-	-	-	0.42	0.42	-	-	-	0.42	0.42
<b>Job Work</b>										
MEW Electricals Limited	-	-	-	3.59	3.59	-	-	-	3.59	-
Ram Ratna Wires Limited	-	-	-	1.29	1.29	-	-	-	1.29	-
<b>Expenses:</b>										
<b>Interest on loan</b>										
Sumeet Kabra	-	41.91	-	-	-	-	-	-	-	41.91
Mahendrakumar Kabra	-	35.17	-	-	-	-	-	-	-	35.17
Kritidevi Kabra	-	10.83	-	-	-	-	-	-	-	10.83
Ratridevi Kabra	-	-	-	33.61	-	-	-	-	-	33.61
Rajesh Kabra	-	-	-	11.81	-	-	-	-	-	11.81
Hemant Kabra	-	-	-	48.38	-	-	-	-	-	48.38
Shreegopal Kabra (HUF)	-	-	-	-	6.17	-	-	-	-	6.17
Rameshwarlal Kabra (HUF)	-	-	-	-	16.61	-	-	-	-	16.61
Ram Ratna Research & Holdings Private Limited	-	-	-	7.78	7.78	-	-	-	-	7.78
TMG Global Fzco.	-	-	-	-	31.69	-	-	-	-	31.69
Others	-	16.78	-	18.09	-	-	-	-	-	46.68
<b>Business support service</b>										
Ram Ratna International	-	-	-	667.39	667.39	-	-	-	1,153.14	667.39
<b>Rent and Other Services</b>										
Mahesh Kabra	-	0.37	-	-	-	-	-	-	-	0.37
Mahendrakumar Kabra	-	0.74	-	-	-	-	-	-	-	0.74
Ratridevi Kabra	-	-	-	39.83	-	-	-	-	47.01	39.83
Umadevi Kabra	-	-	-	19.08	-	-	-	-	22.66	19.08
Kabel Bulidcon Solutions Private Limited	-	-	-	-	8.68	-	-	-	8.68	13.68
Shreegopal Kabra (HUF)	-	-	-	-	47.01	-	-	-	47.01	40.00
MEW Electricals Limited	-	-	-	-	2.83	-	-	-	2.83	6.58
Others	-	-	-	4.62	0.15	-	-	-	4.62	4.44



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Donations</b>										
Maa Ratnadevi Kabra	-	-	-	-	106.00	-	-	-	106.00	-
Maheshwari Mahila Sashaktikaran Trust										
<b>Directors :</b>										
<b>Sitting Fees &amp; commission</b>										
Bhagwat Singh Babel	4.10	4.70	-	-	-	-	-	-	4.10	4.70
Ramamirtham Kannan	3.50	4.10	-	-	-	-	-	-	3.50	4.10
Mahendrakumar Kabra	1.00	2.00	-	-	-	-	-	-	1.00	2.00
Mukund Chitale	2.50	2.70	-	-	-	-	-	-	2.50	2.70
<b>Commission</b>										
Tribhuvanprasad Kabra	136.17	96.13	-	-	-	-	-	-	136.17	96.13
Shreegopal Kabra	136.17	96.13	-	-	-	-	-	-	136.17	96.13
Bhagwat Singh Babel	4.00	4.00	-	-	-	-	-	-	4.00	4.00
Ramamirtham Kannan	4.00	4.00	-	-	-	-	-	-	4.00	4.00
Mukund Chitale	4.00	4.00	-	-	-	-	-	-	4.00	4.00
<b>Managerial Remuneration (Note 33.1)</b>										
Ashok Loya	756.17	584.81	-	-	-	-	-	-	756.17	584.81
Kritidevi Kabra	60.00	47.50	-	-	-	-	-	-	60.00	47.50
Sanjay Taparia	72.00	57.00	-	-	-	-	-	-	72.00	57.00
Shreegopal Kabra	90.00	60.00	-	-	-	-	-	-	90.00	60.00
Sumeet Kabra	144.00	114.00	-	-	-	-	-	-	144.00	114.00
Tribhuvanprasad Kabra	72.00	57.00	-	-	-	-	-	-	72.00	57.00
Mahesh Kabra	144.00	114.00	-	-	-	-	-	-	144.00	114.00
Rajesh Babu Jain	72.00	57.00	-	-	-	-	-	-	72.00	57.00
Partha Chakraborti	102.17	78.31	-	-	-	-	-	-	102.17	78.31
Rajeev Pandiya	-	161.21	-	-	-	-	-	-	-	161.21
Himanshu Parmar	172.82	-	-	-	-	-	-	-	172.82	-
	26.03	15.60	-	-	-	-	-	-	26.03	15.60

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2020-21		2020-21		2020-21		2020-21		2020-21	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Reimbursement paid</b>										
Tribhuvanprasad Kabra	9.93	2.54	-	-	-	-	-	-	9.93	2.54
Mahendrakumar Kabra	2.71	1.49	-	-	-	-	-	-	2.71	1.49
Shreegopal Kabra	3.88	5.14	-	-	-	-	-	-	3.88	5.14
Mahesh Kabra	3.72	1.82	-	-	-	-	-	-	3.72	1.82
Others	5.83	1.56	-	-	-	-	-	-	5.83	1.56
<b>Dividend :</b>										
<b>Dividend Paid</b>										
Mahendrakumar Kabra	216.21	-	-	-	-	-	-	-	216.21	-
Shreegopal Kabra	84.86	-	-	-	-	-	-	-	84.86	-
Kritidevi Kabra	141.41	-	-	-	-	-	-	-	141.41	-
Hemant Kabra	-	-	169.99	-	-	-	-	-	169.99	-
Umadevi Kabra	-	-	327.55	-	-	-	-	-	327.55	-
Rajesh Kabra	-	-	82.55	-	-	-	-	-	82.55	-
Priti Saboo	-	-	77.11	-	-	-	-	-	77.11	-
Ram Ratna Research and Holding Private Limited	-	-	-	-	126.96	-	-	-	126.96	-
Rameshwarlal Kabra (HUF)	-	-	-	-	226.77	-	-	-	226.77	-
Shreegopal Kabra (HUF)	-	-	-	-	98.03	-	-	-	98.03	-
Others	223.45	-	94.96	-	206.05	-	-	-	524.46	-
<b>Dividend Received</b>										
Ram Ratna Wires Limited	-	-	-	-	14.11	7.05	-	-	14.11	7.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Loans Accepted</b>										
Mahesh Kabra	-	35.00	-	-	-	-	-	-	-	35.00
Mahendrakumar Kabra	-	135.00	-	-	-	-	-	-	-	135.00
Sumeet Kabra	-	21.05	-	-	-	-	-	-	-	21.05
Umadevi Kabra	-	-	-	75.00	-	-	-	-	-	75.00
Hemant Kabra	-	-	-	63.42	-	-	-	-	-	63.42
Ram Ratna Research and Holding Private Limited	-	-	-	-	-	75.00	-	-	-	75.00
Saumya Sumeet Kabra	-	-	-	30.00	-	-	-	-	-	30.00
Ashok Loya	-	25.00	-	-	-	-	-	-	-	25.00
Rameshwarlal Kabra (HUF)	-	-	-	-	-	135.00	-	-	-	135.00
Others	-	20.00	-	15.99	-	67.00	-	-	-	102.99
<b>Loans Repaid</b>										
Mahendrakumar Kabra	-	792.90	-	-	-	-	-	-	-	792.90
Sumeet Kabra	-	954.30	-	-	-	-	-	-	-	954.30
Kirtidevi Kabra	-	244.95	-	-	-	-	-	-	-	244.95
Hemant Kabra	-	-	-	1,098.56	-	-	-	-	-	1,098.56
Rajesh Kabra	-	-	-	270.37	-	-	-	-	-	270.37
Ratnadevi Kabra	-	-	-	744.95	-	-	-	-	-	744.95
Ram Ratna Research and Holding Private Limited	-	-	-	-	-	156.02	-	-	-	156.02
Shreegopal Kabra (HUF)	-	-	-	-	-	141.70	-	-	-	141.70
Rameshwarlal Kabra (HUF)	-	-	-	-	-	379.10	-	-	-	379.10
Others	-	381.90	-	447.55	-	265.80	-	-	-	1,095.25

