

2022-23

29th ANNUAL REPORT





R R 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.

R R Kabel is ISO 9001, ISO 14001 and ISO 50001 certified company. R R 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 R R 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.

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FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Description	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
A. Performance at a glance											
Sales & Related Income	559920	438594	271594	247243	238807	198000	169815	157541	140525	123271	104566
Other Income	3444	4628	2199	2702	2468	1352	1378	324	341	336	363
Earnings Before Interest, Depreciation, Taxes	35676	34953	25214	23180	20131	23644	18390	16027	12039	8871	7713
Net profit before taxation	25505	28016	18033	15775	13242	18407	13395	11130	6637	4818	4109
Net profit after taxation	18893	20974	13430	12248	8565	12161	8722	7284	4306	3182	2725
B. Financial Position											
Fixed Assets (net)	56074	44140	40658	40590	34419	25411	20734	19535	17874	17726	13444
Non Current Assets	4903	2219	2126	1502	3289	2234	1735	972	559	578	1849
Investments	7448	5693	3983	3178	3818	3465	2353	1139	1140	1019	859
Current Assets	194611	152485	124668	109251	105393	68230	56778	45943	44387	38937	34094
Total Assets	263036	204537	171434	154521	146918	99339	81601	67590	63960	58259	50246
Share Capital	46303	43911	43911	42340	42340	2415	2415	2415	2415	2045	2045
Reserve & Surplus	95340	80592	60675	48051	40813	43469	32949	23378	17983	14952	12487
Share Holder's Fund	141643	124503	104586	90390	83153	45884	35363	25793	20397	16996	14532
Non Current Liabilities	9948	7472	8261	7788	2662	4738	3068	6094	7883	7850	8369
Current Liabilities	109958	71251	57799	55425	60340	47302	41808	34514	34455	32243	26419
Deferred Tax	1487	1311	789	917	764	1416	1360	1190	1225	1169	925
Total Liability	263036	204537	171434	154521	146918	99339	81601	67590	63960	58259	50246
C. Equity Shares Data											
Earnings per share (Rs)	17.01	75.53	48.36	44.11	32.30	50.36	36.12	30.16	17.83	15.56	13.33
Book Value (Rs)	142.30	448.38	376.65	325.53	299.46	190.03	146.46	106.82	84.48	83.13	71.07
Dividend / Interim Dividend (%)	180	180	100	75	55	80	80	65	40	30	30
Number of Shares	995.39	277.67	277.67	277.67	277.67	241.46	241.46	241.46	241.46	204.46	204.46

The number of shares of are increases in FY 22-23 due to sub-division of the face value of equity shares from the existing ₹ 10 per equity share to ₹ 5 per equity share and one bonus share in the ratio of 1 equity shares of ₹ 5 each for every 1 equity shares of ₹ 5 each held by holders of the equity shares of the Company.

In terms of the Scheme amalgamation, the Company is require to allot 528,800 equity shares of ₹ 10 each and 140,568 Compulsory convertible preference shares of ₹ 1,080.33 each to existing shareholders of Ram Ratna Electricals Limited and same is considered in number of shares as on 31.03.2020 for the purpose of calculation of book value of the company.

CORPORATE INFORMATION

Board of Directors :

Shri Tribhuvanprasad Rameshwarlal Kabra	Executive Chairman	
Shri Shreegopal Rameshwarlal Kabra	Managing Director	
Shri Mahendrakumar Rameshwarlal Kabra	Joint Managing Director	
Smt. Kirtidevi Shreegopal Kabra	Whole-time Director	Upto 16 December 2022
Shri Mahhesh Tribhuvanprasad Kabra	Whole-time Director	Upto 16 December 2022
Late Ashok Satyanarayan Loya	Whole-time Director	Upto 20 September 2022
Shri Sumeet Mahendrakumar Kabra	Whole-time Director	Upto 16 December 2022
Shri Sanjay Narnarayan Taparia	Whole-time Director	Upto 16 December 2022
Shri Ramamirtham Kannan	Indendent Director	Upto 16 December 2022
Shri Rajesh Babu Jain	Whole-time Director	Upto 16 December 2022
Shri Bhagwat Singh Babel	Indendent Director	
Shri Mukund Manohar Chitale	Indendent Director	Upto 29 April 2023
Shri Puneet Bhatia	Director	Upto 16 December 2022
Shri Mitesh Daga	Director	
Shri Vipul Sabharwal	Indendent Director	w.e.f. 23 August 2022
Smt. Jyoti Davar	Indendent Director	w.e.f. 16 December 2022
Shri Ramesh Chandak	Indendent Director	w.e.f. 29 April 2023

Audit Committee :

Shri Ramesh Chandak	Chairman	w.e.f. 29 April 2023
Shri Ramamirtham Kannan	Chairman	Upto 16 December 2022
Shri Mukund Manohar Chitale	Chairman	w.e.f. 16 December 2022 & upto 29 April 2023
Shri Bhagwat Singh Babel	Member	
Shri Vipul Sabharwal	Member	
Shri Mitesh Daga	Member	
Shri Shreegopal Rameshwarlal Kabra	Member	Upto 3 May 2023

Nomination and Remuneration committee :

Shri Ramesh Chandak	Chairman	w.e.f. 29 April 2023
Shri Ramamirtham Kannan	Chairman	Upto 16 December 2022
Shri Mukund Manohar Chitale	Chairman	w.e.f. 16 December 2022 & upto 29 April 2023
Shri Bhagwat Singh Babel	Member	
Shri Vipul Sabharwal	Member	w.e.f. 16 December 2022
Shri Mitesh Daga	Member	w.e.f. 16 December 2022
Shri Tribhuvanprasad Rameshwarlal Kabra	Member	Upto 29 April 2023
Shri Puneet Bhatia	Member	Upto 16 December 2022

Corporate Social Responsibility (CSR) Committee :

Shri Bhagwat Singh Babel	Chairman	
Shri Mahhesh Kabra	Member	Upto 16 December 2022
Smt. Kirtidevi Kabra	Member	Upto 16 December 2022
Shri Puneet Bhatia	Member	Upto 16 December 2022
Shri Mahendrakumar Rameshwarlal Kabra	Member	w.e.f. 16 December 2022
Shri Mitesh Daga	Member	w.e.f. 16 December 2022

Stakeholders Relationship Committee :

Shri Bhagwat Singh Babel	Chairman	w.e.f. 29 April 2023
Shri Ramesh Chandak	Member	w.e.f. 29 April 2023
Shri Shreegopal Rameshwarlal Kabra	Member	w.e.f. 29 April 2023

Risk Management Committee :

Shri Tribhuvanprasad Rameshwarlal Kabra	Chairman	w.e.f. 29 April 2023
Shri Bhagwat Singh Babel	Member	w.e.f. 29 April 2023
Shri Dinesh Aggarwal	Member	w.e.f. 29 April 2023

Auditors :

B S R & Co. LLP
Chartered Accountants

Bankers

:
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

Registered Office

:
Ram Ratna House,
Oasis Complex, Pandurang Budhkar Marg, Worli,
Mumbai – 400 013
www.rrglobal.com
CIN : U28997MH1995PLC085294

Corporate Office

:
Alembic Business Park (W), Ground Floor, Bailal Amin Marg,
Gorwa, Vadodara - 390 003

Works

:
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, 214/2, 215/1/2, 215/2, 216, 217, 218, 327/5, 327/6
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
RAMESHWARLAL KABRA**

EXECUTIVE CHAIRMAN



**SHRI SHREEGOPAL
RAMESHWARLAL KABRA**

MANAGING DIRECTOR



**SHRI MAHENDRAKUMAR
RAMESHWARLAL KABRA**

JOINT MANAGING DIRECTOR



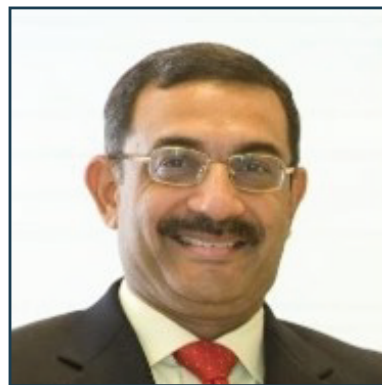
SHRI BHAGWAT SINGH BABEL

INDEPENDENT DIRECTOR



SHRI MITESH DAGA

DIRECTOR



SHRI VIPUL SABHARWAL

INDEPENDENT DIRECTOR
Appointed on 23rd August, 2022



SMT JYOTI DAVAR

INDEPENDENT DIRECTOR
Appointed on 16th December, 2022



SHRI RAMESH CHANDAK

INDEPENDENT DIRECTOR
Appointed on 29th April, 2023

CHAIRMAN'S MESSAGE



SHRI TRIBHUVANPRASAD RAMESHWARLAL KABRA

Executive Chairman, R R Kabel Limited

Dear Shareholders,

Ladies and gentlemen, I am immensely pleased and privileged to present to you the Twenty-Ninth Annual Report of R R Kabel Limited ("the Company") for the Financial Year 2022-23.

The economic uncertainties, geopolitical changes, and Ukraine conflict present significant & continual global challenges. Despite all, your company continues to perform well, making its presence felt world over and remains committed to deliver value to its shareholders, stake holders and business associates. Your company has delivered a robust performance during the FY 2022-2023, which reflects its commitment to growth, come what may.

India is already the 5th largest world economy. The growth prospects are immensely upbeat. With aggressive infra structure plans, focus on development of clean renewable energy, and the "Make in India" initiative championed by our Honourable Prime Minister, India is poised for relentless progress and promises to become the 3rd largest world economy in the next few years. India is looking at a horizon of growth, like never before.

R R Kabel has established itself as a trusted company in all the countries in which it has established its product line.

FY 2022-23 has turned out to be a solid year for our company. Our overall revenue growth in FY 2023 was an impressive 27.66% over previous year, ending at ₹ 5599.20 crores (FY'22 was ₹ 4385.94 crores) driven by an increase in business volume. We were able to achieve EBITDA of ₹ 356.76 crores (FY'22 ₹ 349.53crores). Our consolidated Profit after Tax was ₹ 188.93 crores (FY'22 ₹ 209.74). Our product lines continue to make inroads into more and more countries across the globe.

Our scholarship programme "Kabel Star" is a one of its kind programme in Indian industry, for the deserving children of Indian electricians, irrespective of whether the electricians are our customers or not. It is a thoughtful initiative to recognise and respect the community of electricians whose contribution to the building of India cannot be denied. This also is in addition to our CSR activities.

This year, company continued to invest significantly in developing in-house capabilities across various key parameters. This

has not only enhanced transparency but also improved our customer service levels. Amongst other initiatives is the implementation of Business Intelligence Supply Chain Management software, an integrated demand planning process, that has helped increase forecast accuracy and on-time delivery in CPD business. We have also focussed on Stock replenishments, atomization and introduced a supply Chain control tower for senior management, improving monitoring and visibility. To further improve turnaround times for our customers, we have expanded our warehousing facilities to major -cities across India. The recent implementation of Dynamic 365 and SAP software has significantly enhanced our business visibility, enabling more informed decision-making.

In the manufacturing arena, we have undertaken several initiatives to expand our product portfolio, with a particular focus on cables for solar, fire safety, medium voltage, EV segments, and green energy. Our state-of-the-art E-Beam plants are currently in the installation process and are set to begin delivering cables by the end of 2023. Our product testing facility is continuously being upgraded to meet stringent national and global testing requirements.

Our acquisition of the Home Electrical Business (HEB) of Luminous on May 1, 2022, with the vision of a complete turnaround of our FMEG business, is marching on successfully. We have seamlessly integrated the HEB business with our existing Consumer Product Division (CPD). It is now collectively referred to as the Fast Moving Electrical Goods (FMEG) division. This integration has expanded our reach across India. Our state-of-the-Art manufacturing facility in Gagret (UNA), produces fans with 99% quality efficiency, has contributed to delivering high quality products to our end consumers. With world class R&D facilities, we are well-positioned to meet the needs of end consumers.

Based on the culture audit and survey, I am delighted to inform that your company is now **Great Place To Work® Certified™**, certified by **Great Place to Work Institute**.

Our company continues to prioritize CSR activities, focusing on rural education for the underprivileged. We have deployed 86% of our total CSR funds, with 49% of those funds benefitting over 25000 tribal children in the FTS schools across nine states in India. The remaining 14% of funds were allocated for vocational training of women, support for an orphanage, and rural healthcare.

At R R Kabel, we are fully aware of the developments in sustainability and ESG, both in India and globally. Our business has a strong history and culture of resource conservation and environmental consciousness. 100% of our wires and cables are ROHS and REACH compliant for distribution in both the Indian and overseas markets. Our efforts in rainwater harvesting at our largest production unit in Waghodia have led to a significant increase in the groundwater table. We recharge groundwater with rooftop and surface runoff water, currently accounting for 34% of our equivalent use. Our goal is to increase this to at least 50% by the next year while continually improving our sustainable infrastructure within the campus. We have also planted nearly 10,000 trees of various species, contributing to soil preservation, sound insulation, carbon dioxide reduction and increased oxygen generation. Our 1.25 MW rooftop solar PV system fulfils 13% of our electricity requirement at the Waghodia unit. Our 0.25 MW rooftop solar PV system at Silvassa unit meets 5% of our electricity requirements there.

Our structured approach to ESG began with the articulation of our ESG goals, including meeting customer expectations on sustainability, measuring, monitoring, and communicating key metrics, and preparing for the future by building resilience against ESG risks. This process involved identifying material ESG issues, conducting gap assessments with respect to existing policies, benchmarking with peers, and finalizing key performance indicators (KPIs) to translate our ESG goals into action.

With the ongoing capacity expansion and sustainability initiatives, I am confident about the future growth prospects of our company.

It gives me immense pleasure to inform that your company has initiated the process of the initial public offering of equity shares bearing face value of ₹5 each, comprising a fresh issue of equity shares and an offer for sale by certain selling shareholders of the Company. The company has filed Draft Red Herring Prospectus (DRHP) on May 6, 2023, with Securities Board of India (SEBI).

I extend my gratitude to fellow Board members and all stakeholders, especially our valued shareholders, for their trust and support. Together, let us continue this exciting journey and ensure the continued growth of R R Kabel. Much credit for the success of our organization is due 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 Rameshwarlal Kabra

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Climate change has become one of the most defining issues of our times, posing complex challenges as well as opportunities for our business. As a responsible corporate, we are aligning our business model closely to environmental, social and governance (ESG) goals and setting higher standards for ourselves. Our business is inextricably linked with developments in real estate, industry, and infrastructure. With growth in incomes, societies across the world over have aspired for improved standards of living, leading to sustained growth in demand for our products. The very notion of growth however is undergoing a change, with anthropogenic activities of the last century causing irreversible damage to our planet's ecosystems and threatening our very existence.

Recognizing the magnitude of external developments on ESG and the need for a structured transformation program within, we have formed an ESG committee comprising of the CFO, CXO, CEO & MD at top level and under them a core committee of committed senior executives who shall ensure the roll of ESG initiatives across the organisation. The ESG committee has recognised the challenge and engaged a specialized sustainability and ESG services firm, to undertake a comprehensive exercise of devising an ESG strategy and implementation plan.

R R Kabel is fully cognizant of the developments in sustainability and ESG in India and across the world. Our business has had a strong heritage and culture of resource conservation and environment consciousness. Our entire range of wires and cables are ROHS & REACH compliant for distribution in the Indian and overseas market. Rainwater harvesting efforts over the years in our largest production unit at Waghodia have resulted in significant increase of the ground water table. We also recharge ground water with roof top and surface run off water. Currently we are recharging groundwater at 34% of our equivalent use. We intend to increase this to 50% at least by next year and keep on improving by building sustainable infrastructure within the campus. We also planted close to 10K trees of various species which help in soil preservation, sound insulation, degrading carbon dioxide and increasing oxygen generation. We have also installed 1 MW rooftop solar PV that fulfils 13% of our electricity requirement at the Waghodia unit and .25Mw roof top solar PV that fulfils 5% of our electricity requirements at Silvassa.

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.

In the first phase of the exercise, we have formulated our top ESG goals to embrace customer-centricity, enhanced communication, and future-readiness. Our strategic and tactical items based on the above goals have helped us form the foundation on which further ESG actions are planned for current and following years. We began with instilling a data culture around ESG parameters that helped us in capturing information and enhancing our sustainability disclosures across all our facilities.

In the second phase We have completed a baseline assessment of Scope 1 and Scope 2 GHG emissions fr 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 recently installed hybrid sourcing of renewable green energy from third party providers, with a goal of reaching more than 10% of overall energy in the coming 2 years. This shall not only reduce our portfolio of GHG emissions but result in savings up to Rupees 4 cr per annum.

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. Our first sustainability report for 2021-22 is ready and uploaded on website and set our targets as a first step, on our direct greenhouse gases (GHG) emissions.

In the third phase (2022-23) we have begun calculations of Scope3 GHG emissions. We intend to work on CDP disclosures, Monitor Targets (actuals vs targets), implement new initiatives, if necessary, modify roadmap and do course corrections, Strengthen the "S" pillar, enhance existing policies, roll out Sustainable procurement policy, improve ESG performance, and finally work on Sustainability disclosures by bringing out second Sustainability report in 2022-23 which shall be GRI referenced and published shortly.

We have registered in CDP (Carbon Disclosure Project) 2023 and participated in the survey. The results of the CDP survey shall be declared in December 2023. We intend to treat 2023 as our base year and gradually build on it year to year.

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.

An industry-leading directive on ESG disclosure, Business Responsibility and Sustainability Reporting (BRSR) was introduced by SEBI in May 2021. R R Kabel is preparing its systems and processes to address the disclosure requirements by the next financial year (FY 2023). By proactively addressing such external ESG developments, we are starting our ESG journey in right earnest and would evolve to an ESG-leader in our industry segment.

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

NOTICE

Notice is hereby given that the 29th (Twenty-Ninth) Annual General Meeting of the members of **R R KABEL LIMITED** (“the Company”) will be held through the video-conferencing facility (“VC”) on Thursday, September 14, 2023 at 11:00 am to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, 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 March 31, 2023, together with the Report of the Auditors thereon.
2. To declare a dividend of (i) ₹ 4.50 per Equity Share of ₹ 5 each and (ii) ₹ 18 per Compulsory Convertible Preference Share of ₹ 1080.33 each for the financial year ended March 31, 2023.
3. To appoint a director in place of Shri Shreegopal Rameshwarlal Kabra (DIN – 00140598), who retires by rotation and being eligible offers himself for re-appointment.
4. To consider the re-appointment of M/s BSR & Co. LLP, Chartered Accountant, as Statutory Auditors of the Company and authorized Board of Directors to fix the remuneration, and in this regard, to consider and if thought fit, to pass, the following

Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139, Section 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and approval by the Board of Directors, M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration Number – 101248W/W-100022), be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of 29th Annual General Meeting till the conclusion of 34th Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors be authorized to fix the remuneration for the Statutory Auditors in consultation with the Audit Committee and the Statutory Auditors.

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

SPECIAL BUSINESS:

5. To consider and approve the remuneration of the Cost Auditors of the Company for financial year 2023-24 and in this regard to pass, if thought fit, the following Ordinary Resolution:

“**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 ₹ 9,00,000/- (Rupees Nine Lakhs) 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 March 31, 2024.

RESOLVED FURTHER THAT the Board be and is hereby authorized to 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: 14 August 2023

Place: Mumbai

For and on behalf of the Board

Himanshu Navinchandra Parmar

Company Secretary & Compliance Officer

FCS: 10118

Registered Office:

Ram Ratna House,
Victoria Mill Compound,
Pandurang Budhkar Marg,
Worli, Mumbai 400 013,
Maharashtra, India

NOTICE (Contd.)

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, 02/2022 and 10/2022 dated 5 May, 2020, 13 January 2021, 8 December 2021, 5 May 2022 and 28 December, 2022 respectively, and clarification circular No. 21/2021 dated December 14, 2021 issued by the Ministry of Corporate Affairs, Government of India, the 29th AGM of the Company is being conducted through VC Facility, which does not require the physical presence of Members at a common venue. The deemed venue for the 29th AGM shall be the Registered Office of the Company at Ram Ratna House, Victoria Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai 400 013 Maharashtra, India.
- 2) Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is also entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since the AGM is being conducted through VC, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 3) Pursuant to Section 113 of Companies Act 2013 corporate members intending to attend the Meeting must be authorized by proper Board resolution/ Authorization authorizing its representative to attend the AGM through VC on its behalf. A copy of the Board resolution/ Authorization must be sent to the Company before the Meeting. The resolution/authority may be sent through an email to the Company Secretary.
- 4) The access details for attending the meeting through video conference VC will be provided at the registered email address of the members.
- 5) Members can cast their vote by sending a mail to secretarial.rrkl@rrglobal.com from their registered email ID, when a poll is required to be taken on any resolutions.
- 6) Members are requested to log in on the portal using the details provided over registered email of members at least 5 to 10 minutes prior to the scheduled time.
- 7) 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 and Compliance Officer, Shri Himanshu Navinchandra Parmar at the email id secretarial.rrkl@rrglobal.com, from their registered email address. The requested documents shall be provided at the earliest possible time.
- 8) The certificate from secretarial auditors, M/s Khanna & Co., Practicing Company Secretaries, that the RRKL ESOP 2020 and RRKL ESOP 2023 are implemented in accordance with SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021, to the extent applicable and the resolutions passed by the members, shall be made available at the AGM. Profile of Directors being appointed / re-appointed in the order of the items mentioned in the notice.

Name	Shri Shreegopal Rameshwarlal Kabra
DIN	00140598
Date of Birth	June 21, 1958
Date of Appointment on the Board	June 27, 2014
Qualification	Secondary-level school education
Experience	He has extensive experience in the electrical industry. Previously, he was associated with the International Copper Association as the chairman of wire and cable product council and the Indian Electrical and Electronics Manufacturers' Association as the president.
Number of Board meetings attended	7

NOTICE (Contd.)

Name	Shri Shreegopal Rameshwarlal Kabra
Name of Companies in which also holds Directorship	Indian Companies: <ul style="list-style-type: none"> ● Jag-Bid Finvest Private Limited; ● RR Busduct Private Limited; ● R R Parkon Private Limited; ● Ram Ratna Infrastructure Private Limited; and ● Ram Ratna Research and Holdings Private Limited Foreign Companies: <ul style="list-style-type: none"> ● TMG Global FZCO
Name of the Companies in Committees of which holds Membership / Chairmanship	R R Kabel Limited
Number of Shares held in R R Kabel Limited	Equity 46,29,232 as on date of this notice

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

Item No. 4

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act.

The Members at the 24th Annual General Meeting ('AGM') of the Company held on September 29, 2018, had approved appointment of BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) ('**BSR**'), as the Statutory Auditors of the Company to hold office from the conclusion of the 24th AGM till the conclusion of the 29th AGM of the Company to be held in the year 2023.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('**Board**') has, based on the recommendation of the Audit Committee, proposed the reappointment of BSR, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 29th AGM till the conclusion of 34th AGM of the Company to be held in the year 2028, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

BSR have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

BSR was paid a fee of ₹ 72 lakhs for the audit of standalone and consolidated financial statements of the Company for the financial year ended March 31, 2023 plus applicable taxes and out-of-pocket expenses. The increase in fee proposed to be paid to BSR for the financial year ending March 31, 2024 will be mutually agreed.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 4 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 4 of the Notice for approval of the Members.

NOTICE (Contd.)

Item No. 5

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 March 31, 2024.

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.5 of the Notice for ratification of the remuneration payable to Cost Auditors for the financial year ending March 31, 2024.

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: 14 August 2023
Place: Mumbai

Himanshu Navinchandra Parmar
Company Secretary & Compliance Officer
FCS: 10118

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

DIRECTORS' REPORT

To,
The Members of
R R Kabel Limited

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 2023.

➤ FINANCIAL SUMMARY AND HIGHLIGHTS

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

(₹ In Lakhs)

PARTICULARS	FY 2022-23	FY 2021-22
Revenue from Operations	559,920	438,594
Other Income	3,444	4,628
Operating profit before Finance Cost, Depreciation, Tax and Extraordinary items	35,676	34,953
Less: Depreciation and amortization expenses	5,963	4,609
Finance Cost	4,209	2,328
Profit before tax	25,505	28,016
Less: Tax	6,612	7,042
Profit for the year	18,893	20,974
Other Comprehensive Income	1,523	1,645
Total Comprehensive Income	20,461	22,619

During the year under review, on a standalone basis, the Company recorded net revenue from operations of ₹ 5,59,920 Lakhs, higher by 27.66% compared to ₹ 4,38,594 Lakhs of the last financial year. The Company recorded a net profit of ₹ 18,893 Lakhs during the financial year ended March 31, 2023 against a net profit of ₹ 20,974 Lakhs in the previous financial year ended March 31, 2022. The Company's EBITDA stood at ₹ 35,676 Lakhs, an increase by 2.07% over the EBITDA of ₹ 34,953 Lakhs for the last financial year. The operations and financial results of the Company are further elaborated in the Management Discussion and Analysis Report.

➤ TRANSFER TO RESERVE

The Board of Directors has decided to retain the entire amount of profit for financial year ended March 31, 2023 appearing in the Statement of profit and loss.

➤ TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

The Company does not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, no funds were required to be transferred to Investor Education and Protection Fund.

➤ DIVIDEND

Your directors are pleased to inform you that the Board has declared a dividend of ₹ 4.50 per Equity Share of ₹ 5 each and ₹ 18 per Compulsory Convertible Preference Share of ₹ 1080.33 each, at their meeting held on August 14, 2023, subject to the approval of shareholders. An amount of ₹ 4998 Lakhs shall be paid out of net profit for the year ended March 31, 2023, 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.

➤ INITIAL PUBLIC OFFER (IPO)

The Board at its meeting held on March 16, 2023, approved the initial public offering of equity shares bearing face value of ₹ 5 each, comprising a fresh issue of such number of Equity Shares aggregating up to ₹ 2,250.00 million and an offer for

DIRECTORS' REPORT (Contd.)

sale of up to 17,236,808 Equity Shares by certain selling shareholders of the Company subject to approval of members of the Company. The members of the Company by a special resolution passed at the extra ordinary general meeting held on March 20, 2023, approved the aforesaid offer and issuance of equity shares through the Initial public offering. The company has filed Draft Red Herring Prospectus (DRHP) on May 6, 2023, with Securities Board of India (SEBI).

➤ **SHARE CAPITAL**

❖ **Authorised Capital**

The Authorized Capital of the Company is ₹ 4,75,18,59,437 (Rupees Four Hundred and Seventy-Five Crores Eighteen Lakhs Fifty-Nine Thousand Four Hundred and Thirty Seven) divided into 12,00,00,000 (Twelve Crores) Equity Shares of ₹ 5/- (Rupees Five only) each and 38,43,140 (Thirty-Eight Lakhs Forty-Three Thousand One Hundred and Forty) Preference Shares of ₹ 1080.33/- (Rupees One Thousand Eighty and Thirty-Three Paise only) each.

During the year under review:

The face value of Equity Share of the Company has been sub-divided from the existing ₹ 10/- (Rupees Ten only) per equity share to of ₹ 5/- (Rupees Five only) per equity share.

The Authorised Share capital of the Company has been increased from ₹ 4,72,18,59,437/- (Rupees Four hundred and seventy-two crores eighteen lacs fifty-nine thousand four hundred and thirty seven) to ₹ 4,75,18,59,437/- (Rupees Four hundred and seventy-five crores eighteen lacs fifty-nine thousand four hundred and thirty-seven) by creation of additional 60,00,000 Equity Shares having face value of ₹ 5 each amounting to ₹ 3.00 Crores.

❖ **Issued, Subscribed and Paid-up Capital**

The paid up capital of the Company stands at ₹ 463,03,40,916.20 (Rupees Four hundred and sixty-three crore three lakhs forty thousand nine hundred sixteen and twenty paise only), which comprises of 9,56,96,296 (Nine crore fifty six lakhs ninety-six thousand two hundred ninety-six) Equity Shares of ₹ 5/- (Rupees Five only) each and 38,43,140 (Thirty-eight lakhs forty-three thousand one hundred and forty) Preference Shares of ₹1080.33/- (Rupees One thousand eighty and thirty-three paise only) each.

During the year under review, Company has sub-divided the face value of Equity shares from ₹ 10/- per Equity Share to ₹ 5/- per Equity Share and post that issued bonus shares in the ratio of 1 Equity share for every 1 Equity Share each of having face value of ₹ 5/-, held in the Company.

➤ **SUBSIDIARY, ASSOCIATE AND JOINT VENTURE**

The Company does not have a 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 counterparty 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.

➤ **CREDIT RATING OF THE COMPANY**

India Ratings and Research (Ind-Ra) has affirmed Company's (RRKL) Long-Term Bank Facilities at 'IND AA-' Rating and Short-Term Bank Facilities at 'IND A1+' Rating. The outlook for both facilities is Stable.

➤ **CHANGE IN NATURE OF BUSINESS**

During the year under review, there was no change in nature of business of the Company.

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

DIRECTORS' REPORT (Contd.)

➤ DIRECTORS & KEY MANAGERIAL PERSONNEL (KMPs)

❖ Composition

- The company has a total of eight Directors including an Executive Chairman. Out of eight Directors, three are executive directors and five are non-executive directors including one-woman director.
- None of the Directors/KMP of the Company are disqualified under any of the provisions of the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

❖ Declaration by Independent Directors

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Independent Directors' have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act read along with the rules framed thereunder and Regulation 16(1)(b) of Listing Regulations. Further, during the financial year ended March 31, 2023, there has been no change in the circumstances affecting their status as Independent Directors of the Company.

❖ Directors retiring by rotation

As per the provisions of Section 152(6) of the Companies Act, 2013, not less than two-third of the total number of Directors, other than Independent Directors shall be liable to retire by rotation. One-third of these Directors are required to retire every year. Shri Shreegopal Rameshwarlal Kabra (DIN: 00140598) retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice. A detailed profile of Shri Shreegopal Rameshwarlal Kabra (DIN: 00140598) along with additional information required under Regulation 36(3) of Listing Regulations and Secretarial Standard on general meetings is provided separately by way of Annexure to the Notice convening the 29th AGM of the Company as per Regulation 1.2.5 of Secretarial Standard 2.

❖ Resignation of Directors and Key Managerial Personnel (KMP):

During the year under review, following Directors and KMP have resigned from the Board of the Company:

Name of Director/KMP	DIN/PAN	Designation	Date of Resignation
Shri Ashok S. Loya	00136619	Whole-time Director	September 20, 2022 (ceased to a director due to sudden demise)
Shri Mahhesh Tribhuvanprasad Kabra	00137796	Whole-time Director	December 16, 2022
Shri Sumeet Mahendrakumar Kabra	01751282	Whole-time Director	December 16, 2022
Smt. Kirtidevi Shreegopal Kabra	00150796	Whole-time Director	December 16, 2022
Shri Sanjay Namarayan Taparia	01812564	Whole-time Director	December 16, 2022
Shri Kannan Ramamirtham	00227980	Independent Director	December 16, 2022
Shri Puneet Bhatia	00143973	Director	December 16, 2022
Shri Rajesh Babu Jain	06959083	Whole-time Director	December 16, 2022
Shri Rajeev Pandiya	AHBPP2528C	Chief Financial Officer	August 23, 2022

Shri Mukund Manohar Chitale (DIN: 00101004), Independent Director of the Company, resigned with effect from April 29, 2023.

❖ Appointment/Re-appointment of Directors and Key Managerial Personnel (KMP):

During the year under review, following Directors and Key Managerial Personnel have been appointed by the Company:

Name of Director/KMP	DIN/PAN	Designation	Date of Resignation
Shri Bhagwat Singh Babel*	01476935	Independent Director	August 24, 2022
Shri Vipul Sabharwal*	03429263	Independent Director	August 23, 2022
Smt. Jyoti Davar*	09757889	Independent Director	December 16, 2022
Shri Dinesh Aggarwal	AAAPA0355L	Chief Executive Officer	December 16, 2022
Shri Rajesh Babu Jain	ABJPJ2458F	Chief Financial Officer	August 24, 2022

DIRECTORS' REPORT (Contd.)

*Members at the Annual General Meeting held on September 22, 2022 approved the reappointment of Shri Bhagwat Singh Babel as an Independent Director for second term w.e.f. August 24, 2022 and appointment of Shri Vipul Sabharwal as an Independent Director w.e.f. August 23, 2022.

Members at the 1st /2022-23 Extra Ordinary General Meeting held on March 20, 2023 approved the appointment of Smt. Jyoti Davar as an Independent Director w.e.f. December 16, 2022.

Members at the 2nd /2023-24 Extra Ordinary General Meeting held on April 29, 2023 approved the appointment Shri Ramesh Chandak as an Independent Director w.e.f. April 29, 2023.

❖ Familiarization Program

In compliance with the requirements of Listing Regulations, the Company has put in place a framework for Directors' Familiarisation Programme to familiarize the Independent Directors with their roles, rights and responsibilities, strategy planning, manufacturing process, factory visit, Amendments in law and Company's codes & policies.

❖ Annual Compliance Affirmation

Pursuant to the requirements of Regulation 26(3) of Listing Regulations, all members of the Board of Directors and senior management personnel have affirmed compliance with the code of conduct for Board of Directors and senior management personnel.

➤ BOARD MEETINGS HELD DURING THE YEAR

During the financial year 2022-23, eight (8) meetings of the Board of Directors were held on June 22, 2022, August 23, 2022, September 30, 2022, December 16, 2022, February 13, 2023, March 16, 2023, March 20, 2023 and March 30, 2023 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder, applicable Secretarial Standards and regulation 17 of the Listing Regulations. The details of the meetings are furnished in the report on Corporate Governance which is attached as Annexure D to this Report.

➤ SEPARATE MEETING OF INDEPENDENT DIRECTOR

In terms of requirements of Schedule IV of the Act, the Independent Directors of the Company met separately on March 30, 2023, inter alia to review the performance of Non-Independent Directors (including the Chairman), the entire Board and the matters as prescribed under Schedule IV of the Companies Act, 2013 and under Regulation 25(4) of Listing Regulations.

➤ 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 2022-23. 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:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) 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, 2023, and of the profit of the Company for March 31, 2023;
- c) 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;
- d) the annual accounts for the year ended on March 31, 2023 have prepared on a 'Going Concern' basis.
- e) 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
- f) 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.

DIRECTORS' REPORT (Contd.)

➤ COMMITTEES OF THE BOARD

The Company has duly constituted and reconstituted the following Committees in terms of the provisions of the Companies Act, 2013 read with relevant rules framed thereunder & Listing Regulations during the reporting period and till the date of this report:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The composition of all the above Committees, brief terms of reference, number of meetings held, their dates and attendance of members at each of the Committee meetings, during the financial year ended March 31, 2023 and other details have been provided in the Corporate Governance Report which forms part of the Annual Report of the Company. There has been no instance during the year where the recommendations of the Committees were not accepted by the Board.

❖ Audit Committee

The Audit Committee was reconstituted on December 16, 2022 as below:

- Shri Mukund Manohar Chitale - Chairman,
- Shri Bhagwat Singh Babel - Member,
- Shri Vipul Sabharwal - Member,
- Shri Mitesh Daga - Member,
- Shri Shreegopal Rameshwarlal Kabra - Member,

Further the committee was reconstituted on April 29, 2023 and Shri Ramesh Chandak was appointed as the Chairman. The committee was reconstituted again on May 3, 2023 and currently, the Committee comprises of the following:

- Shri Ramesh Chandak - Chairman
- Shri Bhagwat Singh Babel - Member
- Shri Vipul Sabharwal - Member
- Shri Mitesh Daga - Member

During the year under review, four meetings of the Audit Committee were held on June 22, 2022, August 22, 2022, December 15, 2022 & March 30, 2023 to perform their duties in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. During the period under review, the Company has adhered to the broad framework laid down by the following policies:

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 read with Regulation 22(1) of Listing Regulations, the Company has adopted a Vigil Mechanism Policy. The policy is available on the website of the Company at 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.

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.

❖ Stakeholders Relationship Committee

In compliance with the provisions of section 178(5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Board has constituted a "Stakeholders Relationship Committee" on April 29, 2023 to consider and resolve the grievances of security holders of the Company. The Committee comprises of the following:

DIRECTORS' REPORT (Contd.)

- Shri Bhagwat Singh Babel - Chairman,
- Shri Ramesh Chandak - Member and
- Shri Shreegopal Rameshwarlal Kabra - Member.

❖ **Nomination and Remuneration committee**

The Nomination and Remuneration Committee was reconstituted on December 16, 2022 as below:

- Shri Mukund Manohar Chitale - Chairman
- Shri Vipul Sabharwal - Member
- Shri Bhagwat Singh Babel - Member
- Shri Mitesh Daga - Member
- Shri Tribhuvanprasad Rameshwarlal Kabra- Member

Further the committee was reconstituted on April 29, 2023 and Shri Ramesh Chandak was appointed as the Chairman. Presently the committee comprises of the following:

- Shri Ramesh Chandak - Chairman
- Shri Bhagwat Singh Babel - Member
- Shri Vipul Sabharwal - Member
- Shri Mitesh Daga - Member.

During the year seven meetings of the Committee were held on June 22, 2022, August 22, 2022, September 30, 2022, December 15, 2022, February 13, 2023, March 16, 2023 and March 20, 2023 to perform the duties in accordance with the provisions of the Companies Act, 2013 and regulation 19 of Listing Regulations.

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 <https://www.rrkabel.com>.

❖ **Corporate Social Responsibility (CSR) Committee**

The Committee was reconstituted on December 16, 2022 with the following members:

- Shri Bhagwat Singh Babel - Chairman
- Shri Mahendrakumar Rameshwarlal Kabra - Member
- Shri Mitesh Daga - Member.

During the year three meetings of the Committee were held on June 22, 2022, December 15, 2022 & February 13, 2023 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.

The CSR activities and initiatives undertaken by your Company during the financial year 2022-23 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.

❖ **Risk Management Committee**

The company pursuant to regulation 21 of the Listing Regulations, has constituted Risk Management Committee on April 29, 2023 which is responsible for management of risk, avoid exposure to significant financial loss and achieve risk management objectives as specified under Risk Management Policy. The Risk management committee comprises of the following:

- Shri Tribhuvanprasad Rameshwarlal Kabra - Chairman,
- Shri Bhagwat Singh Babel - Member
- Shri Dinesh Aggarwal - Member.

The management of the Company has duly adopted the Risk Management Policy to articulate the Company's approach and expectations in relation to the management of risk across the organisation. The Risk Management Policy is available on Company's website at <https://www.rrkabel.com>.

DIRECTORS' REPORT (Contd.)

➤ AUDITORS AND THEIR REPORT

❖ STATUTORY AUDITORS

M/s BSR & Co. LLP, Chartered Accountants, (Firm Registration number 101248W/W-100022) were appointed as Statutory Auditors of the Company, to hold office from the conclusion of 24th Annual General Meeting till the conclusion of the 29th Annual General Meeting, at the Annual General Meeting held on September 29, 2018. As the current tenure of the Statutory Auditor expires at the conclusion of the ensuing Annual General Meeting, the Board of Directors of the Company have recommended the re-appointment of the retiring auditor for the second term of five years beginning from the conclusion of this ensuing Annual General Meeting till the conclusion of the 34th Annual General Meeting of the Company, subject to approval of shareholders.

The resolutions seeking the shareholder approval for the re-appointment of the statutory auditors for another term of five years has been included in the notice of the ensuing AGM.

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 March 31, 2023. 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 March 31, 2023.