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2020-21		2020-21		2020-21		2020-21		2020-21	
	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2020-21
<b>Outstanding balances</b>										
<b>Rental Deposits Receivable</b>										
Umadevi Kabra	-	40.00	-	40.00	-	-	-	-	40.00	40.00
Ratidevi Kabra	-	15.00	-	15.00	-	-	-	-	15.00	15.00
Hemant Kabra	-	1.26	-	10.50	-	-	-	-	1.26	10.50
Shreegopal Kabra (HUF)	-	-	-	-	15.00	15.00	-	-	15.00	15.00
Kabel Buildcon Solutions Private Limited	-	-	-	-	3.68	3.68	-	-	3.68	3.68
<b>Trade Payable</b>										
Ram Ratna International	-	-	-	-	395.11	342.29	-	-	395.11	342.29
Others	-	-	-	-	5.43	(0.78)	-	-	5.43	(0.78)
<b>Advances to vendor</b>										
EPAVO Electricals Private Limited	-	-	-	-	27.00	-	-	-	27.00	-
Pratik Wire & Cable Machine Private Limited	-	-	-	-	-	3.12	-	-	-	-
Others	-	-	-	-	-	1.73	-	-	1.73	-
Ram Ratna International	-	-	-	-	718.45	1,747.78	-	-	718.45	1,747.78
Others	-	-	-	-	26.75	19.90	-	-	26.75	19.90

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	<b>Personal gaurantee given</b>									
<b>For Secured borrowings</b>										
Tribhuvanprasad Kabra										
Mahendrakumar Kabra										
Shreegopal Kabra										
Mahhesh Kabra										
Sumeet Kabra										
	<b>43,846.00</b>	<b>-50,592.59</b>							<b>43,846.00</b>	<b>50,592.59</b>
<b>For Un-secured borrowings</b>										
Tribhuvanprasad Kabra										
Mahendrakumar Kabra										
Shreegopal Kabra										
Mahhesh Kabra										
Sumeet Kabra										
	<b>10,709.00</b>	<b>3,305.47</b>							<b>10,709.00</b>	<b>3,305.47</b>

**33.1:** Includes provision of ₹ 5.09 Lakhs (P.Y. ₹ 4.19 Lakhs) post employment benefits and ₹ 8.98 Lakhs (P.Y. ₹ 4.76 Lakhs) for leave encashment.

**33.2:** All outstanding balances are unsecured and are repayable/receivable in cash and all the transactions with these related parties are priced on arm's length basis.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 34: Exposure in Foreign Currency

The Group uses forward contracts to mitigate the risks associated with foreign currency fluctuations. The Group 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:

(₹ in Lakhs)

Particulars	As at 31.03.2022					As at 31.03.2021				
	USD	GBP	Others	Euro	INR	USD	GBP	Others	Euro	INR
Booked against Foreign Currency Non-Resident borrowing	67.00	-	-	-	5,079.46	-	-	-	-	-
Booked against import creditors	-	-	-	-	-	3.50	-	-	-	256.51
Booked against firm commitments or highly probable forecasted transactions										
- Against export trade receivable*	240.31	82.00	-	23.55	28,711.78	125.82	91.00	-	6.20	19,187.05

\* The Company follows a practice of booking forward contracts against firm commitments or highly probable forecast transactions. Certain of the export debtors as mentioned above will be settled against the forward contracts taken on firm commitments or highly probable transactions.

- b) The details of foreign currency exposure that is not hedged by derivatives instrument or otherwise are as under:

(₹ in Lakhs)

Payables	As at 31.03.2022					As at 31.03.2021				
	USD	GBP	Others	Euro	INR	USD	GBP	Others	Euro	INR
Import Creditors	58.26	-	-	0.18	4,440.60	28.32	-	-	1.90	2,245.08

(₹ in Lakhs)

Payables	As at 31.03.2022					As at 31.03.2021				
	USD	GBP	Others	Euro	INR	USD	GBP	Others	Euro	INR
Export trade receivables	55.67	1.46	-	2.29	4,559.39	78.58	0.60	-	2.55	5,972.17

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 35 : 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 Group 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 summaries the components of net benefit expense recognised in the statement of profit & loss and the funded status and amounts recognised in the balance sheet :

Particulars	Gratuity	
	2021-22	2020-21
(₹ in Lakhs)		
<b>i) Change in Defined Benefit Obligation</b>		
Obligation at the beginning of the year	1,385.40	1,196.24
Current Service Cost	216.48	195.12
Interest Cost	81.34	72.57
Past Service Cost	-	-
Benefits Paid	(81.24)	(44.24)
Remeasurement (gains)/ losses	72.29	(34.29)
<b>Defined Benefit Obligation at the end of the year</b>	<b>1,674.27</b>	<b>1,385.40</b>
<b>ii) Change in Plan Assets</b>		
Fair value of plan assets at the beginning of the year	1,544.11	981.38
Return on plan assets	91.26	58.67
Employer Contributions	241.34	542.20
Benefits Paid	(81.24)	(44.24)
Remeasurement gains/ (losses)	0.00	6.10
<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,795.47</b>	<b>1,544.11</b>
<b>iii) Amount recognized in the Balance Sheet</b>		
Present value of funded defined benefit obligation	1,674.27	1,385.40
Fair value of plan assets at the end of the year	1,795.47	1,544.11
<b>Amount Recognized in the Balance Sheet</b>	<b>(121.20)</b>	<b>(158.71)</b>
<b>iv) Expenses recognized in the Statement of Profit &amp; Loss and Other Comprehensive Income</b>		
Employee Benefits Expense		
Current Service Cost	216.48	195.12
Past Service Cost	-	-
Interest Cost	81.34	72.57
Expected Return on plan assets	(91.26)	(58.67)
	206.56	209.02
<b>Other Comprehensive Income</b>		
Remeasurement gains/ (losses)	(0.00)	(6.10)
Actuarial loss arising from changes in financial assumption	86.18	17.51
Actuarial (gain) arising from changes in demographic assumption	(19.79)	(6.80)
Actuarial (gain)/loss arising on account of experience changes	5.91	(44.99)
	72.30	(40.38)
<b>v) Investment details</b>		
LIC- Administrator of the plan fund	1,795.47	1,544.11

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
<b>vi) Principal assumption used in determining defined benefit obligation</b>		
Discount rate (per annum)	6.95%	6.25%
Salary escalation rate (per annum)	8.50%	7.00%
Attrition rate		
18-20 year	5.00%	4.00%
21-30 year	12.00%	12.00%
31-50 year	10.00%	8.00%
51-57 year	15.00%	9.00%
Mortality rate	<b>Indian Assured Lives Mortality (2012-14) Ult table</b>	Indian Assured Lives Mortality (2012-14) Ult table
<b>vii) Sensitivity Analysis</b>		
<b>Increase in 50bps on DBO</b>		
Change in discounting rate	1,615.08	1,328.47
Change in Salary Escalation	1,733.74	1,444.36
<b>Decrease in 50bps on DBO</b>		
Change in discounting rate	1,737.39	1,446.62
Change in Salary Escalation	1,617.70	1,329.60
<b>viii) Maturity profile of defined benefit obligation (undiscounted value)</b>		
Within the next 12 months (next annual reporting period)	208.45	167.95
Between 2 and 5 years	698.53	455.30
Between 5 and 9 years	644.45	477.11
10 and above years	1,577.12	1,553.04

- i) The average duration of the defined benefit plan obligation at the end of the reporting period is 7.30 years (P.Y. 8.64 years)
- ii) 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.
- iii) 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.
- iv) 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.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

- (v) The company's Gratuity Fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under State and Central Government Securities, Money market instruments such as NCD / Bonds etc and in equity as mentioned below:

Assets	% of Investment pattern as on 31.03.2022	% of Investment pattern as on 31.03.2021
Central Govt Securities	23.57	20.63
State Govt Securities	45.67	46.91
C.B.L.O., Bank balance etc.	3.29	4.02
Other approved securities	0.01	0.01
NCD / Bonds	17.57	18.75
Equity	9.89	9.68
Total	100.00	100.00

- (vi) Expected contribution of plan in next year is ₹ 00.00 Lakhs (P.Y. ₹. 00.00).
- (vii) The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset)

### B) Defined Contribution Plan - Provident fund and Employees state insurance

The Company makes its contribution along with the share of employees' contribution deducted from salary on monthly basis to Employees' Provident Fund and Employees state insurance corporation administered by the Central and state Government respectively. 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 :

Particulars	(₹ in Lakhs)	
	2021-22	2020-21
Contribution to Provident Fund*	588.95	460.97
Contribution to Employees state insurance	34.70	39.79

\*Includes contribution of ₹ 12.72 (P.Y. ₹ 6.99) for Research and Development Employees.

### C) Other Employee benefits - Compensated absences

The employees are entitled for the compensation in respect of unavailed leave as per the policy of the Group. The liability towards compensated absences is recognised based on actuarial valuation carried out using Projected Unit Credit method.

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
<b>Amount recognized in the Balance Sheet</b>		
i) Current Liability	430.57	329.62
ii) Non- Current Liability	717.16	604.39

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Actuarial Assumptions	As at 31.03.2022	As at 31.03.2021
Discount Rate	6.95%	6.25%
Salary growth rate	8.50%	7.00%
Attrition rate	-	-
18-20 year	5.00%	4.00%
21-30 year	12.00%	12.00%
31-40 year	10.00%	8.00%
41-50 year	7.00%	7.00%
51-57 year	15.00%	9.00%

Note 36 : Calculations of Earnings Per Share	2021-22	2020-21
Profit for the year (₹ in Lakhs)	21,393.49	13,539.61
<b>Movement of Equity shares:</b>		
Number of equity share at the beginning of the year*	27,767,214	27,767,214
Number of equity share at the end of the year*	27,767,214	27,767,214
Weighted average number of equity shares outstanding during the year*	27,767,214	27,767,214
Add : Weighted average Equity Options (Time Based)	44,475	-
Add : Weighted average Equity Options (Performance Based)	8,895	-
Weighted average number of equity shares outstanding during the year (for diluted)*	27,820,585	27,767,214
Face value of equity share (in ₹)	10.00	10.00
<b>Earnings Per Share</b>		
Basic Earnings Per Share (in ₹)	77.05	48.76
Diluted Earnings Per Share (in ₹)	76.90	48.76

\*It includes 38,43,140 compulsory convertible preference shares.