❖ COST AUDITORS

The Board, on the recommendation of the Audit Committee, has approved the appointment of and payment of remuneration to M/s. Poddar & Co., Cost Accountants as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ended March 31, 2024. In accordance with the provisions of Section 138 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 AGM.

● 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 has complied 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, In view of the proposed listing of the equity shares of the Company, a Corporate Governance Report as per Regulation 34 read with Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, is included in the Director Report as **Annexure D**.

➤ MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Regulation 34(2)(e) of Listing Regulations, read with other applicable provisions, the detailed review of the operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis Report which forms part of this Annual Report and is incorporated herein by reference and forms an integral part of this Report as **Annexure - E**.

➤ ANNUAL RETURN

The Annual Return of the Company as on March 31, 2023 is available on the Company's website and can be accessed at <https://www.rrkabel.com>.

DIRECTORS' REPORT (Contd.)

➤ REMUNERATION OF DIRECTORS/ KEY MANAGERIAL PERSONNEL/ EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as **Annexure - F**.

However, in accordance with the provisions of the second proviso to Section 136(1) of the Act, the Annual Report is being sent to the Members of the Company excluding the aforesaid information. The aforesaid information is available for inspection by the members upto the date of the ensuing AGM on all working days, except Saturdays, during working hours at the Registered Office of the Company. Any Member interested in obtaining such information may write to the Company Secretary.

➤ 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 G** to the report and forms part of this Report.

➤ PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits.

➤ LOANS, GUARANTEES AND INVESTMENTS

During the financial year 2022-23, the Company has not given any loans or provided any security under the provision of Section 186 of the Act. The Company has however and 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 March 31, 2023.

➤ INTERNAL AUDIT

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.

Adequacy 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 actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee, 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 of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal committees have been

DIRECTORS' REPORT (Contd.)

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, one complaint was received by the Company and the same was appropriately addressed and closed.

➤ 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

- 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;
- 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
- the Company has ESOP scheme for its employees/Directors and information as per provisions of Rule 12(9) has been furnished as below:

The board has approved to grant further stock options under RRKL ESOP 2020 to Shri Satishkumar Agarwal in board meeting dated March 16, 2023 and the members have approved the new ESOP scheme named RR Kabel Employee Stock Option Plan 2023 (RRKL ESOP 2023) at the extraordinary general meeting on March 20, 2023. The board has approved to grant stock options under RRKL ESOP 2023 to Shri Dinesh Aggarwal in board meeting dated March 20, 2023.

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, 2023	For the Year ended 31 March, 2022
	No. of Options	No. of Options
Outstanding at the beginning of the year (A)	4,+81,520	64,796
Add – Granted during the year (B)	44,480	1,20,380
Less- Forfeited / Cancelled / Laps during the year (C)	2,14,800	64,796
Less – Exercise During the year (D)	Nil	Nil
Outstanding at the end of the year (E) = (A+B-C-D)	3,11,200	1,20,380

**During the Financial Year 2022-23, ESOP SCHEME 2020 has been revised to provide for the sub-division in the face value of Equity Shares of the Company and issue of Bonus Equity shares.*

A summary of the status of ESOP 2023 in terms of options granted, forfeited, cancelled, exercised, and outstanding is provided below:

Particulars	For the Year ended 31 March, 2023	For the Year ended 31 March, 2022
	No. of Options	No. of Options
Outstanding at the beginning of the year (A)	Nil	NA
Add – Granted during the year (B)	1,11,120	NA
Less- Forfeited / Cancelled / Laps during the year (C)	Nil	NA
Less – Exercise During the year (D)	Nil	NA
Outstanding at the end of the year (E) = (A+B-C-D)	1,11,120	NA

The details of the Employee Stock Options plan are provided in Note no. 48 in Notes to accounts of the financial statements.

DIRECTORS' REPORT (Contd.)

➤ **APPLICATION/PROCEEDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

Pursuant to rule 8(5)(xi) of the Companies (Accounts) Rules, 2014, no application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the period under review.

➤ **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF UNDER RULE 8(5)(XII) OF THE COMPANIES (ACCOUNTS) RULES, 2014.:**

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof under rule 8(5)(xii) of the Companies (Accounts) Rules, 2014 are not applicable to the Company during the period under review.

➤ **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 Rameshwarlal Kabra
Executive Chairman
DIN: 00091375

Date: 14 August 2023

Place: Mumbai

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 arrangement 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 Rameshwari Lal Kabra
Executive Chairman
DIN: 00091375

Date: 14 August 2023
Place: Mumbai

ANNEXURE TO DIRECTORS' REPORT

Annexure- B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

For the Financial Year ended 31 March, 2023

1. Brief outline on CSR Policy of the Company:

Corporate Social Responsibility (“CSR”) has been a long-standing commitment at R R Kabel Limited (“Company”) and forms an integral part of our activities. Being a responsible corporate citizen, the Company is committed to performing its role towards the society at large. In alignment with its vision, the Company always works towards adding value to its stakeholders by going beyond business goals and contributing to the well-being of the community. Its contribution to social sector development includes several pioneering interventions and is implemented through the involvement of stakeholders within the Company and with the broader community.

The Company’s objective is to pro-actively support meaningful socio-economic development. It works towards developing an enabling environment that will help citizens realise their aspirations towards leading a meaningful life. The Company aims to identify critical areas of development contributing to the well-being of the community and benefitting them over a period of time.

The Company’s key involvements are focused on providing quality education to underprivileged children, eradicating poverty and hunger, health care and Women empowerment.

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	3	3
2.	Smt. Kirtidevi Shreegopal Kabra	Whole-Time Director	3	1
3.	Shri Mahhesh Tribhuvanprasad Kabra	Whole-Time Director	3	-
4.	Shri Puneet Bhatia	Director	3	1
5.	Shri Mahendra Rameshwarlal Kabra	Joint Managing Director	3	1
6.	Shri Mitesh Daga	Director	3	1

* During the year CSR committee was reconstituted at the meeting of the Board held on December 16, 2022 as below:

- o Shri Bhagwat Singh Babel - Chairman
- o Shri Mahendrakumar Rameshwarlal Kabra - Member
- o Shri Mitesh Daga - Member

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.
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): ₹ **20185.39 Lakhs**
7. (a) Prescribed CSR Expenditure for the financial year 2022-23 (2% of the amount as in Sr. No. 6 above) of the Company as per Section 135(5): ₹ **403.71 Lakhs**
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **0.08 Lakhs**
(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): ₹ **403.71 Lakhs**

ANNEXURE TO DIRECTORS' REPORT

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
404.00	NA	NA	NA	NA	NA

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

1	2	3	4	5		6	7	8	9	10	11	
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 (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	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	
				State	District						Name	CSR Registration number
1	Training and skill development Center	Clause (ii) Promoting Education	Yes	Odisa	Bhubaneswar	2 Years	108.00	134.00	-	No	Through Ekal Gramothan Foundation	Ekal Gramothan Foundation CSR Reg. – CSR00000757
2	Development of socially weak & venerable children	Clause (ii) Promoting Education	Yes	Gujarat	Vadodara	1 Year	16.00	16.00	-	No	Vadodara District Probation And Aftercares	Vadodara District Probation and Aftercares CSR Reg. – CSR00003945
Total							124.00	150.00				

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

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 (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration number
1	One Teacher School	Clause (ii) Promoting Education	No	-	-	198.00	No	Through Friends of Tribals Society	Friends of Tribals Society CSR Reg. – CSR00001898
2	MVPM Airoli Girls Hostel	Clause- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans;	Yes	Maharashtra	Pune	50.00	No	Through Maheshwari Vidya Pracharak Mandal	Maheshwari Vidya Pracharak Mandal - CSR00006092
3	Anandalaya - Education project met for poor children	(ii) promoting education.	Yes	Gujarat	Ahmedabad	1.00	No	Through Vivekanand kendra	Vivekanand Rock Memorial and vivekanand Kendra - CSR00005526
4	Daman Integral Leadership Program	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 Foundation for Communities of Learning	Foundation for Communities of Learning- CSR00035804
TOTAL						254.00			

ANNEXURE TO DIRECTORS' REPORT

- (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: ₹ 404.00 Lakhs (8b+8c+8d+8e)
- (g) Excess amount for set-off, if any

(₹ In Lakhs)

Sr. No.	Particulars	Amount
I.	Two percent of the average net profit of the company as per section 135(5)	403.71
II.	Total amount spent for the Financial Year	404.00
III.	Excess amount spent for the financial year [(ii)-(i)]	0.29
IV.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.08
V.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.37

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

(₹ 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	2021-22	NA	330.34	-	-	-	(3.34)
2	2020-21	NA	327.64	-	-	-	3.26
3	2019-20	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): **NA**
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**

Date: 14 August 2023
Place: Mumbai

Shreegopal Rameshwarlal Kabra
Managing Director
DIN: 00140598

Bhagwat Singh Babel
Chairman of the CSR Committee
DIN: 01476935

ANNEXURE TO DIRECTORS' REPORT

Annexure- C

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 (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 March 31, 2023 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.

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, Woman Director and Independent Directors.
- 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 Year:

- **Initial Public Offer:** The shareholders approved a proposal to create, issue, offer, allot such number of Equity Shares, up to an aggregate of ₹ 2,250 million by way of a fresh issue of Equity Shares (the "Fresh Issue") and list the equity shares of the Company on a recognized stock exchange pursuant to the resolution passed at the extraordinary general meeting held on March 20, 2023.
- **Sub-division:** The face value of the equity shares of the Company was sub-divided from ₹10 per equity share to ₹ 5 per equity share, pursuant to the resolution passed by the members at the extraordinary general meeting held on March 20, 2023.
- **Increase in the authorized capital:** The authorized capital of the Company was increased from ₹ 4,72,18,59,437 to ₹ 4,75,18,59,437 by creation of additional 60,00,000 (Sixty lacs) Equity Shares of ₹ 5/- (Rupees Five only) each, pursuant to the resolution passed by the members at the extraordinary general meeting held on March 20, 2023.
- **Bonus Issue:** Bonus equity shares in the ratio of 1:1 was issued/allotted to the members of the Company as on March 17, 2023, pursuant to the resolution passed by the members at the extraordinary general meeting held on March 20, 2023.
- **RR Kabel Employee Stock Option Plan 2023:** The members approved the introduction and implementation of an employee stock option plan namely 'RR Kabel Employee Stock Option Plan 2023' by a resolution passed at the extraordinary general meeting held on March 20, 2023.

Apart from the aforesaid, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

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

Place: Navi Mumbai
Dated:

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

ANNEXURE TO DIRECTORS' REPORT

Annexure to Secretarial Audit Report

To,
The Members,
R R Kabel Limited

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour Laws & Environment Laws.

Place: Navi Mumbai
Dated: 14 August 2023

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

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

Annexure - D

REPORT ON CORPORATE GOVERNANCE

1. 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 is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, including relaxations granted by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) from time to time.

2. Board of Directors Composition

As on March 31, 2023, the Company's Board of Directors comprises 8 members, out of whom 1 (one) is Nominee Director, 4 (four) Non-Executive Independent Directors including 1 (one) Woman Director and 3 (three) Executive Directors. The composition of the Board is in compliance with the requirements of the Companies Act, 2013 (Act) and Regulation 17 of the Listing Regulations. The profile of the Directors can be accessed on the Company's website at www.rrkabel.com.

These Directors bring in a wide range of skills and experience to the Board. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

The names and categories of the Directors on the Board, the number of Directorships and Committee positions held by them in other companies as on March 31, 2023 are as follows:

Director	DIN	Category of Directorship	Shareholding in the Company	*Number of Directorship			**Number of Committee positions held	
				Director	Chairman	Member		
Shri Tribhuvanprasad Rameshwarlal Kabra	00091375	Executive Chairman (Whole-time Director) (Promoter)	4882704	1	-	-		
Shri Shreegopal Rameshwarlal Kabra	00140598	Executive Director, (Managing Director) (Promoter)	3034424	-	-	-		
Shri Mahendrakumar Rameshwarlal Kabra	00473310	Executive Director (Joint Managing Director) (Promoter)	8648588	1	-	-		2
Shri Mitesh Daga	08189217	Investor Nominated Director	-	-	-	-		-
Shri Bhagwat Singh Babel	01476935	Non-Executive Independent Director	-	-	-	-		-
Shri Vipul Sabharwal (Appointed w.e.f. August 23, 2022)	03429263	Non-Executive Independent Director	-	-	-	-		-
Smt. Jyoti Davar (Appointed w.e.f. December 16, 2022)	09757889	Non-Executive Independent Director	-	-	-	-		-

*Excludes Directorship in R R Kabel Limited, alternate Directorships and Directorships in private Companies, foreign companies and companies under Section 8 of the Companies Act 2013.

ANNEXURE TO DIRECTORS' REPORT

**Represents Chairmanships/Memberships of Audit Committee and Stakeholders Relationship Committee in Indian public limited companies (excluding R R Kabel Limited).

Notes:

- Shri Ramesh Chandak was appointed as Non-Executive Independent Director with effect from April 29, 2023.
- None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as prescribed in Listing Regulations) across all the companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. The necessary disclosures regarding Committee positions have been made by the Directors.
- None of the Directors held Directorship in more than 20 Indian companies including 10 public limited companies. None of the Directors held Directorship in more than 7 (seven) listed companies.
- All Independent Directors of the Company have been appointed as per the provisions of the Companies, Act 2013 ("the Act") and Listing Regulations. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website.

The Names and categories of Directorship in other listed entities as on March 31, 2023:

Director	Listed Entities	Category of Directorship
Shri Tribhuvanprasad Rameshwarlal Kabra	Ram Ratna Wires Limited	Non-Executive Chairman
Shri Shreegopal Rameshwarlal Kabra	NA	NA
Shri Mahendrakumar Rameshwarlal Kabra	Ram Ratna Wires Limited	Managing Director
Shri Mitesh Daga	NA	NA
Shri Bhagwat Singh Babel	NA	NA
Shri Vipul Sabharwal (Appointed w.e.f. August 23, 2022)	NA	NA
Smt. Jyoti Davar (Appointed w.e.f. December 16, 2022)	NA	NA

Shri Ramesh Chandak was appointed as Non-Executive Independent Director with effect from April 29, 2023.

Changes in Board composition during FY 2022-23 and up to the date of this report, are tabled below:

Sr. No.	Director	Nature of change	Date of change
1.	Smt. Kirtidevi Shreegopal Kabra	Resigned as a Director of the Company	December 16, 2022
2.	Shri Mahhesh Tribhuvanprasad Kabra	Resigned as a Director of the Company	December 16, 2022
3.	Shri Ashok S. Loya	Ceased to be a director due to his sudden demise.	September 20, 2022
4.	Shri Sumeet Mahendrakumar Kabra	Resigned as a Director of the Company	December 16, 2022
5.	Shri Sanjay Narnarayan Taparia	Resigned as a Director of the Company	December 16, 2022
6.	Shri Rajesh Babu Jain	Resigned as a Director of the Company	December 16, 2022
7.	Shri Puneet Bhatia	Resigned as a Director of the Company	December 16, 2022
8.	Shri Vipul Sabharwal*	Appointed as an Independent Director of the Company.	August 23, 2022
9.	Smt. Jyoti Davar*	Appointed as an Independent Woman Director of the Company.	December 16, 2022
10.	Shri Mukund Manohar Chitale	Resigned as an Independent Director of the Company	April 29, 2023
11.	Shri Ramesh Chandak*	Appointed as an Independent Director of the Company.	April 29, 2023

*Members at the Annual General Meeting held on September 22, 2022 approved the appointment of Mr. Vipul Sabharwal as an Independent Director w.e.f. August 23, 2022.

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Members at the 1st /2022-23 Extra Ordinary General Meeting held on March 20, 2023 approved the appointment of Mrs. Jyoti Davar as an Independent Woman Director w.e.f. December 16, 2022 and Members at the 2nd /2023-24 Extra Ordinary General Meeting held on April 29, 2023 approved the appointment Shri Ramesh Chandak as an Independent Director w.e.f. April 29, 2023.

Term of Board membership

The Nomination and Remuneration Committee (NRC) determines the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. They also possess expertise and insights in sectors/areas relevant to the Company and have ability to contribute to the Company's growth.

The Board has identified the following core skills/ expertise/ competencies as required in the context of the businesses and sectors of the Company for its effective functioning which are currently available with the Board: Name of Director(s)	Financial: understanding and contributing towards financial statements, financial controls, effective risk assessment and management or similar function	Sales & Marketing: Expertise in sales and marketing and enhancing market share, understanding of the requirements of customers and enhancing customers satisfaction	Technical: Having sound technical knowledge, developing, innovative methods, anticipating technological trends etc.	Legal and Professional: Expertise knowledge in areas of legal and regulatory aspects	Leadership/ Governance: Planning succession, driving change for long-term growth, strategic thinking and processes development and protecting of interest of all stakeholders
Shri Tribhuvanprasad Rameshwarlal Kabra	✓	✓	✓	x	✓
Shri Shreegopal Rameshwarlal Kabra	✓	✓	✓	x	✓
Shri Mahendrakumar Rameshwarlal Kabra	✓	✓	✓	✓	✓
Shri Mitesh Daga	✓	✓	x	✓	✓
Shri Bhagwat Singh Babel	✓	✓	x	✓	✓
Shri Vipul Sabharwal (Appointed w.e.f. August 23, 2022)	✓	✓	✓	x	✓
Smt. Jyoti Davar (Appointed w.e.f. December 16, 2022)	✓	x	x	✓	✓
Shri Ramesh Chandak (Appointed w.e.f. April 29, 2023)	✓	✓	x	✓	✓

Understanding of business dynamics, industry verticals including its entire value chain, experience in corporate strategy, planning and regulatory jurisdictions, finance, tax, risk management, legal compliances, corporate governance, human resources, corporate social responsibility and Leadership experience in managing companies and associations including general management.

The Board is satisfied that the current composition of the Board has the aforesaid core skills/expertise/ competencies. This reflects an appropriate mix of knowledge, skills, experience, expertise, diversity and independence. The Board provides leadership, communication, motivation, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

3. Board Meetings and participation thereat

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 Company's Board

ANNEXURE TO DIRECTORS' REPORT

of Directors 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 March 31, 2023, eight (8) meetings of the Board of Directors were held through video conference in accordance with the provisions of the Act.

The details of the attendance of Directors at Board meetings held during the financial year 2022-23, and at the Annual General Meeting are as under:

Name of the Director	Date of Board Meetings								Annual General Meeting
	June 22, 2022	August 23, 2022	September 30, 2022	December 16, 2022	February 13, 2023	March 16, 2023	March 20, 2023	March 30, 2023	September 22, 2022
Shri Tribhuvanprasad Rameshwarlal Kabra	P	P	P	P	P	A	P	P	P
Shri Shreegopal Rameshwarlal Kabra	P	P	P	P	P	P	P	A	P
Shri Mahendrakumar Rameshwarlal Kabra	A	P	P	A	P	P	P	P	A
Smt. Kirtidevi Shreegopal Kabra#	P	P	P	A	-	-	-	-	A
Shri Mahhesh Tribhuvanprasad Kabra#	A	P	P	A	-	-	-	-	P
Shri Ashok Loya*	P	P	-	-	-	-	-	-	-
Shri Sumeet Mahendrakumar Kabra #	P	A	P	P	-	-	-	-	P
Shri Sanjay Narnarayan Taparia#	P	P	A	P	-	-	-	-	P
Shri Rajesh Babu Jain#	A	P	P	P	-	-	-	-	P
Shri Puneet Bhatia#	A	P	A	A	-	-	-	-	A
Shri Mitesh Daga	P	P	P	P	P	P	P	P	A
Shri Kannan Ramamirtham#	P	P	P	P	-	-	-	-	P
Shri Bhagwat Singh Babel	P	P	P	P	P	P	P	P	P
Shri Mukund Manohar Chitale##	P	P	A	P	P	A	A	P	P
Shri Vipul Sabharwal@	-	-	P	P	P	P	A	P	P
Smt. Jyoti Davar@@	-	-	-	-	P	A	P	P	-

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

resigned with effect from December 16, 2022

* ceased to be a director due to untimely demise on September 20, 2022

resigned as director with effect from April 29, 2023.

@ appointed as independent director with effect from August 23, 2022

@@ appointed as independent director with effect from December 16, 2022.

Post meeting follow up mechanism

The important decisions taken at Board/Committee meetings are communicated to the concerned departments/divisions promptly. An action taken/status report on the decisions of the previous meeting(s) is placed at the next meeting of the Board for information and further recommended action(s), if any.

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Meeting of Independent Directors

During the year under review, one meeting of the Independent Directors was held on March 30, 2023, without the presence of Executive Directors (Non-Independent), Managing Director and other members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors, the Chairman and the Board as a whole, They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

Details of familiarisation programmes for Directors including Independent Directors

The Board members of the Company (Independent and Non-Independent) are accorded every opportunity to familiarize themselves with the Company, its Management, its operations and above all, the Industry perspective and issues. They interacted with Senior Management personnel and proactively provided relevant news, views and updates on the Company and sector. All the information/documents sought by them is/are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

Code of Conduct

The Code of Conduct for Board Members and Senior Management Personnel of the Company approved by the Board is circulated to all concerned and is also hosted on the website of the Company.

Succession Planning

The Company has put in place a structured succession planning framework to ensure a systematic development plan to fill key positions, other than Board Members, in line with the vision and business strategies of the Company.

4. Committees of the Board

The Committees constituted by the Board focus on specific areas and make informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, as required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose.

Considering the needs of the Company, there are three statutory Board Committees as on March 31, 2023 and five statutory Board Committees as of the report date. Details are as follows:

Statutory Committees:

The Statutory Committees under the Act and the Listing Regulations are:

- Audit Committee of Directors
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

Audit Committee of Directors

The Audit Committee has been constituted in line with the provisions of the SEBI (LODR) and the provisions of the Companies Act, 2013 and the rules notified thereunder.

The Audit Committee comprised the following members as on March 31, 2023:

Director	Category of Directorship	Chairperson Member
Shri Mukund Manohar Chitale	Non-Executive (Independent)	Chairperson
Shri Bhagwat Singh Babel	Non-Executive (Independent)	Member
Shri Mitesh Daga	Non-Executive (Non-Independent)	Member
Shri Shreegopal Rameshwarlal Kabra	Executive (Non-Independent)	Member
Shri Vipul Sabharwal	Non-Executive (Independent)	Member

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Post March 31, 2023, the Audit Committee was reconstituted on April 29, 2023 and May 3, 2023 and currently consists of the following:

- Shri Ramesh Chandak - Chairman
- Shri Bhagwat Singh Babel - Member
- Shri Vipul Sabharwal - Member
- Shri Mitesh Daga - Member

All members are financially literate and bring expertise in the field of finance, accounting, development, strategy and management.

During the Financial Year 2022-23 four Audit Committee Meetings were held on June 22, 2022, August 22, 2022, December 15, 2022 and March 30, 2023. The necessary quorum was present for all the meetings. The table hereunder gives the attendance record of the Audit Committee members.

Name of the members	Meetings of Audit Committee			
	June 22, 2022	August 22, 2022	December 15, 2022	March 30, 2023
Shri Kannan Ramamirtham, Chairman*	P	P	P	-
Shri Bhagwat Singh Babel	P	P	P	P
Shri Mukund Manohar Chitale**	P	P	P	P
Shri Mitesh Daga	P	P	P	P
Shri Mahhesh Tribhuvanprasad Kabra*	P	P	A	-
Shri Shreegopal Rameshwarlal Kabra@	-	-	-	A
Shri Vipul Sabharwal@@	-	-	-	P

Note: P- Present in the Meeting A – Absent

*Resigned as director with effect from December 16, 2022.

** Appointed as chairperson of the committee effective from December 16, 2022 and ceased to be chairperson effective from April 29, 2023.

@@appointed as member of the Committee with effect from December 16, 2022.

@ Ceased to be a member effective from May 3, 2023.

The terms of reference, role and scope of the Audit Committee are in line with those prescribed by Listing Regulations. The Company also complies with the provisions of Section 177 of the Companies Act, 2013 (the Act) pertaining to Audit Committee and its functioning:

The Board has inter alia, delegated the following powers to the Audit Committee:

- (a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
- (c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;

ANNEXURE TO DIRECTORS' REPORT

- significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions; and
 - modified opinion(s) in the draft audit report.
- (e) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
- (f) reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- (g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- (i) scrutiny of inter-corporate loans and investments;
- (j) valuation of undertakings or assets of the Company, wherever it is necessary;
- (k) evaluation of internal financial controls and risk management systems;
- (l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (n) discussion with internal auditors of any significant findings and follow up there on;
- (o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (r) to review the functioning of the whistle blower mechanism;
- (s) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (t) carrying out any other function as is mentioned in the terms of reference of the audit committee;
- (u) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances / investments existing;
- (v) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- (w) carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and
- (x) To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.

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The Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- management letters/letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- Such information as may be prescribed under the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee invites such employees or advisors as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Statutory Auditors and Internal Auditors are also invited to the meetings. The Managing Director and Chief Financial Officer attended the meetings. Shri Himanshu Parmar, the Company Secretary & Compliance Officer acts as the Secretary of the Committee.

The Internal and Statutory Auditors discuss their audit findings and updates the Committee and submit their views directly to the Committee. Separate discussions are held with the internal auditors to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in the Company. The permissible non-audit related services undertaken by the statutory auditors are also approved by the Committee.

All the recommendations made by the Audit Committee during the year under review were accepted by the Board.

Nomination and Remuneration Committee ("NRC")

The NRC comprised of the following members as on March 31, 2023:

Director	Category of Directorship	Chairperson/Member
Shri Mukund Manohar Chitale	Non-Executive (Independent)	Chairperson
Shri Bhagwat Singh Babel	Non-Executive (Independent)	Member
Shri Vipul Sabharwal	Non-Executive (Independent)	Member
Shri Tribhuvanprasad Rameshwarlal Kabra	Executive Chairman	Member
Shri Mitesh Daga	Non-Executive (Non-Independent)	Member

Post 31st March 2023, the NRC has been reconstituted and consists of the following members:

- Shri Ramesh Chandak- Chairman
- Shri Bhagwat Singh Babel- Member
- Shri Vipul Sabharwal- Member
- Shri Mitesh Daga- Member.

During the financial year 2022-23, seven NRC Meetings were held on June 22, 2022, August 22, 2022, September 30, 2022, December 15, 2022, February 13, 2023, March 16, 2023 and March 20, 2023. The necessary quorum was present for all the meetings. The table hereunder gives the attendance record of the Nomination and Remuneration Committee members.

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Name of Members	Meeting of Nomination & Remuneration Committee						
	June 22, 2022	August 22, 2022	September 30, 2022	December 15, 2022	February 13, 2023	March 16, 2023	March 20, 2023
Shri Kannan Ramamirtham, #	P	P	P	P	-	-	-
Shri Bhagwat Singh Babel	P	P	P	P	P	P	P
Shri Mukund Manohar Chitale##	P	P	A	P	P	A	A
Shri Puneet Bhatia*	A	P	P	P	-	-	-
Shri Vipul Sabharwal^	-	-	-	-	P	P	A
Shri Tribhuvanprasad Rameshwarlal Kabra\$	P	P	P	P	P	A	P
Shri Mitesh Daga^	-	-	-	-	P	P	P

Note: P- Present in the Meeting A – Absent

#Ceased to be chairperson of the Committee effective from December 16, 2022 due to resignation from Directorship.

Appointed as chairperson of the committee effective from December 16, 2022 and ceased to be chairperson effective from April 29, 2023.

\$ Ceased to be a member of the Committee effective from April 29, 2023 on reconstitution of Committee.

*Ceased to be a Member of the Committee effective from December 16, 2022 due to resignation from Directorship.

^ Appointed as a Member of the Committee effective from December 16, 2022.

The Board has *inter alia*, delegated the following powers to the Nomination and Remuneration Committee:

- (a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”). The Nomination and Remuneration Committee, while formulating the Remuneration policy, should ensure that:
 - (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (b) formulation of criteria for evaluation of performance of independent directors and the Board;
- (c) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates.
- (d) devising a policy on Board diversity;
- (e) identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
- (f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

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- (g) recommend to the Board, all remuneration, in whatever form, payable to senior management;
- (h) carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II of Listing Regulations the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes, Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is available on Company's website at www.rrkabel.com.

Board Evaluation

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 2022-23.

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

DIRECTORS' REMUNERATION:

The details of the remuneration paid to Whole-time Directors and Managing Directors during 2022- 23 are as under:-

(₹ in Lakhs)

Name	Designation	Salaries & Allowances	Commission	Other	Total Remuneration
Shri Tribhuvanprasad Rameshwarlal Kabra	Executive Chairman	171.00	136.20	-	307.20
Shri Shreegopal Rameshwarlal Kabra	Managing Director	171.00	136.20	-	307.20
Shri Mahendrakumar Rameshwarlal Kabra	Joint Managing Director	-	-	2.80	2.80
Smt. Kirtidevi Shreegopal Kabra*	Whole Time Director	51.10	-	-	51.10
Shri Mahhesh Tribhuvanprasad Kabra*	Whole Time Director	51.10	-	-	51.10
Shri Sumeet Mahendrakumar Kabra*	Whole Time Director	51.10	-	-	51.10
Shri Ashok S. Loya**	Whole Time Director	30.00	-	-	30.00
Shri Sanjay Narnarayan Taparia*	Whole Time Director	85.16	-	-	85.16
Shri Rajesh Babu Jain*	Whole Time Director	76.20	-	-	76.20

* Resigned as a Director of the Company with effect from December 16, 2022.

** Ceased to be a Director of the Company with effect from September 20, 2022 due to his sudden demise.

Remuneration to Non-Executive Directors (NEDs)

The Company pays sitting fees to the NEDs for attending meetings of the Board and Committee. The details of sitting fees paid to NEDs during the financial year 2022-23 are as under: -

Name of the Directors	Sitting fees (₹ In Lakhs)
Shri Kannan Ramamirtham	4.10
Shri Bhagwat Singh Babel	8.20
Shri Mukund Manohar Chitale	4.90
Shri Vipul Sabharwal	3.40
Smt. Jyoti Davar	1.50

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Details of the commission paid to the Non-Executive Directors during financial year 2022-23 are as under: -

Name of the Directors	Commission (₹ In Lakhs)
Shri Kannan Ramamirtham	4.00
Shri Bhagwat Singh Babel	4.00
Shri Mukund Manohar Chitale	4.00
Shri Vipul Sabharwal	-
Smt. Jyoti Davar	-

The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings. None of the NEDs had any pecuniary relationship or transactions with the Company other than the aforesaid sitting fees received by them.

The remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company is posted on Company's website at www.rrkabel.com.

Stakeholders Relationship Committee (SRC)

The Stakeholders' Relationship Committee examines the grievances of stakeholders/investors and the system of redressal of the same. It also approves the issuance of share certificates. The Company endeavours to resolve complaints/grievances / queries of stakeholders/investors within a reasonable period of time.

The Committee constituted on April 29, 2023, comprises of the following members:

Director	Category of Directorship	Chairperson/ Member
Shri Bhagwat Singh Babel,	Non-Executive (Independent)	Chairperson
Shri Ramesh Chandak	Non-Executive (Independent)	Member
Shri Shreegopal Rameshwarlal Kabra	Executive - Managing Director	Member

In accordance with Regulation 6 of Listing Regulations, the Board has appointed Shri Himanshu Parmar, Company Secretary as the Compliance Officer.

As the SRC committee has been constituted on April 29, 2023 hence no SRC Meetings were held during the financial 2022-23.

The Company has created a designated email-id investorrelations.rrkl@rrglobal.com exclusively for investors to enable them to raise their grievances, if any.

The Board has *inter alia*, delegated the following powers to the Stakeholders Relationship Committee:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- Carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

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The status of investor complaints received during the year under review: **Not Applicable for the Financial Year**

S r . No.	Description	March		
		Received	Replied	Pending
	Letters received from Statutory Bodies			
	Securities and Exchange Board of India (SEBI) (SCORES), Stock Exchange, NSDL, CDSL and Ministry of Corporate Affairs	-	-	-

Risk Management Committee (RMC)

The Committee constituted on April 29, 2023, comprises of the following members:

Name of the Director	Category of Directorship	Chairperson/ Member
Shri Tribhuvanprasad Rameshwarlal Kabra,	Executive	Chairperson
Shri Bhagwat Singh Babel	Non-Executive (Independent)	Member
Shri Dinesh Aggarwal	CEO	Member

As the RMC committee has been constituted on April 29, 2023, no RMC Meetings were held during the financial year 2022-23.

The Board has adopted Risk Management Policy. The terms of the reference broadly include:

1. To formulate a detailed risk management policy which shall include:
 - i. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - iii. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
 - 1) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 - 2) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 - 3) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Corporate Social Responsibility Committee (CSRC)

The CSR Committee has been constituted in line with the provisions of the Companies Act, 2013 and the rules notified thereunder.

The CSR Committee comprised the following members as on March 31, 2023:

Name of the Director	Category of Directorship	Chairperson/ Member
Shri Bhagwat Singh Babel	Non-Executive (Independent)	Chairperson
Shri Mahendrakumar Rameshwarlal Kabra	Executive	Member
Shri Mitesh Daga	Non-Executive (Non -Independent)	Member

ANNEXURE TO DIRECTORS' REPORT

During the financial year ended March 31, 2023 three meetings were held i.e June 22, 2022, December 15, 2022 and February 13, 2023. The table hereunder gives the attendance record of the CSR committee members.

Name of Members	Meeting of Corporate Social Responsibility Committee		
	June 22, 2022	December 15, 2022	February 13, 2023
Shri Bhagwat Singh Babel	P	P	P
Smt Kirtidevi Shreegopal Kabra*	P	A	-
Shri Puneet Bhatia*	A	P	-
Shri Mahhesh Tribhuvanprasad Kabra*	A	A	-
Shri Mahendrakumar Rameshwarlal Kabra@	-	-	P
Shri Mitesh Daga@	-	-	P

Note: P- Present in the Meeting A – Absent

* Ceased to be Member of the Committee effective from December 16, 2022 on account of resignation.

@Appointed as Member of the Committee effective from December 16, 2022.

The Board has adopted CSR Policy. The terms of the reference broadly include:

- (a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, as amended;
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (c) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:
 - a. the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;
 - b. the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
 - c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - d. monitoring and reporting mechanisms for the projects or programmes; and
 - e. details of need and impact assessment, if any, for the projects undertaken by the Company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.

- (d) monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
- (e) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

5. Material Subsidiary Company

As defined under Regulation 16 (1) (c) of Listing Regulations, the Company did not have "Material Subsidiary" during the financial year 2022-23.

6. Prevention of Insider Trading

During the year under review, PIT regulation is not applicable to the Company.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Code of Conduct for Prevention of Insider

ANNEXURE TO DIRECTORS' REPORT

Trading and Code of Corporate Disclosure Practices (the Code) in the month of April 2023. All the Promoters, Directors, Employees of the Company and its material subsidiaries, who are Designated Persons, and their Immediate Relatives and other Connected Persons such as auditors, consultants, bankers, etc., who could have access to the unpublished price-sensitive information of the Company, are governed under this Code.

Shri Himanshu Parmar, Company Secretary of the Company is the 'Compliance Officer' and 'Chief Investor Relations Officer' in terms of this Code.

7. General Board Meetings

a) The details of the last three Annual General Meetings (AGMs) are as under:

Financial year ended	Day & Date & Time	Venue	Special Resolutions passed
March 31, 2020 (FY 2019-20)	Thursday, September 28, 2020 at 11.00 a.m.	Video Conferencing ("VC") from Company's Registered Office at Ram Ratna House, Victoria Mill Compound, P.B Marg, Worli, Mumbai-400013.	Re-appointment of Shri Kannan Ramamirtham as Independent Director for second term commencing from March 9, 2020 to March 8, 2025.
March 31, 2021 (FY 2020-21)	Tuesday, September 28, 2021 at 11.00 a.m.		Nil
March 31, 2022 (FY 2021-22)	Thursday, September 22, 2022 at 11.30 a.m.		Re-appointment of Shri Bhagwat Singh Babel as Independent Director for second term commencing from August 24, 2022 to August 23, 2027.

The Special Resolution moved at the aforesaid AGMs have been passed with requisite majority.

b) Postal Ballot

- (i) Details of special resolutions passed by postal ballot: **During the year under review, no resolution was passed by means of Postal Ballot.**
- (ii) Details of Voting Pattern: **Not Applicable**
- (iii) Person who conducted the aforesaid postal ballot exercise: **Not Applicable**
- (iv) Whether any special resolution is proposed to be conducted through postal ballot: **No**

8. Disclosures

- a) There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.
- b) The Board of Directors of the Company has adopted a Whistle Blower & Vigil Mechanism Policy for establishing a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said policy has been posted on the Company's website at www.rrkabel.com.
The Company affirms that no employee has been denied access to the Chairman of Audit Committee of Directors.
- c) The policy for determining 'material' subsidiaries is available at www.rrkabel.com.
- d) The policy on dealing with related party transaction is available at www.rrkabel.com.
- e) **Commodity price risk or foreign exchange risk and hedging activities:** The Company deals in commodity and foreign exchange in ordinary course of business and has adequate risk management mechanism. Foreign Exchange Risk and Commodity Price Risk along with Foreign Currency exposure is given under Note No. 37 (c) of Other Notes on Accounts of the Annual Report.

ANNEXURE TO DIRECTORS' REPORT

- f) Certificate has been obtained from M/s Khanna & Co., Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority the same is reproduced at the end of this report and marked as **Annexure II**.
- g) During the year there were no instances where Board had not accepted any recommendation of any Committee of the Board which is mandatorily required.
- h) During the year, details of fees paid/payable to the Statutory Auditors, by the Company is given below.

Particulars	Total Amount* (In lakhs)
Statutory audit	72.00
Other services	0.78
Out-of-pocket expenses	6.15
Total	78.93

*The above fees are exclusive of applicable tax.

- i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act and the Rules framed thereunder, including constitution of the Internal Complaints Committee (ICC). The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- a. number of complaints filed during the financial year: **1 (One)**
- b. number of complaints disposed of during the financial year: **1 (One)**
- c. number of complaints pending as of the end of the financial year: **Nil**
- j) During the year Company has not granted any 'Loans and advances in the nature of loans to firms/companies in which directors are interested'.
- k) There is no material subsidiary of the Company.
- l) The Company follows Ind AS issued by The Institute of Chartered Accountants of India and there are no qualifications in this regard from Statutory Auditors.
- m) Pursuant to Regulation 17(8) of the Listing Regulations, the Chief Executive Officer and the Chief Financial Officer made a certification to the Board of Directors in the prescribed format for the year under review which has been reviewed and taken on record by the Board. The same is attached herewith and marked as **Annexure I**.
- n) The Company has complied with all the requirements of Corporate Governance Report as stated under sub paras (2) to (10) of section (C) of Schedule V to the Listing Regulations.
- o) The Company has adopted a Policy on Determination of Materiality for Disclosures. It is available at www.rrkabel.com.
- p) The Company has adopted a Policy on Archival and Preservation of Documents. The policy is available at www.rrkabel.com.
- q) The Company has adopted the Dividend Distribution Policy. The policy is available at www.rrkabel.com.
- r) Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website at www.rrkabel.com.
- s) The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.
- t) The Company has obtained from the Secretarial Auditors compliance certificate on Company's corporate governance which is attached herewith and marked as **Annexure II**.