### Note 37 :

#### Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

#### A) Category-wise classification of financial instruments:

(₹ in Lakhs)

Assets	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>					
Investments in quoted equity shares (Note 37.1)	3A	2,789.65	1,130.21	-	-
Investments in unquoted equity shares (Note 37.1)	3A	1,265.96	1,215.64	-	-
<b>Financial assets measured at fair value through profit &amp; loss (FVTPL)</b>					
Investments in mutual funds	3B	-	-	20,547.35	19,602.01
<b>Financial assets measured at amortised cost</b>					
Investments in unquoted equity shares	3A	1,637.31	1,637.31	-	-
Security deposits	5A & 5B	205.85	150.98	194.24	99.36
Loan to employees	4A & 4B	5.21	9.63	22.01	64.82
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5A	11.27	8.01	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

Assets	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
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5B			201.89	182.06
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	14.09	11.10
Forward contract receivable	5B	-	-	600.16	46.28
Others (Insurance claim and recoverable expenses)	5B	-	-	179.28	8.63
Trade receivables	9	-	-	51,714.29	42,036.23
Cash and bank balances	10A			1,229.90	839.57
Bank Balances other than cash and cash equivalents	10B	-	-	0.03	6.99

(₹ in Lakhs)

Liabilities	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 contract payable	15	-	-	0.68	39.87
<b>Financial Liabilities measured at amortised cost</b>					
Borrowings	13A & 13B	5,931.32	7,128.14	46,089.28	42,655.25
Obligation under Lease	14A & 14B	822.68	526.36	325.06	306.64
Security deposits and others	15	-	-	248.67	232.77
Unclaimed dividend	15	-	-	0.03	6.99
Retention money relating to capital expenditure	15	-	-	297.80	156.77
Interest accrued and due	15	-	-	104.49	69.84
Interest accrued but not due	15	-	-	49.57	40.28
Accrued salary & benefits	15	-	-	1,023.72	692.10
Director's Commission	15	-	-	272.33	192.25
Creditors for capital expenditure	15	-	-	211.04	199.84
Other payables	15	-	-	81.57	95.36
Trade payables	19	-	-	16,787.38	11,348.94

**Note 37.1** Investment are not held for trading. Upon the application of Ind AS 109 - Financial Instruments, the Company 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 Company.

**Note 37.2** Investment in joint venture amounting to ₹1,637.31 Lakhs (31.03.2021 ₹1,637.31 Lakhs) are measured at cost in accordance with Ind AS 27 requirements. since the same is scoped out of Ind AS -109 for the purpose of measurement, the same have not been disclosed in tables above.

### 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(ii) The following tables provide the fair value measurement hierarchy of the Group's financial assets and liabilities:

(₹ in Lakhs)

Financial Assets / Financial Liabilities as at March 31, 2022	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in quoted equity shares (Note 3A)	2,789.65	2,789.65	-	-
Investments in unquoted equity shares (Note 3A)	1,265.96	-	-	1,265.96
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>				
Investments in mutual funds (Note 3B)	20,547.35	20,547.35		
Forward contract receivable (Note 5B)	600.16		600.16	-
<b>Financial liabilities measured at fair value through profit or loss (FVTPL)</b>				
Forward contract payable (Note 15)	0.68	-	0.68	-

(₹ in Lakhs)

Financial Assets/ Financial Liabilities as at March 31, 2021	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in quoted equity shares (Note 3A)	1,130.21	1,130.21	-	-
Investments in unquoted equity shares (Note 3A)	1,215.64	-	-	1,215.64
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>				
Investments in mutual funds (Note 3B)	19,602.01	19,602.01		
Forward contract receivable (Note 5B)	46.28		46.28	
<b>Financial liabilities measured at fair value through profit or loss (FVTPL)</b>				
Forward contract payable (Note 15)	39.87	-	39.87	

The carrying amounts of financial assets and financial 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 31st March, 2022 and 31st 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 (c) Credit Risk comprising of trade receivable risk and financial instrument risk and. 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 of the Group. Team involved in RMP meets frequently to discuss the level of risk they foresee based on the conditions persisting.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

The Group's exposure to Market Risk, Liquidity Risk and Credit 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 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.

The exposure of the Group'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	520.20	497.72
Decrease in interest rate by 100 basis points	(520.20)	(497.72)

(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 Company.

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.

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%	450.00	410.86
Decrease in exchange rates by 5%	(450.00)	(410.86)

#### Commodity Price Risk

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.

#### 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 March 31, 2022 the carrying value of such equity instruments recognised at fair value through OCI amounts to ₹ 4,055.61 Lakhs (P.Y. 31.03.2021 ₹ 2,345.85 Lakhs). The price risk arises due to uncertainties about the future market values of these investments and the same is classified in the balance sheet as fair value through OCI.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

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%	202.78	117.29
Decrease by 5%	(202.78)	(117.29)

### 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)

At March 31, 2022	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	46,089.28	5,931.32	52,020.60	52,020.60
Derivative financial liabilities (Note 15)	0.68	-	0.68	0.68
Other financial liabilities (Note 15)	2,494.71	-	2,494.71	2,494.71
Trade payables (Note 19)	16,787.38	-	16,787.38	16,787.38

(₹ in Lakhs)

At March 31, 2021	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	42,655.25	7,128.14	49,783.39	49,783.39
Derivative financial liabilities (Note 15)	39.87	-	39.87	39.87
Other financial liabilities (Note 15)	1,697.49	-	1,697.49	1,697.49
Trade payables (Note 19)	11,348.94	-	11,348.94	11,348.94

### 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 to 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 Company to banks for credit facilities availed by Group's dealers from bank is minimum as those parties have long vintage with the Group 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

For trade receivables and financial guarantees, as a practical expedient, the Group computes credit loss allowance based on expected credit loss method. The movement in expected credit loss allowance is as under:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	3,600.98	3,071.93
Add/(Less): Allowance for expected credit loss	(180.71)	529.05
Balance at the end of the year	3,420.27	3,600.98

### Note 38 : Segment Information

The Group has presented data relating to its segments based on its financial statements. Accordingly, in terms of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments", disclosures related to segments are presented.

#### Accounting Policy

##### Identification of segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment based on an analysis of various performance indicators by business segments and geographic segments.

##### Segment revenue and expenses:

It has been identified to a segment on the basis of relationship to operating activities of the segment. The company generally accounts for intersegment sales and transfers at cost plus appropriate margins. Intersegment revenue and profit is eliminated at Group level .

Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting as the underlying instruments are managed on a company.

##### Segment assets and liabilities:

Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable. The accounting policies of the reportable segments are same as that of Group's accounting policies described. The company is organised into business units based on its products and services and has three reportable segments as follows.