ANNEXURE TO DIRECTORS' REPORT

9. General Shareholder Information

- (i) The ensuing AGM of the Company is scheduled on Thursday, September 14, 2023 at 11.00 a.m. through Video Conferencing ("VC").

In accordance with the General Circular 20/2020, 02/2021, 19/2021, 02/2022 and 10/2022 dated May 5, 2020, January 13, 2021, December 8, 2021, May 5, 2022 and December 28, 2022 respectively, and clarification circular No. 21/2021 dated December 14, 2021 issued by the Ministry of Corporate Affairs, Government of India, the AGM will be held through Video Conferencing (VC) only. For details, please refer to the Notice of the AGM.

As required under Regulation 36(3) of Listing Regulations and Secretarial Standard-2, particulars of Directors seeking appointment/reappointment at the AGM are given in the Annexure to the Notice of the ensuing AGM.

- (ii) Financial Year: **April 1, 2022 to March 31, 2023.**
- (iii) Dividend payment date: **on and from September 14, 2023.**
- (iv) Record date: **Friday, September 1, 2023.**
- (v) E-Voting Dates: **Not Applicable for the Financial Year**
- (vi) Listing on Stock Exchanges: **Not Applicable for the Financial Year**
- (vii) **Market Information:**

- a) Market Price Data: High, Low during each month and trading volumes of the Company's Equity Shares during the period April 1, 2022 to March 31, 2023 at the BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) – **Not Applicable for the Financial Year**
- b) Performance of the Company's Share Price in comparison to BSE and NSE Nifty Sensex – **Not Applicable for the Financial Year**

- (viii) **Registrars and Transfer Agents:**

Link Intime India Private Limited 101, Tel.: +91 22 4918 6000, Fax: +91 22 91860600
1st Floor, 247 Park, Email: dematremat@linkintime.co.in
Lal Bahadur Shastri Marg, Website: www.linkintime.co.in
Vikhroli West, Mumbai 400 083.

- (ix) **Share Transfer System:**

Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

- (x) **Distribution of Shares as on March 31, 2023.**

No. of shares held (Range)	Shareholding	% of total Shareholding	No. of Shareholders	% of total Shareholders
1-5000	1,35,600	0.14	54	43.2
5001 to 10000	1,47,200	0.15	18	14.4
10001 to 20000	1,75,108	0.18	10	8
20001 to 30000	22,004	0.02	1	0.8
30001 to 40000	1,92,000	0.20	5	4
40001 to 50000	85,200	0.09	2	1.6
50001 and 100000	264520	0.28	3	2.4
100001 and above	9,46,74,664	98.93	32	25.6
Total	9,56,96,296	100.00	125	100

- (xi) **Dematerialization of Shares as on March 31, 2023 and Liquidity.**

The Company's shares are in dematerialized form. All the equity shares and preference shares of the Company

ANNEXURE TO DIRECTORS' REPORT

representing 100% of the Company's share capital are dematerialized as on March 31, 2023. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity and preference share are INE777K01022 and INE777K03010 respectively.

Particulars of Shares	Equity Shares of ₹ 5/- each		Shareholders	
	Number	% of Total	Number	% of Total
Dematerialized form				
NSDL (A)	95,014,096	99.29	91	72.22
CDSL (B)	682,200	0.71	35	27.78
Sub-total (A+B)	95,696,296	100	126	100
Physical form (C)	-	-	-	-
Total (A+B+C)	95,696,296	100	126	100

Particulars of Shares	Preference Share of ₹ 1080.33/- each		Shareholders	
	Number	% of Total	Number	% of Total
Dematerialized form				
NSDL (A)	384,3140	100	1	100
CDSL (B)	-	-	-	-
Sub-total (A+B)	384,3140	100	1	100
Physical form (C)	-	-	-	-
Total (A+B+C)	384,3140	100	1	100

(xii) The Company has not issued any GDR's/ADR's/Warrants or any Convertible Instruments.

(xiii) Shareholding Pattern as on March 31, 2023

Sr. No.	Category	No. of shares	Percentage
1	Promoters and Promotor group	57,983,312	60.59
2	Financial Institutions/ Banks	-	-
3	State Government / Government Companies / Central Government / IEPF a/c	-	-
4	Bodies Corporate / Trusts / BC-NBFC	10,730,144	11.21
5	Individuals	19,022,328	19.88
6	FII's/NRI/Foreign Corporate Bodies/Foreign National-DR	7,960,512	8.32
	Total	95,696,296	100

(xiv) Top 10 Shareholders of the Company as on March 31, 2023:

ANNEXURE TO DIRECTORS' REPORT

Sr. No.	Category	No. of shares	Percentage
1	Shri Rameshwarlal Kabra HUF	9,070,912	9.48
2	Shri Mahendrakumar Rameshwarlal Kabra	8,648,588	9.04
3	TPG ASIA VII SF PTE LTD	7,960,512	8.32
4	Shri Hemant Mahendrakumar Kabra	6,799,436	7.11
5	Smt. Kirtidevi Shreegopal Kabra	5,656,308	5.91
6.	Shri Mahhesh Tribhuvanprasad Kabra	5,584,336	5.84
7.	Ram Ratna Research and Holding Pvt Ltd.	5,078,464	5.31
8.	Shri Tribhuvanprasad Rameshwarlal Kabra	4,882,704	5.10
9.	Smt. Vvidhi Mahhesh Kabra	4,450,304	4.65
10.	Shreegopal Rameshwarlal Kabra HUF	3,961,160	4.14
	Total	62,092,724	64.9

(xv) Plant locations

1. Survey No 142/2, Madhuban Dam Road, Rakholi, Silvassa, Dadra & Nagar Haveli, 396240.
2. Revenue Survey No. 202, 202/1, 202/2, 203 & 327/3, Khanda Road, Taluka Waghodia, Dist. - Vadodara - 391 760 Gujarat.
3. Plot no 50 kh. No.-35, Shiv Ganga Industrial Estate, Lakeshwari, Bhagwanpur, Roorkee, Uttarakhand, 247667.
4. 140 4th Phase, Bommasandra Industrial Area, Bommasandra, Bangalore, Bengaluru (Bangalore) Urban, Karnataka, 560099.
5. Khasra No 944,946,947,949 to 975, Near Shiv Bari, Tehsil Ghanar, Near Printographic Pvt Ltd, Dev Nagar, Una, Himachal Pradesh, 177201.

(xvi) Address for correspondence:

Registered office address: Ram Ratna House, Victoria Mill Compound Pandurang Budhkar Marg, Worli, Mumbai-400013.

Telephone: 022-24949009; **Fax:** 022-24912586; **Email:** rajesh.jain@rrglobal.com,

Website: www.rrkabel.com

(xvii) During the year India Ratings and Research (Ind-Ra) has affirmed Company's (RRKL) Long-Term Bank Facilities at 'IND AA-' Rating and Short-Term Bank Facilities at 'IND A1+' Rating. The Outlook for both facilities is Stable.

10. Secretarial Audit

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 March 31, 2023 and the report of the same is annexed as Annexure C to the Director's Report.

11. Transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), dividends, if not claimed for a consecutive period of 7 years or more from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, all the shares in respect of which dividend has remained unclaimed for a consecutive period of 7 years or more from

the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

During the year under review there is no requirement to transfer to IEPF as there are no unclaimed dividends, outstanding for consecutive 7 years.

For and on behalf of the Board of Directors

Tribhuvanprasad Rameshwari Lal Kabra

Executive Chairman
DIN - 00091375

Place : Mumbai
Date : 14 August 2023

Annexure E

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

➤ OVERVIEW

The Management Discussion and Analysis Report has been prepared in accordance with the provisions of Regulation 34(2)(e) of Listing Regulations, read with Schedule V(B) thereto, with a view to provide an analysis of the business. The objective of this report is to convey the Management's perspective on the external environment and our industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during the FY2022-23.

➤ EXTERNAL ENVIRONMENT

● Global Economy

As per International Monetary Fund (World Economic Outlook Apr 2023) forecast global growth to decline 2.9% in 2023 as compared to 3.4% growth last year 2022. However, the Russia-Ukraine conflict resulted in supply chain disruptions, inflationary pressure and slowed the pace of recovery.

Central banks across the globe have resorted to raising policy rates to tackle inflationary pressure. With strong policy action from various central banks, food and energy prices have come down, but underlying price pressures are proving sticky, with labour markets tight in a number of economies.

Source: IMF World Economic Outlook 2023

● Indian Economic

According to the estimates by National Statistics Office (NSO), India's GDP growth is estimated at 7.2% for FY 2023. Despite GDP growth came in slightly lower than the last year, India remains one of the fastest growing economies among the major economies.

Despite sluggish global economy, India is ranked fifth in the world in terms of nominal gross domestic product ("GDP") for Fiscal 2022 and is the third largest economy in the world in terms of purchasing power parity ("PPP"). India is expected to become an approximately US\$ 5 trillion economy by Fiscal 2026 and the third largest economy by Fiscal 2030 surpassing Germany and Japan. India's nominal GDP has grown at a compounded annual growth rate ("CAGR") of 11.6% between Calendar Year 2010 and Calendar Year 2021 and is expected to continue the trend by growing at a CAGR of 11.9% between Calendar Year 2021 and Calendar Year 2024.

Source: NSO, Press Information Bureau (pib.gov.in)

➤ CONSUMER ELECTRICAL INDUSTRY IN INDIA

Many macroeconomic factors are driving the growth of this industry which include rapid urbanization, nuclearization of families, growth in earnings of the middle class and its expansion in size. Many government initiatives to support the real estate industry, public infrastructure growth and industrial growth are fueling the demand; PMAY scheme, PLI, Rural electrification being some of the major ones. The per capita consumption is thus expected to rise 3 times the current average to reach the global average consumption.

India is the third largest producer and the second largest consumer of electricity in the world. Consumer electrical industry is one of the important aspects of the Indian economy, contributing approximately 8% to the country's manufacturing production, approximately 1.5% to India's GDP and approximately 1.5% to India's exports. Consumer electrical industry entails heavy electrical products such as W&C and light electrical products such as FMEG.

The consumer electrical industry consisting of W&C and FMEGs was estimated at approximately ₹ 1,61,500 crore in Fiscal 2022 and is expected to grow at a CAGR of approximately 11% till Fiscal 2027 to reach a market value of approximately ₹ 2,66,500 crore.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

RR Kabel's Wires and Cables portfolio at present includes a wide range of products such as house wires, industrial wires, low and medium voltage power cables and special cables, which are manufactured in accordance with various Indian and international standards. Nearly one quarter of our sales comes from exports to over 50 countries across the world.

Annexure E

Our FMEG (Fast Moving Electrical Goods) portfolio includes a wide range of Consumer products such as fans, lighting, switches switchgear and appliances. These FMEG products are primarily for residential and commercial users, including retail malls, office spaces, hospitals and public infrastructure. In addition, we produce customized products (especially in Lighting), for our customers, based on their requirements, specifications, and performance expectations.

Our diversified product portfolio spreads across the following focus areas:

Wires and Cables

We sell our wires and cables under the brand name 'RR Kabel' in India and in almost all of the international markets. Our exports under private label constitutes less than 5% of our exports. This has helped us create a very strong brand equity in many of our established markets overseas.

In India, the RR Kabel brand is known for its superior quality and is widely acknowledged and approved by most electrical consultants for all kind of Infrastructure projects.

While a majority of our sales is through the trade channel; over the years we have built a strong sales team and credentials in real estate projects and also in the Industrial and some of the public infrastructure projects. This has been further supported by our willingness to develop new types of Cable construction and insulation, suitable for a specific need; which has helped us develop Customers in various type of Industries and has also enabled us supply an import substitute in some cases.

While our Power cable range is largely in Low and Medium voltage, limited to 33 KVA at present, we are in process of developing and getting approval for 66 KVA range as well, since we see a large potential for cables in the power transmission projects for upgradation of existing distribution infra and the development of new ones; with full commitment and financial support of the government and Power distribution companies.

The Wire and Cable division registered net revenue of ₹ 4,95,853 lakhs during the FY 2023 compared to net revenue of ₹ 4,11,144 lakhs during FY 2022.

Fast Moving Electrical Goods (FMEG)

Our FMEG portfolio includes a wide range of products such as fans, lighting, switches switchgear and appliances that covers nearly 75% of the entire category. These products are targeted towards residential consumers and commercial users, including retail malls, office spaces, hospitals and public infrastructure. In addition, we produce customized products, especially Lighting fixtures, based on their requirements, specifications and performance expectations.

Over the past few years, we have continuously grown in each of the product category viz Fans, Lighting, Small appliances, Professional lighting and Switches. We have also recently launched Switchgear (Low Voltage) and expect this category to grow substantially in the years ahead. To grow revenue and increase margin, in these categories, it is important to continuously innovate and introduce new variants; create high brand visibility; adopt a multi-channel strategy covering traditional and modern format retail stores and e-commerce. We have simultaneously worked on all these fronts and are focused on premiumization in each category and sub category, designing and manufacturing high quality products in line with our Company's ethos.

At present we sell each of the FMEG products (except in Switches and Switchgear) in two brands viz. RR and Luminous. RR branded products are economical and targeted toward the mass market while Luminous is positioned as a premium product in the same category. We are also ready with a brand transition plan, since our right to use the Luminous brand is for a limited period. A new brand "RR Signature" is being established as our premium brand which will help us transition and we have started introducing products into the market.

The FMEG division registered net revenue of ₹ 64,067 lakhs during the FY 2023 compared to net revenue of ₹ 27,449 lakhs during FY 2022.

(₹ In Lakhs)

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Wires & Cables	Fast-Moving Electrical Goods	Wires & Cables	Fast-Moving Electrical Goods
Revenue from operations	4,95,853	64,067	4,11,144	27,449

Annexure E

➤ RISK AND CONCERNS

Industry and the Company have some challenges and risks in which it operates such as:

1. Volatility in prices of raw material

Wires and Cables business has a very large component of material cost and the prices of raw materials such as Copper and Aluminum has been very volatile over the past few years especially. This volatility is a challenge for manufacturers as stock management becomes tougher and can lead to potential losses on stock, especially if the exchange rate is equally volatile. While in the retail sales (especially in Wires), the manufacturers are able to pass on the raw material cost to consumer; in Cables it is relatively difficult as the end customer here is a project developer or a government entity and the construction contracts have been negotiated at a fixed price, within a said period. In such cases a manufacturer maybe forced to absorb or partially absorb the raw material price increase; which may hit the earnings of the Company.

In case of our Company however, since Trade sales dominate and instances of rate contract are limited; we have kept our risk exposure low. In cases of long term supply contracts, in most cases we make the customer accept the price variation clause, that has been established by IEEMA and accepted generally.

In FMEG business also there is an impact of increase in Copper and Aluminum in case of Fans and Small appliances, but it is generally passed on to consumer through MRP change. Lighting is also prone to price change but mostly downwards in past years as the LED prices keep dropping periodically. In such cases the manufacturer has the flexibility of reducing prices to the extent it wants to, keeping its sales objective and brand salience in view.

2. Fluctuation in currency exchange rate

Fluctuation in rupee-dollar exchange rate also poses a key challenge to the W&C industry. The average rupee-dollar exchange rate was ₹ 74 in CY 2021, which had increased to ₹ 83 in October 2022. Players may import raw materials such as aluminum, insulation materials because of economies of cost and quality, which when exposed to exchange rate fluctuation, may result in increase in overall cost, thereby impacting the margin.

As explained above, the two factors which affect prices of Copper and Aluminum are the LME and the US\$ to Rs. exchange rate; both of which are beyond the control of a manufacturer. To minimize the risk, a prudent buying and stocking of Copper and Aluminum is the only way to minimize the risk, apart from managing and balancing the portfolio of our customers and channel partners.

3. Competitive Market

While the Indian market continues to grow due to steady rise in Infrastructure investment especially post Covid, the available capacity and large no of manufacturers in wires and cables, makes this business highly competitive. A positive development over the years is that the unorganized market or the market dominated earlier by local (regional) manufacturers is shrinking and branded players today occupy over 80% share. This has benefited companies like RR Kabel. In the years ahead, competition will remain strong but the winners will be companies that are able to produce at low cost, are able to supply fast and are able to service the Customer better. Above all, as the regulations related to electrical installations are becoming tighter, the quality of products will have a larger bearing on market share and success, which is where our Company hopes to make a larger gain.

4. Recession

Recession cycles are part of the global economy, and one cannot rule out possibilities for India and the world. One of the early strategies adopted by RR Kabel was to increase exports and spread wide globally; which it has done remarkably by selling 25% of its output to over 50 countries globally. This is a big de-risk as a political or economic disturbance in one part of the world can be compensated in our countries.

Our large dependence on trade is another way of de-risking because the trade sells to all customer segments and if one of the segments is down, the other one could be rising. In case of cables; ie Power, Industrial and Special also we are spreading our customer base to various types of Industries. This will ensure that if one of the Industry segment is down; the others will make up for the loss. This is how we are isolating ourselves from recession.

5. Natural Calamity

Our manufacturing locations for Wires and Cables is at Silvassa and Waghodia (Baroda); which are normally not known to be disaster prone places. However, having a facility for Wires at both locations helps us from redundancy

Annexure E

point of view. Also, our FG stock is largely at the factories, instead of being spread across the branch warehouses. This helps us minimize the risk of stock at branch warehouse especially in cities where flooding is frequent.

Similarly in FMEG, our ceiling fans are made at two locations Roorkee and Gagret and the manufacturing is interchangeable, if required. The FG stock is largely at the factory location and hence risk exposure is lower. For Lighting and Appliances, we do not have any in-house manufacturing and our attempt thus is to have atleast 2 sources for supply of each product so that in case of a calamity, the other source can continue.

Another step we have recently taken is to increase vertical stacking of material in Factory and in our Branch warehouses. While this has been undertaken for space optimization, the safety of stock in case of flooding etc. is also a key objective; since only Wires are stocked at ground level and all FMEG material is about 1-1.5 mtrs from ground in the warehouse.

6. Government Taxes

Increase in GST rates on Materials, Electronic Products and Components has a direct impact on the cost of manufacturing. So depending on the product, market conditions and competition; such an increase may or may not impact the selling price of Products and hence effect the margins and profitability of our business.

In exports there is a possibility of import levies for political or economic reasons, which cannot be predicted. Such levy may make imports from India unviable thus causing loss of sales for our Company. The only way to counter this possibility is to spread our exports wider and reduce dependence on one Country or a region.

➤ STRENGTH

The following are some of key pillars of our Company:

1. In-house and integrated manufacturing facilities

We have five state of art manufacturing facilities across India, with the latest technology and equipment. We buy most of our machines from Germany and Taiwan, from globally renowned manu. These are at Waghodia, Gujarat ("Waghodia Facility"), Silvassa, Dadra and Nagar Haveli and Daman and Diu ("Silvassa Facility"), Roorkee, Uttarakhand ("Roorkee Facility"), Bengaluru, Karnataka ("Bengaluru Facility") and Gagret, Himachal Pradesh ("Gagret Facility"). Our machine operators are experienced and most have been in RR Kabel for over 10 to 15 years and are thus able to maintain the machines well; reducing down time and enhancing output.

Our Waghodia and Silvassa Facilities have the capability to manufacture a wide variety of wire and cable products including house wires, industrial wires, power cables and special cables. 100% of the insulation material is compounded in-house for both the factories that gives us an edge in terms of innovation and cost. The testing facilities, equipment and competence that we have, supported by a NABL accredited lab makes us self-sufficient and quick to respond to the market need.

The Waghodia Facility is one of the largest consumer electrical manufacturing facilities in India as of March 31, 2023, with an annual manufacturing capacity of 2.1 million CKM of wires and cables. (Source: Technopak Report)

2. Well recognized and trusted consumer brands

RR Kabel established itself as a high quality and trusted brand through consistent high quality products, constant engagement with electricians, contractors, consultants and developers.