**Wire and Cable:** Manufacture and sale of wires and cables.

**Consumer electrical goods :** Fans, LED lighting , switches, switchgears , water heaters, and domestic appliances.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

A) The following summary describes the operations in each of the group's reportable segments:

Following summary describes the operations in each of the Group's reportable segments:

(₹ in Lakhs)

Particulars	As at 31.03.2022				As at 31.03.2021			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
<b>Income</b>								
External revenue	414,707.38	27,457.74	-	442,165.12	253,174.70	19,562.23	-	272,736.93
Inter segment revenue	-	29.76	(29.76)	-	-	19.23	(19.23)	-
<b>Total Income</b>	<b>414,707.38</b>	<b>27,487.50</b>	<b>(29.76)</b>	<b>442,165.12</b>	<b>253,174.70</b>	<b>19,581.46</b>	<b>(19.23)</b>	<b>272,736.93</b>
<b>Segment Results</b>								
External	32,271.93	(2,984.15)	-	29,287.78	22,688.63	(3,006.42)	-	19,682.21
<b>Segment/Operating results</b>	<b>32,271.93</b>	<b>(2,984.15)</b>	<b>-</b>	<b>29,287.78</b>	<b>22,688.63</b>	<b>(3,006.42)</b>	<b>-</b>	<b>19,682.21</b>
<b>Un-allocated items:</b>								
Finance income				1,056.53				1,056.80
Finance costs				2,328.34				2,705.63
Share of loss of joint venture (net of taxes)				419.71				109.82
<b>Profit before tax</b>				<b>28,435.68</b>				<b>18,143.20</b>
Provision for taxation				7,042.19				4,603.59
<b>Profit for the year</b>				<b>21,393.49</b>				<b>13,539.61</b>
Depreciation & amortisation expenses	4,199.34	409.17	-	4,608.51	4,147.22	284.35	-	3,880.38

### (B) Revenue by Geography

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Within India	337,838.17	212,917.67
Outside India	100,755.45	58,676.55
<b>Total Revenue</b>	<b>438,593.62</b>	<b>271,594.22</b>

### (C) Segment assets

(₹ in Lakhs)

Particulars	As at 31.03.2022				As at 31.03.2021			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
Segment assets	157,431.64	16,864.44	-	174,296.08	131,888.41	14,009.58	-	145,897.99
<b>Unallocated assets:</b>								
Non-current Investment	-	-	-	6,219.23	-	-	-	4,060.14
Current investments	-	-	-	20,547.35	-	-	-	19,602.01
Cash and bank balances	-	-	-	1,229.90	-	-	-	839.57
Bank balances other than cash and cash equivalents	-	-	-	0.03	-	-	-	6.99
Loans	-	-	-	27.22	-	-	-	74.45
Other financial assets	-	-	-	1,406.78	-	-	-	506.42
Income tax assets (net)	-	-	-	1,337.17	-	-	-	523.53
<b>Total assets</b>	<b>157,431.64</b>	<b>16,864.44</b>	<b>-</b>	<b>205,063.76</b>	<b>131,888.41</b>	<b>14,009.58</b>	<b>-</b>	<b>171,511.10</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### (D) Segment liabilities

(₹ in Lakhs)

Particulars	As at 31.03.2022				As at 31.03.2021			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
Segment liabilities	18,769.95	6,785.24	-	25,555.19	10,694.51	4,748.65	-	15,443.16
Borrowings (Non-Current and Current, including Current Maturity)	-	-	-	52,020.60	-	-	-	49,783.38
Lease liabilities	-	-	-	1,147.74	-	-	-	833.00
Unallocated liabilities:	-	-	-	-	-	-	-	-
Deferred tax liabilities (net)	-	-	-	1,310.53	-	-	-	788.81
<b>Total</b>	<b>18,769.95</b>	<b>6,785.24</b>	<b>-</b>	<b>80,034.06</b>	<b>10,694.51</b>	<b>4,748.65</b>	<b>-</b>	<b>66,848.35</b>

E) All non current assets of the Group are located in India.

F) There is no transaction with single external customer which amounts to 10% or more of the Group's revenue.

### Note 39 : Details of Loans, Guarantee and Investments U/s 186 of the Companies Act, 2013

(₹ in Lakhs)

Party Name	Nature of Transaction	As at 31.03.2022	As at 31.03.2021
Ram Ratna Wires Limited	Investment	2,789.09	629.20
Comfort Intech Limited	Investment	0.56	0.06
MEW electricals Ltd	Investment	1,265.96	911.09
RR-Imperial Electricals Limited - Bangladesh	Investment	1,637.31	1,637.31

There are no new investments made during the Current year. Above represents carrying amount of existing investments as at respective balance sheet date.

### Note 40: Right of use assets :-

#### i) The Group as a lessee

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the co assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the co has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the co recognizes the lease payments as an operating expense on a straightline basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the co changes its assessment if whether it will exercise an extension or a termination option.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### ii) The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

### iii) Others

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application, variable lease and low value asset.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient in the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- The effective interest rate for lease liabilities is 9.22% p.a., with maturity between 2021-2027.

The changes in the carrying value of right of use for the year ended 31 March 2020 are shown in Note no 2(D)

The following is the break-up of current and non-current lease liabilities :

(₹ in Lakhs)

Particulars	2021-22	2020-21
Non-current lease liabilities	822.68	526.36
Current lease liabilities	325.06	306.64
<b>Total</b>	<b>1,147.74</b>	<b>833.00</b>

The following is the movement in lease liabilities :

(₹ in Lakhs)

Particulars	2021-22	2020-21
As at the beginning of the year	833.00	429.81
Additions	737.80	702.51
Finance cost accrued during the year	31.03	31.09
Payment of lease liabilities	(399.24)	(330.41)
As at the end of the year	<b>1,147.74</b>	<b>833.00</b>

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	2021-22	2020-21
21-22	-	306.64
22-23	325.06	191.80
23-24	288.64	167.32
24-25	246.09	114.20
25-26	200.90	53.04
26-27	87.05	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Depreciation expense of right-of-use assets	386.04	304.74
Interest expense on lease liabilities	31.03	31.10
Expense relating to short-term leases (included in other expenses)	155.24	95.21
	<b>572.31</b>	431.05

Lease contracts entered by the company majorly pertains for Marketing offices and warehouse taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitment towards variable rent as per the contract.

### Note 41 : Research & Development

The Group is continuously engaged in Research & Development of new product & process improvement of existing products, in which the Company operates. Detail of expenses incurred on Research & Development activities during the year, are as under:

(₹ in Lakhs)

Particulars	2021-22		2020-21	
Capital Expenditure *		28.43		41.86
Revenue Expenditure				
- Cost of Raw Material	155.15		214.53	
- Salary & Wages	355.71		156.90	
- Other Expenses	10.14		9.69	
- Sale of Scrap	(102.42)	418.58	(171.68)	209.44
<b>Total</b>		<b>447.01</b>		251.30

\* Capital Expenditure included in Plant & Machinery reported in Note : 2A

### Note 42: Capital Management

For the purpose of the Group's capital management, capital includes issued capital (Equity & Preference) and all other equity reserves attributable to the equity shareholders of the company.

The primary objective of the Group's Capital Management is to maximize the Shareholder Value and to safeguard the company's ability to meet its Liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit. The company's policy is to keep the ratio below 1.5.

No changes were made in the objectives, policies or processes for managing capital during the year ended as at 31st March, 2022 and as at 31st March, 2021.

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Net debt (total debt less cash and cash equivalents) (A)	50,790.70	48,943.82
Total capital (B)	124,503.39	104,585.77
Total capital and net debt C=(A+B)	175,294.09	153,529.59
<b>Gearing ratio (A/C)</b>	<b>0.29</b>	0.32

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 43: Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements.

The Company has acquired Home Electric Business (HEB) from Luminous Power Technologies Private Limited through business transfer agreement dated April 12, 2022 along with management control on May 1, 2022. The Company is in the process of making a final determination of expected consideration to be paid as a part of such business transfer agreement.

### Note 44: Disclosure under Ind AS 115 "Revenue from Contracts with Customers

#### (A) Reconciliation of amount of revenue recognized in the statement of profit & loss with the contracted price:

(₹ in Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Revenue as per contracted price	441,935.41	272,986.81
<b>Adjustment</b>		
Less : Sales Return	927.23	1,802.32
Less : Rebate & Discounts	9,077.92	4,651.28
<b>Other operating revenue</b>	<b>6,663.36</b>	5,061.00
Revenue from contract with customers	<b>438,593.62</b>	271,594.22

The management determines that the segment information reported under Note 38 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

#### (B) Contract Balances (Net of allowances expected credit loss)

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(₹ in Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Receivables, which are included in 'trade and other receivables'	51,714.29	42,036.23
Contact Liabilities, Advances from customers	2,552.09	437.34
	<b>49,162.20</b>	41,598.89

#### (C) Significant Payment Terms

Generally, the Group provides credit period in the range of 30 to 75 days for customers.

### Note 45 : Disclosure under rule 16A of Companies (Acceptance of Deposits) Rule 2014:

(₹ in Lakhs)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Money received from Director during the year	-	236.05
Balance outstanding at the end of the year	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

**Note 46:** The Group's international transactions with associated enterprises are at arm's length, as per the independent accountant's report for the year ended 31 March 2021. The Management believes that the Group's international transactions with associated enterprises post 31 March 2021 continue to be at arm's length and that transfer pricing legislations will not have any impact on the financial statements, particularly on the amount of tax expenses for the year and the amount of provision for taxation at the year end.

**Note 47: Financial statements are approved by Board of Director's in their meeting held on June 22, 2022.**

### **Note 48: Estimation of uncertainties relating to the global health pandemic from COVID-19**

The outbreak of Corona virus (COVID-19) pandemic is causing disturbance and slowdown of economic activity throughout the world and is impacting operations of the businesses, by way of interruption in production, supply chain disruption, unavailability of personnel, closure of production facilities etc.

The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising property, plant and equipments, trade receivables, inventories, investments, and other current and non-current assets as at the balance sheet date and has concluded that there are no material adjustments required in the Standalone Financial Statements. Based on the forecasted cash flows, management believes that they will be able to discharge all their liabilities/obligations due in next one year. In evaluating the possible impact due to COVID-19, the company has used internal and external sources of information available till date.

Considering the nature of COVID-19, the Group will continue to closely monitor any material changes to future economic conditions.

### **Note 49: Employee Stock Option Plan**

On November 10, 2020, pursuant to the approval by the shareholders in the EGM, the Board was authorized to create and grant from time to time, in one or more tranches, not exceeding 3,50,000 employee stock options to or for the benefit of such person(s) who are in employment of the Company, present and future, within the meaning of RRKL ESOP 2020 plan and eligible to receive such options under the Act, as may be decided under the RRKL ESOP 2020 plan, exercisable into not more than 3,50,000 equity shares of face value of Rs.10/- each fully paid-up, where one employee stock option would convert into one fully paid-up equity share of face value of Rs. 10/- each upon exercise, on such terms and in such manner as the Board / Committee may decide in accordance with the provisions of the applicable laws and the provisions of RRKL ESOP 2020 plan.

50% of the Options granted to a Participating Employee will be subject to time-based conditions ("Time Based Options") and the balance 50% of the Options granted to a Participating Employee will be subject to performance-based conditions ("Performance Based Options"). There shall be a minimum period of one year between the grant of Options and the vesting of such Options. Plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (the nomination and remuneration committee). The performance parameters will be based on budgeted target EBITDA. These instruments will generally vest between a minimum of one to a maximum of five years from the grant date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(A) The Company has granted 62,040 employee stock options during the FY 2021-22 to its eligible employee including under RRKL ESOP 2020 plan, details are as under:

Equity-settled share-based payment transaction.

Particulars	Tranch I	Tranch II	Tranch III	Tranch IV	Tranch V
Time based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	4,629	4,629	4,629	4,629	4,629
Grant Date	April 01, 2021	April 01, 2021	April 01, 2021	April 01, 2021	April 01, 2021
Vesting date	April 01, 2022	April 01, 2023	April 01, 2024	April 01, 2025	April 01, 2026
Exercise price (₹ per share)	1,080.30	1,080.30	1,080.30	1,080.30	1,080.30
Fair Value per Stock Option (₹ per share)	125.00	140.10	169.20	183.20	196.60
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	4,629	4,629	4,629	4,629	4,629
Vesting date	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026
Exercise price (₹ per share)	1,080.30	1,080.30	1,080.30	1,080.30	1,080.30
Fair Value per Stock Option (₹ per share)	140.10	154.90	169.20	183.20	196.60
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

Particulars	Tranch I	Tranch II	Tranch III	Tranch IV	Tranch V
Time based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	3,333	3,333	3,333	3,333	3,333
Grant Date	June 01, 2021	June 01, 2021	June 01, 2021	June 01, 2021	June 01, 2021
Vesting date	June 01, 2022	June 01, 2023	June 01, 2024	June 01, 2025	June 01, 2026
Exercise price (₹ per share)	1,080.30	1,080.30	1,080.30	1,080.30	1,080.30
Fair Value per Stock Option (₹ per share)	180.00	198.10	215.60	232.50	248.70
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	3,333	3,333	3,333	3,333	3,333
Vesting date	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026
Exercise price (₹ per share)	1,080.30	1,080.30	1,080.30	1,080.30	1,080.30
Fair Value per Stock Option (₹ per share)	180.00	198.10	215.60	232.50	248.70
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)**