Our extensive distribution network, our investment and constant engagement through Kabel Nukkad and Kabel Mela, establishing a deep connect with electricians through programs like "Kabel Star" and our digital and physical marketing efforts have enabled us develop and strongly entrench brand in the consumer electrical industry.

3. Wide range of Products

In the segment of Electrical construction materials, we have all category of products that can serve the needs of a residential or commercial project. Within each product category we have a wide variety of products at various price point so that we can cover the requirement of every socio-economic segment of the market. Our effort of innovation and creating multiple product choices will continue.

For B2B business, we have the ability to design and manufacture various types of Cables as per standard specification or a customized specification. This ability has evolved from the variety of requirement in export markets and has been extended to customers across different Industries and for a varied type of applications.

Annexure E

4. Strong Values and Ethos

RR Kabel has been built on strong values which define the Company's policies and its products. It is thus widely believed in the trade and also by the end customer that RR Kabel never supplies a substandard product and it always stand by its commitment. This brings in a lot of confidence amongst our channel partners, many of who have been working with the company for over a decade or more.

5. Human Resource

The Company's culture is like that of a large family with a huge emphasis on employee wellbeing. Over the past years a lot of investment has been done to build a bond between the Company and its workers. In all factories the employees are served with hygienic, nutritious hot meals and in many locations, accommodation has been provided on cost sharing basis to employees and their family. Every employee is bonded with the Company due to the Values which are propagated, accessibility to the management to discuss their grievance, caring and supportive attitude of the promoters and an open culture. This strong bond enables RR Kabel to achieve many of its tasks ahead of time.

➤ AWARDS

During the year under review company has received following awards:

- I. Best Brand in Building Material and Fittings category at the ET Infra Focus Summit and Awards 2022.
- II. We also won the won the Pride of India Brands Award, 2022.
- III. Trailblazer HR Initiative award by CHRO Summit 2023
- IV. Best practices and Innovation in HR by Gujarat Employer Organisation 2023
- V. "Great Place To Work" certified by GPTW (Jun 2023- Jun 2024)

➤ KEY RATIOS

Sr. No.	Ratio	As at 31 March 2023	As at 31 March 2022	% of variance	Explanation for change in the ratio by more than 25% as compared to the previous year
1	Current Ratio (times)	1.77	2.14	-17.31%	NA
2	Debt Equity Ratio (times)	0.36	0.42	-13.03%	NA
3	Return on Equity Ratio (%)	13.36%	16.85%	-20.67%	NA
4	Inventory turnover ratio (times)	5.83	5.80	0.47%	NA
5	Return on capital employed	14.77%	16.95%	-12.83%	NA
6	Net profit ratio (%)	3.36 %	4.37%	-28.96%	Net Profit ratio decreases due to higher operating expenses.
7	Trade payables turnover ratio (times)	15.43	26.88	-42.59%	Trade payable turnover ratio decreases due to higher average trade payables.

➤ INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has in place a robust Internal Control system to maximize the effectiveness and efficiency by including activities that are tailored to the nature, size and complexity of the Company. The Company follows proper hierarchy and processes for reporting of routine activities. Direct access to the senior Management is available in extreme cases.

The controls and policies are being further strengthened through adoption of IT in all functions and processes so that deviation are not made or even if they have to be made, it follows the use of a pre-defined approval hierarchy matrix. All possible areas of human error (manual entry of data) are being rectified through digital intervention, internally and for the external stake holders like suppliers, vendors, customers etc.

The Company has framed whistle blower policy to report concerned areas to the Management. The Company's internal control system is commensurate with the size, scale and complexities of its operations. The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

Annexure E

➤ HUMAN RESOURCES

Human Resources is a very critical capital of the Company. RR Kabel is continuously investing in enhancing the HR capability at each level of the company, starting with the Workers, Operators, Supervisors and Managers. The enhancement of technical skills, soft skills and management ability, is made through internal and external interventions. Improvement in skills and capability is being measured and recorded regularly to help the Company re-design the programs and add more interventions. The appraisal system followed is transparent and is performance based and it endeavors to retain, develop and provide better working environment to the employees by providing an atmosphere of trusteeship, competition and challenge, thereby providing opportunities for personal and professional growth through training and ample career enhancement opportunities.

➤ DISCLAIMER

The contents of this Report include statements that look forward into the future and may carry risks and uncertainties.

These forward-looking statements are identified by words such as 'anticipate,' 'belief,' 'estimate,' 'expect,' 'intend,' 'will' and other similar expressions related to the Company and its Businesses. The Company does not have an obligation to update or modify these forward-looking statements publicly, whether due to new information, future events, or other reasons. The actual results, performances, or achievements may differ significantly from what is expressed or implied in these forward-looking statements. It is advised that readers exercise caution and not overly rely on these forward-looking statements as they only reflect the state of affairs as of the date of this Report. It is recommended to read this Report together with the financial statements and their accompanying notes.

For and on behalf of the Board of Directors

Tribhuvanprasad Rameshwari Lal Kabra

Executive Chairman

DIN - 00091375

Place : Mumbai

Date : 14 August 2023

Annexure F

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

- A. The ratio of remuneration of each Director to the median remuneration of the employees of the company along with percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary for the financial year 2022-23 is as follows

Name of Director(s)/ Key Managerial Personnel	Designation	Ratio of remuneration of Director to the Median Remuneration	% Increase in the Remuneration
Shri Tribhuvanprasad Rameshwarlal Kabra	Executive Chairman	76.20:1	27.91%
Shri Shreegopal Rameshwarlal Kabra	Managing Director	76.20:1	27.91%
Shri Mahendrakumar Rameshwarlal Kabra	Joint Managing Director	0.69:1	180%
# Smt. Kirtidevi Kabra	Whole-time Director	12.68:1	0%
# Shri Mahhesh Kabra	Whole-time Director	12.68:1	0%
# Shri Sumeet Kabra	Whole-time Director	12.68:1	0%
# Shri Sanjay Taparia	Whole-time Director	-	-
# Shri Rajesh Babu Jain	Whole-time Director	28.37:1	14.39%
# Shri Puneet Bhatia	Non-Executive Director	-	-
Shri Mitesh Daga	Non-Executive Director	-	-
# Shri R Kannan	Independent Director	2.01:1	8%
# Shri Mukund Chitale	Independent Director	1.22:1	Ceased
Shri Bhagwat Singh Babel	Independent Director	3.03:1	50.62%
**Shri Vipul Sabharwal	Independent Director	0.84:1	New
**Smt. Jyoti Davar	Independent Director	0.37:1	New
**Shri Ramesh Chandak	Independent Director	-	New

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2021-22 and include sitting fees paid to Directors and commission to Executive Chairman Managing Director and Independent Directors.
 - *Percentage increase in Remuneration not given as only sitting fees is paid to them as per their attendance in Board and Committee meetings.
 - # Directors were ceased as Directors of the Company w.e.f. December 16, 2022, Shri Mukund Chitale ceased as Director of the Company w.e.f April 29, 2023.
 - ** Shri Vipul Sabharwal, Smt. Jyoti Davar and Shri Ramesh Chandak appointed as Non-Executive Independent Woman Director and Non-Executive Independent Director w.e.f. August 23, 2022, December 16, 2022 and April 29, 2023 respectively.
- B. The percentage increase in median remuneration of employees for the financial year 2022-23, as compared to financial year 2021-22 is 9.69%
- C. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The increase in average salary of employees (other than Key Managerial Personnel) for the financial year 2022-23, as compared to financial year 2021-22 is 6.85%. The increments given to employees are based on their potential, performance, experience and contribution to the Company's growth, which are also benchmarked against applicable industry standard.

Annexure F

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

D. Number of permanent employees on the rolls of the Company as on March 31, 2023: 3036 Employees

E. Affirmation:

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

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

List of top ten Employees of the Company who were paid the Salary of not less than ₹ 102 Lakhs per annum.

Sr. No.	Name of Employee	Date of Joining	Gross Remm (In lacs)	Qualification	Experience	Age	Last Employment	Designation
1	Rajesh Babu Jain	01 Jul 2000	120	CMA and CS	23 yrs	51	Harshvardhan Chemicals & Minerals Ltd	Chief Financial Officer
2	Shishir Sharma	01 Dec 2008	102	MBA	30 yrs	56	Westpac Banking corporation of Australia & New Zealand	Chief Sales Officer (CSO)
3	Vivek Abrol	01 Jun 2021	175	BE, MBA	23 yrs	46	Pidilite Industries	CEO – Consumer Business
4	Arvind Khanna	13 Oct 2011	129.91	BE	33 yrs	59	Luminous Power Technology	Senior Vice President

List of Employees with part of the year with an average salary ₹ 8.5 Lakhs per month.

Sr. No.	Name of Employee	Date of Joining	Gross Remm (In lacs)	Qualification	Experience	Age	Last Employment	Designation
1	Dinesh Kumar Aggarwal	16 Dec 2022	250.00	BE, PGDM	35 yrs	58	Panasonic Life Solutions India	Chief Executive Officer
2	Sanjay Taparia	01 Mar 2023	180.00	BSc	32 yrs	60	-	CEO International Business

ANNEXURE G

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 2023.

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.

WIRES & CABLE DIVISION:

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.
6. Total 290748 KWH, renewable energy generated through Solar Power Plant of capacity 250 KW.

FMEG DIVISION

1. We have replaced 01 diesel fired burner with electrical heater bank resulting in 'ZERO' carbon footprint in varnish plant.
2. We have replaced 160 nos. conventional type tube lights of 40W with 20w LED Lights.
3. We have replaced 11 Nos. 70W halogen lights with 9W Solar LED Lights.
4. We have controlled the lighting in warehouse through Motion Sensors.
5. We have done re-layout of Compressors to nearby the high air consumption machinery.
6. We have converted our liquid painting process from 3C2B (Twice Baking) to 3C1B (One baking).
7. We have increased the conveyor speed in powder coating from 2.4 M/min to 3.5 M/min with no increase in burner count.

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:

WAGHODIA FACILITY:

- We have harvested rainwater by rain harvesting structure/ground water recharge wells are 68215.0576KL in year-2022-23.
- We have installed ETP and STP and recycled/treated sewage and effluent and reusing it for gardening are 13695.075 KL in year-2022-23.

SILVASSA FACILITY:

- Rainwater harvesting has been undertaken collecting 43.4 Lac Liters of water from terrace of buildings.
- 93.57 Lac Liters water recycled from ETP and STP's & used in garden.

GAGRET FACILITY:

- Re-used 480 KL of ETP treated water in liquid paint shop screen for paint deposition.
- Re-used 336 KL of STP treated water for gardening.

ROORKEE FACILITY:

- 31 Lac liters water recycled from ETP and STP and used in PT Line, Flush and green belt.
- Rain Water harvesting is being done collected 48000 liters of water.

ANNEXURE G

TECHNOLOGY ABSORPTION:

The Company place a strong focus on research and development, aimed at further expanding our product portfolio in our focus areas and selectively entering adjacent areas. We have one dedicated R&D center in Waghodia which is NABL ISO/IEC 17025:2017 certified and recognized by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India, a dedicated team of 63 employees focused on research and development, of which 23 employees exclusively work on research and development involving FMEG products. We also carry out R&D at our manufacturing facilities.

Our product development initiatives are focused on meeting the requirements of our customers by identifying their needs and addressing the gaps in market relating to our focus areas. Our product development is driven by our cross-functional team which regularly engages with our customers and key opinion leaders. We undertake the following research and development activities: (i) product evaluation; (ii) process development including feasibility studies, laboratory validation and development history reports; (iii) process scale up and validation; and (iv) regulatory filings and approvals.

Through our R&D efforts, we have developed features and products such as FIREX LS0H, unilay core technology (heat resistant and flame retardant) products.

Your Company has incurred expenses on Research & Development during the financial year ended March 31, 2023, as follows:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Capital Expenditure	3.41	28.43
Revenue Expenditure	215.77	418.58
Total	219.17	447.01

FOREIGN EXCHANGE EARNING AND OUTGO

(₹ in Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Earnings in Foreign Currency	106,783.93	82,663.19
Expenditure in Foreign Currency	128,565.39	1,09,238.81

For and on behalf of the Board of Directors

Place : Mumbai
Date : 14 August 2023

Tribhuvanprasad Rameshwari Lal Kabra
Executive 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 2023, 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 2023, 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/ loss 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 2023 and 1 April 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 2023 on its financial position in its standalone financial statements - Refer Note 28 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 their knowledge and belief, as disclosed in the Note 52 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 their knowledge and belief, as disclosed in the Note 52 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) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for 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 has 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.

- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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:23116240BGWVFE3154

Place: Bengaluru

Date: 14 August 2023

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 2023

(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 material 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 property from	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 as follows:

Quarter	Name of bank	Particulars	Amount as per books of account (INR in lakhs)	Amount as reported in the quarterly return/ statement (INR in lakhs)	Amount of difference (INR in lakhs)	Whether return/ statement subsequently rectified
1	DBS Bank, HDFC Bank, HSBC Bank Kotak Bank State Bank of India SCB Bank	Inventories	66,551.33	66,478.46	(72.87)	Yes
1	DBS Bank, HDFC Bank, HSBC Bank Kotak Bank State Bank of India SCB Bank	Trade Receivable	72,605.87	69,786.11	(2,819.75)	Yes
1	DBS Bank, HDFC Bank, HSBC Bank, Kotak Bank, State Bank of India, SCB Bank	Trade payable	22,341.97	18,303.42	(4,038.55)	Yes
1	DBS Bank, HDFC Bank, HSBC Bank, Kotak Bank, State Bank of India, SCB Bank	Inventory	57,550.19	57,527.91	(22.28)	Yes
2	DBS Bank, HDFC Bank, HSBC Bank, Kotak Bank, State Bank of India, SCB Bank	Trade Receivable	74,804.48	74,803.63	(0.85)	Yes

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

Quarter	Name of bank	Particulars	Amount as per books of account (INR in lakhs)	Amount as reported in the quarterly return/ statement (INR in lakhs)	Amount of difference (INR in lakhs)	Whether return/ statement subsequently rectified
2	DBS Bank, HDFC Bank, HSBC Bank, Kotak Bank, State Bank of India, SCB Bank	Trade payable	18,927.34	18,927.86	0.52	Yes
3	DBS Bank, HDFC Bank, HSBC Bank, Kotak Bank, State Bank of India, SCB Bank	Inventory	54,436.44	54,415.87	(20.57)	Yes
3	DBS Bank, HDFC Bank, HSBC Bank, Kotak Bank, State Bank of India, SCB Bank	Trade Receivable	81,445.01	81,446.01	1.00	Yes

(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	76.56
Balance outstanding as at balance sheet date	
Others	34.73

(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 the terms and conditions of the grant of loans 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 and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

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

- (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 2023 for a period of more than six months from the date they became payable.

- (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 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	20.80	20.80	Various periods from 2011-12 to 2020-21	Joint Commissioner Superintendent Central Excise and Service Tax Appellate Tribunal (CESTAT)
The Finance Act, 1994	Service tax, Interest and Penalty	211.61	180.48	Various periods from 2009-10 to 2017-18	Commissioner Excise and Service Tax Appellate Tribunal (CESTAT)
The Income Tax Act, 1961	Tax and Interest	317.43	317.43	Various periods from 2008-09 to 2019-20	Commissioner of Income Tax Appeals CIT(A)
The Income Tax Act, 1961	Tax and Interest	8.05	6.40	2017-18	Assisstant Commissioner of Income Tax Appeals CIT(A)

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

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 Goods and Services Tax, 2017	Tax, Interest and Penalty	594.93	276.14	2017-18	Joint Commissioner Central Goods Services Tax, vadodara
Sales Tax Act	Sales Tax	973.24	973.24	Various periods from 2013-14 to 2017-18	The Joint Commissioner of Value Added Tax
Industrial Dispute Act, 1947	Wages	20.61	18.60	FY 2016-17 to FY 2022-23	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) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (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.
- (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.

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

- (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 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, 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

Membership No. 116240

ICAI UDIN:23116240BGWVFE3154

Place: Bengaluru

Date: 14 August 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S 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 2023

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 2023 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 2023, 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 AUDITOR'S 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:23116240BGWVFE3154

Place: Bengaluru

Date: 14 August 2023

STANDALONE BALANCE SHEET AS AT 31 MARCH 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant & equipment	2A	44,882.29	38,370.42
Capital work-in-progress	2B	4,358.04	4,231.02
Right of use assets	2C	6,184.60	1,111.73
Other intangible assets	2D	648.62	366.53
Intangible assets under development	2C	-	60.00
Investment accounted for using equity method	3A	1,637.31	1,637.31
Financial assets			
Investments	3A	5,810.51	4,055.61
Loans	4A	28.70	5.21
Other financial assets	5A	357.63	217.12
Income tax assets (net)	6A	1,183.39	1,337.17
Other non-current assets	7A	3,333.46	659.86
		68,424.55	52,051.98
Current assets			
Inventories	8	86,017.51	70,962.08
Financial assets			
Investments	3B	28,492.36	20,547.35
Trade receivables	9	59,186.85	51,714.29
Cash and cash equivalents	10A	3,103.48	1,229.90
Bank Balances other than cash and cash equivalents	10B	5,004.03	0.03
Loans	4B	6.03	22.01
Other financial assets	5B	896.88	1,189.66
Other current assets	7B	11,904.31	6,820.15
		194,611.45	152,485.47
		263,036.00	204,537.45
Total Assets			
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11A	4,784.82	2,392.41
Instrument entirely equity in nature	11B	41,518.59	41,518.59
Other equity	12	95,339.93	80,592.39
		141,643.34	124,503.39
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13A	2,685.95	5,931.32
Lease liabilities	14A	5,640.45	822.68
Other financial liabilities	15A	212.87	-
Provisions	16A	1,408.07	717.16
Deferred tax liabilities (net)	17	1,486.86	1,310.53
Other non-current liabilities	18A	0.89	0.89
		11,435.09	8,782.58
Current liabilities			
Financial liabilities			
Borrowings	13B	48,898.11	46,179.81
Lease liabilities	14B	819.53	325.06
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	19	4,588.10	1,109.90
- total outstanding dues of creditors other than micro enterprises and small enterprises	19	39,424.79	15,677.48
Other financial liabilities	15B	3,777.23	2,404.86
Other current liabilities	18B	9,587.17	4,154.52
Provisions	16B	2,219.24	1,399.85
Income tax liabilities (net)	20	643.40	-
		109,957.57	71,251.48
		263,036.00	204,537.45
Total Equity and Liabilities			
Significant accounting policies	1		
See accompanying notes to the standalone financial statements	1-53		

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 Rameshwarlal Kabra
Executive Chairman
DIN : 00091375

Shreegopal Rameshwarlal Kabra
Managing Director
DIN : 00140598

Rupen Shah
Partner
Membership No. 116240

Rajesh Babu Jain
Chief Financial Officer
Membership No: 20811

Dinesh Aggarwal
Chief Executive Officer

Himanshu Navinchandra Parmar
Company Secretary
Membership No.FCS 10118

Place : Bengaluru
Date: 14 August 2023

Place : Mumbai
Date: 14 August 2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue From Operations	21	559,920.12	438,593.62
Other income	22	3,443.93	4,628.03
Total income		563,364.05	443,221.65
Expenses			
Cost of materials consumed	23A	436,978.90	357,551.46
Purchases of stock-in-trade	23B	36,885.20	15,661.70
Changes in inventories of finished goods, stock-in-trade, work-in-progress and scrap	23C	(16,294.07)	(12,415.01)
Employee benefits expense	24	26,415.88	18,885.33
Finance costs	25	4,208.69	2,328.34
Depreciation and amortization expense	26	5,962.82	4,608.51
Other expenses	27	43,701.89	28,585.35
Total expenses		537,859.31	415,205.68
Profit before tax		25,504.74	28,015.97
Tax expense:	17		
Current tax		6,583.15	6,482.65
Short provision of tax of earlier years		38.69	29.89
Deferred tax charge /(credit)		(9.95)	529.65
		6,611.89	7,042.19
Profit for the period		18,892.85	20,973.78
Other Comprehensive income/(loss)			
A) Items that will not be reclassified to profit and loss			
a) (i) Re-measurement of post employment benefits obligation		(45.39)	(72.30)
(ii) Income tax relating to items that will not be reclassified to profit and loss		11.42	18.20
b) (i) Fair value gain on investment in equity instrument through OCI		1,754.90	1,709.76
(ii) Income tax relating to items that will not be reclassified to profit and loss		(197.71)	(10.28)
Total Other Comprehensive Income/(Loss) (net of Tax)		1,523.22	1,645.38
Total comprehensive income for the year		20,416.07	22,619.16
Earnings per equity share (face value of ₹ 5 each):	36		
Basic		17.01	18.88
Diluted		16.98	18.85
Significant accounting policies	1		
See accompanying notes to the standalone financial statements	1-53		

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 Rameshwarlal Kabra
Executive Chairman
DIN : 00091375

Shreegopal Rameshwarlal Kabra
Managing Director
DIN : 00140598

Rupen Shah
Partner
Membership No. 116240

Rajesh Babu Jain
Chief Financial Officer
Membership No: 20811

Dinesh Aggarwal
Chief Executive Officer

Himanshu Navinchandra Parmar
Company Secretary
Membership No.FCS 10118

Place : Bengaluru
Date: 14 August 2023

Place : Mumbai
Date: 14 August 2023

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	25,504.72	28,015.97
Adjustments for:		
Depreciation and amortization expense	5,962.83	4,608.51
Property, plant and equipment write off	8.30	-
Grant related to property, plant & equipment	(10.10)	(369.16)
Finance costs	4,208.69	2,328.34
Employees share based payment expenses	50.43	75.18
Interest income	(307.17)	(96.73)
Gain on sale of mutual fund investments	(87.03)	(0.35)
Dividend income	(70.55)	(14.11)
Fair value gain on investment on mutual fund	(1,043.37)	(945.34)
Allowance for / (reversal) of expected credit loss on trade receivables(net)	91.39	(74.75)
Reversal of provision on advances to vendor	(192.59)	-
Provisions for warranty expenses	964.93	752.45
Unrealised foreign exchange loss	786.02	608.90
Gain on sale of property, plant and equipment	(8.01)	(202.77)
	35,858.51	34,686.14
Adjustments for:		
(Increase) in trade receivables	(1,792.95)	(9,595.31)
(Increase) in financial assets	(256.81)	(827.05)
(Increase)/decrease in other assets	(4,286.90)	1,640.22
(Increase) in inventories	(7,987.93)	(17,556.60)
Increase in trade payables	24,011.26	5,408.08
Increase/(decrease) in financial liabilities	410.12	(693.61)
Increase in other liabilities & provision	5,244.23	4,081.30
Cash generated from in operations	51,199.53	17,143.17
Income taxes paid	(5,824.65)	(7,326.19)
Net cash generated from operating activities (A)	45,374.88	9,816.99
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment including payments towards capital advance and capital creditors	(10,834.90)	(6,822.53)
Proceeds from sale of property, plant and equipment	53.24	471.77
Investment in fixed deposits with banks	(5,066.28)	(23.09)
Purchase of home electrical business, net of cash acquired	(10,958.23)	-
(Investment in) / Redemption of mutual fund (net)	(6,814.61)	0.35
Dividend received from investments in quoted equity shares	70.55	14.11
Interest received	200.38	93.74
Net cash (used in) Investing activities (B)	(33,349.85)	(6,265.65)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from non current borrowing	-	3,380.00
Repayment of non current borrowing	(3,820.21)	(757.67)
Proceeds from / (repayment) of short term borrowing (net)	3,184.00	(385.11)
Finance costs paid	(3,554.71)	(2,222.28)
Repayment of lease obligations	(962.44)	(399.23)
Dividend paid	(4,998.10)	(2,776.72)
Net cash (used in) financing activities (C)	(10,151.45)	(3,161.01)
(D) Net increase in cash and equivalents (A+B+C)	1,873.57	390.33
Add : Cash and cash equivalents as at the beginning of the year	1,229.90	839.57
Cash and cash equivalents as at the end of the year (Refer note below)	3,103.48	1,229.90

Note :

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

b) Cash and cash equivalents (Note 10 A) (₹ in Lakhs)

Particulars	As at 31, March 2023	As at 31, March 2022
Cash on hand	3.66	3.25
Balance with banks	1,219.82	726.65
Term deposits (with original maturity of 3 months or less)	1,880.00	500.00
Cash and cash equivalents in Statement of Cash Flows	3,103.48	1,229.90

c) Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

Particulars	As at 1, April 2022	Cash Flows	Non Cash Changes		As at 31, March 2023
			Fair value changes	Current / Non - current classification	
Borrowings- Non Current	5,931.33	(3,820.21)	-	574.83	2,685.95
Borrowings- Current	46,179.81	3,184.00	109.13	(574.83)	48,898.11
Total	52,111.14	(636.21)	109.13	-	51,584.06

(₹ in Lakhs)

Particulars	As at 1, April 2021	Cash Flows	Non Cash Changes		As at 31, March 2022
			Fair value changes	Current / Non - current classification	
Borrowings- Non Current	7,128.15	2,622.33	-	(3,819.15)	5,931.33
Borrowings- Current	42,743.10	(385.11)	2.67	3,819.15	46,179.81
Total	49,871.25	2,237.22	2.67	-	52,111.14

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 Rameshwarlal Kabra
Executive Chairman
DIN : 00091375

Shreegopal Rameshwarlal Kabra
Managing Director
DIN : 00140598

Rupen Shah
Partner
Membership No. 116240

Rajesh Babu Jain
Chief Financial Officer
Membership No: 20811

Dinesh Aggarwal
Chief Executive
Officer

Himanshu Navinchandra Parmar
Company Secretary
Membership No.FCS 10118

Place : Bengaluru
Date: 14 August 2023

Place : Mumbai
Date: 14 August 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

(A) EQUITY SHARE CAPITAL	As at 31, March 2023		As at 31 March 2022	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Balance as at beginning of the reporting period	23,924,074	2,392.41	23,924,074	2,392.41
Changes in share capital				
Add:- shares split during the year (Note 11.9)	23,924,074	-	-	-
Add:- Bonus shares issued during the year (Note 11.9)	47,848,148	2,392.41	-	-
Balance as at end of the reporting period	95,696,296	4,784.82	23,924,074	2,392.41

(B) INSTRUMENT ENTIRELY EQUITY IN NATURE	As at 31, March 2023		As at 31 March 2022	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Balance as at beginning of the reporting period	3,843,140	41,518.59	3,843,140	41,518.59
Changes in share capital	-	-	-	-
Balance as at end of the reporting period	3,843,140	41,518.59	3,843,140	41,518.59

(C) OTHER EQUITY	Reserves and surplus				Other Comprehensive income	Other Equity
	Capital Redemption Reserve (refer note a)	Capital Reserve (refer note b)	Retained Earnings	Share based payment outstanding (refer note c)		
Balance as at 1, April 2021	75.07	1,250.52	58,376.50	-	972.68	60,674.77
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 (Note 48)	-	-	(2,776.72)	-	-	(2,776.72)
	-	-	-	75.18	-	75.18
	-	-	(2,776.72)	75.18	-	(2,701.54)
Balance as at 31 March 2022	75.07	1,250.52	76,519.46	75.18	2,672.16	80,592.39
Profit for the year	-	-	18,892.85	-	-	18,892.85
Pursuant to acquisition of business (Note 51)	-	1,671.55	-	-	-	1,671.55
Other comprehensive income/(loss)	-	-	(33.97)	-	1,557.19	1,523.22
Employee stock option (Note 48)	-	-	-	50.43	-	50.43
Dividends	-	-	18,858.88	50.43	1,557.19	22,138.05
Issue of Bonus Shares (Note 11.9)	(75.07)	-	(4,998.10)	-	-	(4,998.10)
	(75.07)	-	(2,317.34)	-	-	(2,392.41)
Balance as at 31 March 2023	(75.07)	2,922.07	88,062.90	125.61	4,229.35	95,339.93

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

Note :

(a) Capital Redemption Reserve

Capital redemption reserve was created to the extent of share capital extinguished and it was used during the year end 31 March 2023 for issue of bonus shares.

(b) Capital Reserve

Capital reserve of ₹ 1,250.52 Lakhs was created pursuant to scheme of amalgamation during the year ended 31 March 2020 and ₹ 1,671.55 Lakhs was created pursuant to business acquisition during the year ended by 31 March 2023.

(c) Share based payment reserve outstanding

Share based payment reserve outstanding 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 share based payment reserve. The Company has two stock option schemes under which options to subscribe for the Company's shares have been granted to certain employees. The share based payment reserve is used to recognise the value of equity- settled share- based payments provided to employees, including key management personnel, as part of their remuneration.

(d) 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.

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 Rameshwarlal Kabra
Executive Chairman
DIN : 00091375

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Managing Director
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Rupen Shah
Partner
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Rajesh Babu Jain
Chief Financial Officer
Membership No: 20811

Dinesh Aggarwal
Chief Executive
Officer

Himanshu Navinchandra Parmar
Company Secretary
Membership No. FCS 10118

Place : Bengaluru
Date: 14 August 2023

Place : Mumbai
Date: 14 August 2023

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

CORPORATE INFORMATION

The Standalone Financial Statements comprises the financial statements of R R Kabel Limited for the year ended 31 March 2023.

The Company is mainly into the manufacturing of PVC insulated wires and cables, power cables and special cables. The Company has five 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 Fast-Moving Electrical Goods [FMEG] at Roorkee in the state of Uttarakhand, fourth unit of FMEG at Bengaluru in the state of Karnataka, fifth unit of FMEG at Garget in the state of Himachal Pradesh. The Company has strategically located its sales offices and depots pan India.

The Standalone Financial Statements for the year ended 31 March 2023 are approved by the Board of Directors and authorized for issue on 14 August 2023.

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

1. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

(i) Statement of compliance

The Company has 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.

The Standalone Financial Statements of the Company comprise of the Standalone Balance Sheet as at 31 March 2023, Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of changes in Equity and Standalone Statement of cash flow for the year ended 31 March 2023, the summary of significant accounting policies and explanatory notes (collectively, the Standalone Financial Statements').

The Standalone Financial Statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standard as prescribed under Section 133 of the Companies Act, 2013.

The Standalone Financial Statements is presented in Indian Rupees (₹) lakhs, except where otherwise indicated.

(ii) Basis of Measurement:

The Standalone Financial Statements have been prepared on a going concern basis, accrual basis and a historical cost basis 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

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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.

(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

The preparation of Standalone Financial Statements, in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from those estimates.

The 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 and equipment

The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets which is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

(ii) Provision

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that out-flow 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.

(iii) 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 recognized nor disclosed in the Standalone Financial statements.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using appropriate valuation techniques. 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 THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(v) 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 Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(vi) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note 35.

(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.

(ix) Measurement of ECL allowance for trade receivables

Refer accounting policy for impairment of financial assets for measurement of ECL allowance on trade receivables under section C (v) below.

(x) Impairment of financial and non-financial assets

Refer accounting policy C (v) provided below for impairment of Assets

(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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 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 end of the period/year. Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting 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 and equipment and the resultant gains or losses are recognised in the Standalone Statement of profit and loss. Property, plant and equipment to be disposed of is reported at the lower of the carrying value or the fair value less cost of sale.

(iii) **Other Intangible Assets**

Other Intangible assets acquired are initially measured at cost. Other intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, other 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 Standalone 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 Standalone statement of profit and loss.

(iv) **Depreciation on property, plant and equipment and amortisation of other intangible assets**

Depreciation on property, plant and equipment is calculated in the Standalone Statement of Profit and Loss on a straight-line method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II to the Companies Act, 2013.

Other Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on other intangible assets with finite lives is recognized in the Standalone Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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 other intangible assets are:

Particulars	Years	Particulars	Years
Factory Buildings	30	Office and Other Equipment's	5 to 10
Workers Quarters	60	Vehicles	8 to 10
Plant and Equipment	15	Electrical Installations	10
Furniture and Fixtures	10	Computer Software	5
Brand	5	Royalty	2
Design	2-3	Non-Compete clause	2

(v) Impairment of Assets

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. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

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.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months)

Impairment of non-financial assets

At each Reporting date, the Company reviews the carrying values of its non-financial assets (other than inventories and deferred tax 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 estimated in order to determine the extent of impairment loss (if any).

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGU).

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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-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 Standalone Financial statement of assets and liabilities and lease payments have been classified as cash flows from financing activity.

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

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 fix for methods of valuation.

(viii) Inventories:

Raw Materials, Work-in-progress, stock-in-trade and Finished goods are valued at the lower of cost or net realizable value. The cost is determined using First in first out (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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 and machineries, power and fuel, factory management and administration expenses, repairs and maintenance and consumable stores and spares.

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

Scrap is valued at net realizable value.

(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.

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 3 months or less 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 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 Standalone 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 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

A financial asset not classified as either amortised cost or at fair value through other comprehensive income is carried at fair value through the Standalone Statement of Profit and Loss.

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

Where the entity has neither transferred a financial asset nor 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 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 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 losses are measured at fair value with all changes in fair value recognised in the Standalone 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 Standalone 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

d) Derivative financial instruments

The Company enter 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 Standalone Statement of Profit and Loss. Derivatives are carried as financial assets when fair value is positive and as financial liabilities when fair value is negative.

e) Offsetting Financial Instruments

Financial assets and liabilities are off-set and the net amount is reported in the Standalone Financial Statements 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 counter party.

(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 and or a present obligation that arises from past events where it is

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 and equipment is included as cost of property, plant and equipment and is credited to the statement of profit and loss over the useful lives of qualifying assets or credited to the statement of profit and loss over the period in which the corresponding export obligation is fulfilled. Total grants availed less the amounts credited to the Standalone Statement of Profit and Loss at the reporting date is included in the Standalone Statement of Assets and Liabilities as deferred income.

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.

(xiii) Employee Benefits

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.

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 Standalone 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 Standalone Statement of Profit and Loss.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(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 period. Taxable profit differs from net profit as reported in the Standalone Statement of Profit and Loss because taxable profit is adjusted for items of income or expenses which are taxable or deductible in other years and also for items which are never taxable or deductible 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.

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 IT Act.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affects neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. 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 Standalone 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 and Cables and FMEG) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 based payment reserve 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.

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

(xviii) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period 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 Company are segregated.

Cash and cash equivalents for the purposes of statement of cash flow 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 statement of cash flow, 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 reporting 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. Property, plant and equipment utilized for research and development are capitalized and depreciated in accordance with the policies stated for Property, plant and 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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.

(xxiii) 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 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2023, as below:

Amendments to Ind AS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction:

Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying Ind AS 116 Leases at the commencement date of a lease. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The company does not expect the amendment to have any significant impact in its Standalone Financial Statement.

Amendments to Ind AS 1 Presentation of Financial Statements – Disclosure of Accounting Policies:

The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraph in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The company does not expect the amendment to have any significant impact in its Standalone Financial Statement.

Amendments to Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors—

Definition of Accounting Estimates:

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The company does not expect the amendment to have any significant impact in its Standalone Financial Statement.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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

Particulars	Gross Block				Accumulated Depreciation			Net Block (₹ in Lakhs)		
	As at 1 April 2022	Adjustment pursuant to Business Acquisition (Refer note 51)	Additions	Deletion	As at 31 March 2023	As at 1 April 2022	For the year ended 31 March 2023		Deletion	As at 31 March 2023
Land - Free Hold	4,012.30	-	74.00	-	4,086.30	-	-	-	-	4,086.30
Buildings	1,526.59	-	167.54	-	1,694.13	118.37	39.74	-	158.11	1,536.02
Factory Buildings	12,665.60	-	2,451.66	-	15,117.26	2,272.32	518.37	-	2,790.69	12,326.57
Worker's Quarters	526.79	-	-	-	526.79	55.83	9.30	-	65.13	461.66
Plant and Equipments	32,229.78	2,284.68	4,120.06	47.15	38,587.37	13,486.97	3,220.29	32.62	16,674.64	21,912.73
Electric Installations	2,237.05	38.99	229.57	0.06	2,505.55	812.41	209.89	0.04	1,022.26	1,483.29
Furniture and Fixtures	983.48	53.37	465.78	-	1,502.63	443.97	146.50	-	590.47	912.16
Office and Other Equipments	1,154.08	132.94	681.26	134.25	1,834.03	657.69	266.53	125.96	798.26	1,035.77
Vehicles	1,691.57	150.40	318.27	92.07	2,068.17	809.26	200.82	69.70	940.38	1,127.79
Total	57,027.24	2,660.38	8,508.14	273.53	67,922.23	18,656.82	4,611.44	228.32	23,039.94	44,882.29
B) Capital Work - in - Progress	4,231.02	-	7,186.47	7,059.45	4,358.04	-	-	-	-	4,358.04

a) For Capital-work-in progress [CWIP], following is the ageing schedule as on 31 March 2023:

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	1,022.58	1,283.52	258.26	234.39	2,798.75
Others	1,393.33	142.40	23.55	-	1,559.29
Total	2,415.92	1,425.92	281.82	234.39	4,358.04

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 2023:

CWIP	To be completed in		
	Less than 1 year	1-2 years	2-3 years
E Beam project	1,855.34	-	-
Total	1,855.34	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at 1 April 2021	Additions	Deletion	As at 31 March 2022	As at 1 April 2021	For the year ended 31 March 2022	Deletion	As at 31 March 2022
Land - Free Hold Buildings	3,888.75	297.20	173.65	4,012.30	-	-	-	4,012.30
Factory Buildings	1,514.01	62.22	49.64	1,526.59	99.28	23.81	4.73	1,408.22
Worker's Quarters	12,285.06	380.54	-	12,665.60	1,785.86	486.46	-	10,393.28
Plant and Equipments	526.79	-	-	526.79	46.52	9.31	-	470.96
Electric Installations	29,841.67	2,586.69	198.58	32,229.78	10,688.78	2,936.24	138.05	18,742.81
Furniture and Fixtures	1,889.96	347.31	0.22	2,237.05	641.89	170.69	0.16	1,424.64
Office and Other Equipments	902.22	83.15	1.90	983.47	349.10	95.67	0.80	539.50
Vehicles	896.60	287.19	29.70	1,154.09	549.47	131.40	23.18	496.40
Total	1,733.76	86.98	129.17	1,691.57	719.14	188.53	98.41	882.31
B) Capital Work - in - Progress	53,478.82	4,131.28	582.86	57,027.24	14,880.04	4,042.11	265.33	38,370.42
	668.18	6,016.14	2,453.30	4,231.02	-	-	-	4,231.02

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	
Projects in Progress	2,881.78	258.26	234.39	3,374.43
Others	833.03	23.56	-	856.59
Total	3,714.81	281.82	234.39	4,231.02

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	-	-
Total	1,904.47	-	-

2.1 : Additions to Property, Plant & Equipment includes Items aggregating to ₹ 3.41 Lakhs (P.Y. ₹ 28.43 Lakhs) pertaining to Research and Development activities of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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

Particulars	Description of item of property	Title deeds held in the name of	Gross carrying value as on 31 March 2023	Gross carrying value as on 31 March 2022	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 : The Company has capitalized foreign exchange fluctuation of (₹ 1.70) Lakhs (P.Y. ₹ 16.30 Lakhs) Lakhs on account of the policy change under para 46A of erstwhile regime of Accounting Standard.

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

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

2.6 : 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.