<b>Particulars</b>	<b>Tranch I</b>	<b>Tranch II</b>	<b>Tranch III</b>	<b>Tranch IV</b>	<b>Tranch V</b>
Time based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	2,964	2,964	2,964	2,964	2,964
Grant Date	September 30, 2021	September 30, 2021	September 30, 2021	September 30, 2021	September 30, 2021
Vesting date	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2025	September 30, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	231.70	254.90	277.30	299.00	319.90
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	2,964	2,964	2,964	2,964	2,964
Vesting date	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2025	September 30, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	231.70	254.90	277.30	299.00	319.90
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

<b>Particulars</b>	<b>Tranch I</b>	<b>Tranch II</b>	<b>Tranch III</b>	<b>Tranch IV</b>	<b>Tranch V</b>
Time based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	741	741	741	741	741
Grant Date	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Vesting date	March 31, 2023	November 08, 2023	November 08, 2024	November 08, 2025	November 08, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (Rs. per share)	647.00	647.00	682.00	715.30	746.80
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	741	741	741	741	741
Vesting date	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2025	September 30, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	647.00	682.00	715.30	746.80	776.80
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Particulars	Tranch I	Tranch II	Tranch III	Tranch IV	Tranch V
Time based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	741	741	741	741	741
Grant Date	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Vesting date	March 31, 2023	November 08, 2023	November 08, 2024	November 08, 2025	November 08, 2026
Exercise price (Rs. per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (Rs. per share)	647.00	647.00	682.00	715.30	746.80
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	741	741	741	741	741
Vesting date	September 30, 2022	September 30, 2023	September 30, 2024	September 30, 2025	September 30, 2026
Exercise price (₹ per share)	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00
Fair Value per Stock Option (₹ per share)	647.00	682.00	715.30	746.80	776.80
EBITDA Target (in ₹ lakhs)	To be vested without considering the EBITDA	Annual EBITDA target to be approved by the Board and notified to the Participating Employee as soon as reasonably practical after the annual budget is finalized			

### (B) Fair Valuation

62,040 share options were granted during the year (with vesting plan of 20% each year). Weighted average fair value of the options granted during the year:

(₹ in Lakhs)

Grant date	Option Value per unit granted	
	Term based	Performance based
01.04.2021	162.8	168.8
01.06.2021	215	215
30.09.2021	276.5	276.5
31.03.2022	687.6	713.6

The fair value of option has been done by an independent firm of Professional Valuers on the date of grant using the Black-Scholes Merton Model.

### (C) The Key assumptions in the Black-Scholes Merton Model for calculating fair value as on the date of grant :

Particulars	01.04.2021	01.06.2021	30.09.2021	31.03.2022	31.03.2022
Risk Free Rate	5.58%	5.70%	5.63%	6.20%	6.20%
Discount for lack of marketability	22.00%	22.00%	22.00%	22.00%	22.00%
Implied EV/EBITDA multiple and calibration factor	1.0x	1.0x	1.0x	1.0x	1.0x



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

(₹ in Lakhs)

(D) Movement of Options Granted :	As at	As at
	March 31, 2022	March 31, 2021
	No. of shares	No. of shares
Outstanding at the beginning of the year	64,796	-
Granted during the year	62,040	129,590
Vested during the year	-	-
Exercised during the year	-	-
Options expired (due to resignation)	64,796	64,794
Outstanding at the end of the year	62,040	64,796

Options exercisable at the end of the year

(₹ in Lakhs)

Grant date	Exercise price per share option (in ₹)
01.04.2021	1,080.30
01.06.2021	1,080.30
30.09.2021	1,350.00
31.03.2022	1,350.00

### (E) Break up of employee stock option expense

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Term based options	37.07	11.46
Performance based options	38.11	11.30
<b>Total</b>	<b>75.18</b>	<b>22.76</b>

### Note 50 : Undisclosed Income

There has been no undisclosed 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), also there are no previously unrecorded income or related assets which are required to be recorded in the books of account during the year.

### Note 51: Amalgamation of Ram Ratna Electricals Limited with the company

- (a) The Scheme of Amalgamation of Ram Ratna Electricals Limited (RREL) (referred to as 'transferor company') with R R Kabel Limited ('the Scheme'), was approved by the National Company Law Tribunal, Mumbai Bench vide their orders dated August 19, 2020. The Company had carried out the accounting prescribed in the Scheme and made the required disclosure for Amalgamations in the nature of merger, as required under Appendix C of Ind AS 103 Business Combinations, for Business Combinations of entities under "Common Control" and accordingly given effect in the financial statements for the year ended 31 March 2020. RREL is engaged in the business of manufacturing, trading and otherwise dealing in consumer electricals, such as fans and lights, and consumer appliances such as water heaters, heat convectors, electric irons and switches and similar products.
- (b) In accordance with the Scheme, the Company had taken over all the assets aggregating to ₹ 11,432.04 lakhs, liabilities aggregating to ₹ 11,211.41 lakhs and other equity amounting to ₹ (1,101.37) lakhs at their respective book values against capital issuance of ₹ 71.48 lakhs to the shareholders of RREL as on the appointed date, the resultant surplus of ₹ 1250.52 lakhs has been credited to capital reserve.

In terms of the Scheme, the Company has allotted 5,28,798 equity shares of ₹ 10 each and 1,40,568 Compulsory convertible preference shares of ₹ 1,080.33 each to existing shareholders of RREL based on share entitlement ratio as per the Scheme.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 52 :Struck off Company

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

### Note 53 : Finance Performance Ratio

Particulars	Numerator	Denominator	31.03.2022	31.03.2021	% of variance	Explanation for change in the ratio by more than 25%
<b>Liquidity Ratio</b>						
Current Ratio (times)	Current Assets	Current Liabilities	<b>2.14</b>	2.16	-0.78%	
<b>Solvency Ratio</b>						
Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	<b>0.42</b>	0.48	-12.22%	
Debt Service Coverage Ratio (times)	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest + Lease Payments + Principal Repayments	<b>4.31</b>	3.34	29.07%	The ratio has improved due to increase in profit and reduction in finance cost.
<b>Profitability ratio</b>						
Net Profit Ratio (%)	Profit After Tax	Total Sales	<b>4.73%</b>	4.91%	-3.53%	
Return on Equity Ratio (%)	Profit After Tax	Closing Shareholder's Equity	<b>16.85%</b>	12.84%	31.19%	The ratio has improved due to increase in profits.
Return on Capital employed (%)	Earning before interest and tax	Tangible Net Worth + Total Debt + Deferred Tax Liability	<b>16.95%</b>	13.30%	27.52%	The Ratio has improved due to increase in earnings and reduction in finance cost .
Return on Investment (%)	Income from investments	Average investment	<b>10.72%</b>	6.72%	59.48%	The ratio has improved due to better return on investment
<b>Utilization Ratio</b>						
Trade Receivables turnover ratio (times)	Net Credit Sales	Average Trade Receivables	<b>9.36</b>	6.47	44.58%	Trade receivables turnover ratio improved due to higher channel finance revenue .
Inventory turnover ratio (times)	Cost of goods sold or Sales	Average Inventory	<b>5.80</b>	4.72	22.84%	

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

Particulars	Numerator	Denominator	31.03.2022	31.03.2021	% of variance	Explanation for change in the ratio by more than 25%
Trade payables turnover ratio (times)	Net Credit Purchases	Average Trade Payables	26.88	15.66	71.61%	Trade payable turnover ratio improved due to lower average trade payables.
Net capital turnover ratio (times)	Net Sales	Working Capital	5.40	4.06	32.93%	The ratio has improved due to increase in sales & better working capital management

### Note 54 : Utilization of borrowed fund

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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### Note 55 : 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)

#### Joint Venture

Particulars	2021-22	2020-21
i) Name of Joint Venture	RR-Imperial Electricals Ltd.	RR-Imperial Electricals Ltd.
ii) Latest audited balance sheet date	31.03.2022	31.03.2021
iii) Date on which acquired	35% investment on various dates	35% investment on various dates
iv) Shares of Joint Ventures held by the Company as at 31st March, 2021		
No. of Equity shares	22,190,854	22,190,854
Amount of Investment in Joint Venture (₹ in Lakhs)	1,637.31	1,637.31
Extent of Holding %	35%	35%
v) Description of how there is Significant influence :-	Joint venture	Joint venture
vi) Reason Why Associate/Joint Venture not Consolidated :-	Consolidated	Consolidated
vii) Net worth attributable to Shareholding as per latest audited balance sheet (₹ in Lakhs)	2,163.62	1,714.29
viii) Profit for the year :-		
Considered in Consolidation (₹ in Lakhs)	419.71	109.82
Not Considered in Consolidation	NIL	NIL

- Names of jointly controlled entity which are yet to commence operations- NIL
- Names of jointly controlled entity which have been liquidated or sold during the year-NIL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

### Note 56 : Details of Joint venture

#### 1) Name of Entity in the group

Particulars	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	Joint venture	Bangladesh	35%	35%	Under equity method

#### 2) Interest in a Joint venture

The following tables illustrates the summarized financial information of joint venture:

(₹ in Lakhs)

Particulars	Joint venture	
	As at 31.03.2022	As at 31.03.2021
Current Assets	11,041.76	9,029.14
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	6,181.35	4,898.00
Proportion of the Company's ownership interest	35%	35%
<b>Carrying amount of the Company's interest before consolidation adjustments</b>	<b>2,163.47</b>	<b>1,714.30</b>
Less : adjustments on Consolidation	-	-
<b>Carrying amount of the Company's interest</b>	<b>2,163.47</b>	<b>1,714.30</b>

₹ in Lakhs)

Particulars	Joint venture	
	As at 31.03.2022	As at 31.03.2021
Revenue	17,546.82	9,510.55
Interest Income	11.16	21.21
Cost of raw material and components consumed	11,509.22	8,320.70
Changes in Inventories	1,080.51	(1,823.11)
Depreciation & amortization	435.15	444.34
Finance cost	431.09	347.10
Employee benefit	1,117.25	915.58
Other expenses	1,207.15	820.35
Profit before tax	1,777.60	506.79
Income tax expense	578.86	192.84
Profit for the year	1,198.74	313.95
Other Comprehensive Income	-	-
Total Comprehensive Income	1,198.74	313.95
Group's share of loss for the year	419.71	109.82
Less: Adjustment on Consolidation	-	-
Total Comprehensive Income on consolidation	419.71	109.82
Group's share of other comprehensive income for the year	-	-
Group's total comprehensive income for the year	419.71	109.82
Dividend received from Joint venture during the year	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONTD.)

**Note 57 : Disclosure of additional information pertaining to the Company and Joint venture as per Schedule III of 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		Share in Total Comprehensive Income	
	2021-22		2021-22		2021-22		2021-22	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
<b>Company</b>								
R R Kabel Limited	98%	122,866.23	99%	28,015.97	98%	1,645.38	98%	22,619.16
<b>Joint Venture</b>								
RR-Imperial Electricals Ltd.	2%	2,163.47	1%	419.71	2%	29.61	2%	449.32
<b>TOTAL</b>	<b>100.00</b>	<b>125,029.70</b>	<b>100.00</b>	<b>28,435.68</b>	<b>100.00</b>	<b>1,674.99</b>	<b>100.00</b>	<b>23,068.48</b>

(₹ in Lakhs)

Name of Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	2020-21		2020-21		2020-21		2020-21	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
<b>Company</b>								
R R Kabel Limited	98%	102,948.45	99%	18,033.38	107%	765.86	99.56	14,195.65
<b>Joint Venture</b>								
RR-Imperial Electricals Ltd.	2%	1,714.30	1%	109.82	-7%	-46.97	0.44	62.85
<b>TOTAL</b>	<b>100.00</b>	<b>104,662.75</b>	<b>100.00</b>	<b>18,143.20</b>	<b>100.00</b>	<b>718.89</b>	<b>100.00</b>	<b>14,258.50</b>

**Note 58:** The previous year's figures have been regrouped / rearranged wherever necessary to conform to the current periods classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1 April 2021.

As per our Report of even date

**For and on behalf of the Board of Directors of  
R R Kabel Limited**

CIN: U28997MH1995PLC085294

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

**Tribhuvanprasad Kabra**  
Chairman  
DIN : 00091375

**Shreegopal Kabra**  
Managing Director  
DIN : 00140598

**Rupen Shah**  
Partner  
Membership No. 116240

**Rajeev Pandiya**  
Chief Financial Officer  
Membership No. 089631

**Himanshu Parmar**  
Company Secretary  
Membership No. FCS 10118

Place : Ahmedabad  
Date : 22 June, 2022

Place : Mumbai  
Date : 22 June, 2022





Regd. Office :

Ram Ratna House, Oasis Complex (Utopia City), P. B. Marg, Worli, Mumbai - 400 013.

**T** : +91-22-2494 9009 / 2492 4144 • **F** : +91-22-2491 2586

Corp. Office :

Alembic Business Park (W), Ground Floor, Bhailal Amin Marg, Gorwa,

Vadodara - 390 003 • **T** : +91-265-6830 800