2.7 : Building includes warehouse situated at Kolkatta with gross carrying value amounting to ₹ 364.23 lakhs, title of which is yet to be registered in the name of Company as documents related to the same are in possession with banker of seller.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

C) RIGHT OF USE ASSETS

Particulars	Gross Block				Accumulated Amortisation			Net carrying value	
	As at 1 April 2022	Additions	Deletion	As at 31 March 2023	As at 1 April 2022	For the year ended 31 March 2023	Deletion	As at 31 March 2023	As at 31 March 2023
	(₹ in Lakhs)								
Right of use Asset (Refer note 40)	1,966.73	6,376.42	372.06	7,971.09	855.00	934.84	3.35	1,786.49	6,184.60
Total	1,966.73	6,376.42	372.06	7,971.09	855.00	934.84	3.35	1,786.49	6,184.60

Particulars	Gross Block				Accumulated Amortisation			Net carrying value	
	As at 1 April 2021	Additions	Deletion	As at 31 March 2022	As at 1 April 2021	For the year ended 31, March 2022	Deletion	As at 31 March 2022	As at 31 March 2022
	(₹ in Lakhs)								
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	1,111.73
Total	1,300.24	737.80	71.31	1,966.73	485.42	386.04	16.46	855.00	1,111.73

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

D) OTHER INTANGIBLE ASSETS

Particulars	Gross carrying value					Accumulated Amortisation				Net carrying value	
	As at 1 April 2022	Adjustment pursuant to Business Acquisition (Refer note 51)	Additions	Deletion	As at 31 March 2023	As at 1 April 2022	For the year ended 31 March 2023	Deletion	As at 31 March 2023	As at 31 March 2023	As at 31 March 2023
	(₹ in Lakhs)										
Computer Software	406.69	29.10	2.72	-	438.51	358.19	34.06	-	392.25	46.26	
Brand	530.00	-	-	-	530.00	211.97	105.94	-	317.91	212.09	
Royalty	-	500.00	-	-	500.00	-	227.40	-	227.40	272.60	
Designs	-	148.00	-	-	148.00	-	44.87	-	44.87	103.13	
Non-competete Clause	-	18.81	-	-	18.81	-	4.27	-	4.27	14.54	
Total	936.69	695.91	2.72	-	1,635.32	570.16	416.54	-	986.70	648.62	
ii) Under development	60.00		-	60.00	-	-	-	-	-	-	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Particulars	Gross carrying value			Accumulated Amortisation					Net carrying value
	As at 1 April 2021	Additions	Deletion	As at 31 March 2022	As at 1 April 2021	For the year ended 31 March 2022	Deletion	As at 31 March 2022	
Software	387.34	19.35	-						
Brand of Arraystrom	530.00	-	-	530.00	105.94	106.03	-	211.97	318.03
Total	917.34	19.35	-	936.69	389.80	180.36	-	570.16	366.53
ii) Under development	-	60.00	-	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		
	1-2 years	More than 3 years	1-2 years	2-3 years	More than 3 years	Total	
SCM Project	35.20	-	-	-	-	-	35.20
Others	24.80	-	-	-	-	-	24.80
Total	60.00	-	-	-	-	-	60.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 3A: INVESTMENTS	Face Value	Non-Current	
		As at 31 March 2023	As at 31 March 2022
Investment accounted for using equity method			
a) Joint venture (measured at cost, Note 1 (b) (xi)) RR-Imperial Electricals Limited - Bangladesh (35%) 22,190,854 Equity shares (year ended 31 March 22 22,190,854 Equity shares)	Taka 10 (P.Y. Taka 10)	1,637.31	1,637.31
Investments in equity instruments			
i) Quoted equity shares (fully paid up) (measured at fair value and designated as fair value through other comprehensive income)			
Ram Ratna Wires Limited 2,821,536 Equity shares (year ended 31 March 22 1,410,768 Equity shares)	₹ 5 (P.Y. ₹ 5)	4,460.85	2,789.09
Comfort Intech Limited 2,500 Equity shares (year ended 31 March 22 2,500 Equity shares)	₹ 10 (P.Y. ₹ 10)	0.72	0.56
ii) Unquoted Equity Shares (Fully Paid up) (measured at fair value and designated as fair value through other comprehensive income)			
MEW Electricals Limited 50,000 Equity shares (year ended 31 March 22 50,000 Equity shares)	₹ 100 (P.Y. ₹ 100)	1,348.94	1,265.96
		7,447.82	5,692.92
Aggregate amount of quoted investments and market value there of		4,461.57	2,789.65
Aggregate amount of unquoted investments at cost		1,637.31	1,637.31
Aggregate of unquoted investments at fair value		1,348.94	1,265.96
Aggregate amount of impairment in value of investments		-	-

(₹ in Lakhs)

Note 3B: INVESTMENTS	Current	
	As at 31 March 2023	As at 31 March 2022
Investments in mutual fund instruments* (Fair Value through Profit & Loss)		
i) UTI Liquid Cash Fund Regular Plan - Growth	2,061.42	2,249.70
ii) Axis Treasury Advantage Fund- Regular Growth	4,449.86	4,235.58
iii) HDFC Ultra Short Term Fund- Regular Growth	3,881.53	3,687.97
iv) Bandhan Low Duration Fund Growth-Regular Plan [erstwhile IDFC Low Duration Fund-Growth Regular Plan]	3,856.01	3,678.49
v) UTI Treasury Advantage Fund Regular Growth Plan	4,675.52	4,444.72
vi) Axis Liquid Fund Growth	2,063.40	2,250.89
vii) UTI overnight fund regular plan growth	7,504.62	-
Aggregate amount of mutual fund investments	28,492.36	20,547.35
Aggregate amount of quoted investments at market value	28,492.36	20,547.35
Aggregate amount of impairment in value of investments	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 4A: LOANS	Non-Current	
	As at 31, March 2023	As at 31, March 2022
Unsecured, considered good :		
Loans to employees	28.70	5.21
	28.70	5.21

(₹ in Lakhs)

Note 4B: LOANS	Current	
	As at 31, March 2023	As at 31, March 2022
Unsecured, considered good :		
Loans to employees	6.03	22.01
	6.03	22.01

(₹ in Lakhs)

Note 5A: OTHER FINANCIAL ASSETS	Non-Current	
	As at 31, March 2023	As at 31, March 2022
Unsecured, considered good:		
Security deposits (Note 5.1)	324.12	205.85
Term deposits held as margin money or security against borrowing, guarantees or other commitments	33.51	11.27
	357.63	217.12

(₹ in Lakhs)

Note 5B: OTHER FINANCIAL ASSETS	Current	
	As at 31, March 2023	As at 31, March 2022
Unsecured, considered good:		
Security deposits (Note 5.1)	39.65	194.24
Term deposits held as margin money or security against borrowing, guarantees or other commitments	245.92	201.89
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	120.88	14.09
Derivative assets-mark to market	140.30	600.16
Others (Note 5.2)	350.13	179.28
	896.88	1,189.66

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

	As at 31, March 2023	As at 31, March 2022
Deposits given to directors, relatives of directors & firms in which director is a partner	31.26	71.26
Deposits given to a private limited company in which some of the directors are director or member	-	3.68

Note 5.2

Other financial assets includes receivable for expenses incurred in relation to Initial Public Offering (“IPO”) that will be recovered by the Company from the selling shareholders upon completion of IPO Process.

(₹ in Lakhs)

Note 6A: NON CURRENT INCOME TAX ASSETS (Net)	As at 31, March 2023	As at 31, March 2022
Income tax (net of provisions)	1,183.39	1,337.17
	1,183.39	1,337.17

(₹ in Lakhs)

Note 7A: OTHER ASSETS	Non-Current	
	As at 31, March 2023	As at 31, March 2022
Unsecured, considered good:		
Capital advances	3,031.16	357.93
Balances with government authorities :		
- Value added tax	109.63	113.75
- Service tax and excise duty paid under protest	55.76	56.95
Prepaid expenses	45.50	10.03
Gratuity (Note 35)	91.41	121.20
	3,333.46	659.86

(₹ in Lakhs)

Note 7B: OTHER ASSETS	Current	
	As at 31, March 2023	As at 31, March 2022
Unsecured, considered good:		
Balances with government authorities:		
- Excise duty	-	44.76
- Goods and services tax*	6,195.68	2,460.67
- Export incentives & duty scripts	100.70	-
Prepaid expenses	895.14	606.10
Advances to suppliers	4,704.72	3,698.43
Advance to employees	8.07	10.19
	11,904.31	6,820.15

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

*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	As at
	31 March 2023	31 March 2022
Raw materials (In transit period ended 31 March 23 ₹ 440.41 Lakhs and year ended 31 March 2022 ₹ 3,304.74 Lakhs)	7,962.96	12,880.00
Work-in-progress	14,893.34	11,945.67
Finished goods (In transit period ended 31 March 23 ₹ 18,515.76 Lakhs and year ended 31 March 2022 ₹ 16,783.40 Lakhs)	55,958.36	41,823.52
Stock in trade	5,550.00	2,982.53
Others:		
Packing materials	767.69	525.57
Scrap	190.75	154.95
Consumable stores and spares	684.26	637.70
Fuel	10.15	12.14
	86,017.51	70,962.08

8.1 The Company charged inventory write- down of ₹ 496.53 lakhs during the year ended 31 March 2023 and reversed ₹ (367.24) lakhs during the year ended 31 March 2022 .

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

(₹ in Lakhs)

Note 9: TRADE RECEIVABLES	Current	
	As at	As at
	31 March 2023	31 March 2022
Secured, considered good	1,533.90	2,198.83
Unsecured, considered good [Note 9.1]	58,680.82	50,320.11
Trade receivable which have significant increase in credit risk	2,303.22	2,472.59
Trade receivable - credit impaired	143.03	143.03
	62,660.97	55,134.56
Impairment allowances(allowance for bad and doubtful debts)		
Unsecured, considered good	1,027.87	804.65
Trade receivable which have significant increase in credit risk	2,303.22	2,472.59
Trade receivable - credit impaired	143.03	143.03
	59,186.85	51,714.29

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 and joint venture ₹ 784.20 Lakhs as at 31 March 2023 and ₹ 1,300.83 lakhs as at 31 March 2022 .

(₹ in Lakhs)

Note 9.1 Dues from directors or firms or private companies	As at	As at
	31, March 2023	31, March 2022
Due from private companies in which director is director or member	24.99	24.21
Due from firm in which director is partner	91.88	718.45

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Trade Receivables ageing schedule as at March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					As at 31 March 2023
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- considered good	58,295.11	634.95	508.34	200.51	575.81	60,214.72
Disputed- significant increase in credit risk	1.21	5.37	153.79	378.55	1,764.30	2,303.22
Disputed- credit impaired	-	-	-	-	143.03	143.03
Total	58,296.32	640.32	662.13	579.06	2,483.14	62,660.97

Trade Receivables ageing schedule as at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					As at 31 March 2022
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- considered good	50,967.71	472.05	410.56	299.78	368.84	52,518.94
Disputed- significant increase in credit risk	-	19.86	366.01	654.22	1,432.50	2,472.59
Disputed- credit impaired	-	-	-	85.19	57.84	143.03
Total	50,967.71	491.91	776.57	1,039.19	1,859.18	55,134.56

(₹ in Lakhs)

Note 10A: CASH AND CASH EQUIVALENTS	As at 31, March 2023	As at 31, March 2022
(A) Cash and cash equivalents		
Balances with banks	1,219.82	726.65
Cash on hand	3.66	3.25
Term deposits (with original maturity of 3 months or less)	1,880.00	500.00
	3,103.48	1,229.90

Note 10B: BALANCE OTHER THAN CASH AND CASH EQUIVALENT	As at 31, March 2023	As at 31, March 2022
(B) Balance other than Cash and cash equivalents		
Earmarked balance with Bank for unclaimed dividend	4.03	0.03
Term deposits (with original maturity of more than 3 months or less than 12 months)	5,000.00	-
	5,004.03	0.03

(₹ in Lakhs)

Note 11A: EQUITY SHARE CAPITAL	As at 31, March 2023	As at 31, March 2022
Authorised Capital		
120,000,000 Equity shares of ₹ 5 each (P.Y. 57,000,000 Equity shares of ₹ 10 each)	6,000.00	5,700.00
Issued, Subscribed and Paid Up Capital		
95,696,296 Equity shares of ₹ 5 each (P.Y. 23,924,074 Equity shares of ₹ 10 each)	4,784.82	2,392.41
	4,784.82	2,392.41

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

NOTE 11B: INSTRUMENT ENTIRELY EQUITY IN NATURE	As at 31 March 2023	As at 31, March 2022
Authorised Capital 3,843,140 (P.Y. 3,843,140) Compulsory Convertible Preference Shares of ₹ 1,080.33 each	41,518.59	41,518.59
Issued, Subscribed and Paid Up Capital 3,843,140 (P.Y. 3,843,140) Compulsory Convertible Preference Share of ₹ 1,080.33 each	41,518.59	41,518.59
	41,518.59	41,518.59

11.1 Reconciliation of Equity Shares outstanding at the beginning & at the end of the year	As at 31, March 2023		As at 31, March 2022	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Fully Paid up Equity Shares				
As at the beginning of the year	23,924,074	2,392.41	23,924,074	2,392.41
Add:- Issued during the year				
Shares split (note 11.9)	23,924,074	-	-	-
Bonus shares issued (note 11.9)	47,848,148	2,392.41	-	-
As at the end of the year	95,696,296	4,784.82	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 31, March 2023		As at 31, March 2022	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Fully Paid up Preference Shares				
As at the beginning of the year	3,843,140	41,518.59	3,843,140	41,518.59
Add:- Issued during the year	-	-	-	-
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 31 March 2023		As at 31 March 2022	
	No. of shares	% of Holding	No. of shares	% of Holding
Umadevi Tribhuvanprasad Kabra	-	-	3,275,468	13.69%
Rameshwarlal Kabra (HUF)	9,070,912	9.48%	2,267,728	9.48%
Mahendrakumar Rameshwarlal Kabra	8,648,588	9.04%	2,162,147	9.04%
TPG Asia VII SF Pte Limited	7,960,512	8.32%	1,990,128	8.32%
Hemant Mahendrakumar Kabra	6,799,436	7.11%	1,699,859	7.11%
Kirtidevi Shreegopal Kabra	5,656,308	5.91%	1,414,077	5.91%
Mahhesh Kabra	5,584,336	5.84%	577,217	2.41%
Ram Ratna Research and Holdings Private Limited	5,078,464	5.31%	1,269,616	5.31%
Tribhuvanprasad Rameshwarlal Kabra	4,882,704	5.10%	565,582	2.36%

11.4 Details of shareholders holding more than 5% Compulsory Convertible Preference Share *	As at 31 March 2022		As at 31 March 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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

Promoter Name	As at 31 March 2023			As at 31 March 2022		
	No of Shares	% of total shares	% change during the year	No of Shares	% of total shares	% change during the year
Tribhuvanprasad Rameshwarlal Kabra	48,82,704	5.10%	2.74	5,65,582	2.36%	-
Mahendrakumar Rameshwarlal Kabra	86,48,588	9.04%	-	21,62,147	9.04%	-1.12
Shreegopal Rameshwarlal Kabra	30,34,424	3.17%	0.04	7,48,606	3.13%	0.21
Kirtidevi Shreegopal Kabra	56,56,308	5.91%	-	14,14,077	5.91%	0.63
Tribhuvanprasad Kabra (HUF)	14,36,000	1.50%	-	3,59,000	1.50%	-
Mahendra Kumar Kabra (HUF)	11,54,208	1.21%	-	2,88,552	1.21%	-
Kabra Shreegopal Rameshwarlal (HUF)	39,61,160	4.14%	0.04	9,80,290	4.10%	-
Total	2,87,73,392	30.06%	2.82	65,18,254	27.24%	-0.28

Pursuant to board meeting held on 13 February 2023, the Company has revised the list of promoters resulting into decrease in number of promoters from 41 to 7. Consequently, the Company has updated its annual return for the financial year 2021-22 filed with Registrar of Companies (RoC) on 2 March 2023.

The number of shares of are increases due to sub-division of the face value of equity shares from the existing ₹ 10 per equity share to ₹ 5 per equity share and one bonus share in the ratio of 1 equity shares of ₹ 5 each for every 1 equity shares of ₹ 5 each held by holders of the equity shares of the Company, board approved in meeting held as on 16.03.2023. The shareholder of the company approved above recommendation in its Extra Ordinarily General Meeting, dated 20.03.2023.

11.5 Terms/ rights attached to Equity shares:

The Company has only one class of equity shares having face value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by 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 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 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

11.9 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 Balance sheet date:

- i) The Company has issued 5,28,798 fully paid up equity shares of ₹ 10 each to the equity shares holders of Ram Ratna Electrical Limited and 1,40,568 Compulsory Convertible Preference Shares (CCPS) of ₹ 1,080.33 to the preference shares holders of Ram Ratna Electrical Limited pursuant to scheme of amalgamation for consideration other than cash during the year ended 31 March 2020.
- ii) 47,848,148 equity Shares have been allotted by way of Bonus during the year ended 31 March 2023 .
- iii) 23,924,074 equity shares having face value of ₹ 10 each are splitted into face value of ₹ 5 each during the year ended 31 March 2023 .

(₹ in Lakhs)

Note 12: OTHER EQUITY		As at 31, March 2023	As at 31, March 2022
a) Capital Redemption Reserve			
	Balance at the beginning of year	75.07	75.07
	Changes during year	(75.07)	-
	Balance at end of the year	-	75.07
b) Capital Reserve			
	Balance at the beginning of year	1,250.52	1,250.52
	Changes during year	1,671.55	-
	Balance at end of the year	2,922.07	1,250.52
c) Retained Earnings			
	Balance at the beginning of year	76,519.46	58,376.50
	Profit for the year	18,892.85	20,973.78
	Issue of Bonus Share	(2,317.34)	-
	Dividends	(4,998.10)	(2,776.72)
	Re-measurement of post employment benefits obligation	(33.97)	(54.10)
	Balance at end of the year	88,062.90	76,519.46
d) Equity Instruments through Other Comprehensive income			
	Balance at the beginning of year	2,672.16	972.68
	Increase on account of change in fair value of investments	1,557.19	1,699.48
	Balance at end of the year	4,229.35	2,672.16
e) Share based payment reserve outstanding			
	Balance at the beginning of year	75.18	-
	Created during year	50.43	75.18
	Balance at end of the year	125.61	75.18
		95,339.93	80,592.39

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 13A: BORROWINGS	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Secured		
Term Loans from Bank		
Rupee Loans (Refer Note 13.1 & 13.3)	2,499.82	4,999.63
Term loan from financial institution		
Rupee loans (Refer Note 13.1 & 13.3)	186.13	930.63
Vehicle loans (Refer note 13.2 & 13.4)	-	1.06
	2,685.95	5,931.32

(₹ in Lakhs)

Note 13B: BORROWINGS	Current	
	As at 31 March 2023	As at 31 March 2022
Secured		
Working capital loans		
From banks		
Foreign currency loans (Refer Note 13.5)	-	5,079.08
Rupee loans		
Short term (Refer Note 13.5)	33,250.00	22,696.40
Repayable on demand (Refer Note 13.5)	3,603.89	2,569.05
Unsecured		
Working capital loans		
From banks		
Rupee loans - short term (Refer Note 13.5)	8,600.25	11,925.61
Current maturities of long term borrowings		
Rupee loans (Note 13.1)	3,244.32	3,810.93
Vehicle loans (Note 13.2)	-	8.22
Interest accrued	199.65	90.52
	48,898.11	46,179.81

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 13.1 : Term Loans (Rupee Loans)	Maturity Profile*	Rate of Interest for year ended 31 March 2023 and 31 March 2022	As at 31 March 2023	As at 31 March 2022
Term Loan I-CITICorp Financial Institution	16 Instalments from January 2019 to October 2022	8.15%	-	373.12
Term Loan II-CITICorp Financial Institution	16 Instalments from March 2019 to December 2022	8.15%	-	193.50
Term Loan III-CITICorp Financial Institution	16 Instalments from August 2020 to May 2024	8.95%	930.63	1,675.13
Term Loan IV-HDFC Bank	16 Instalments from June 2021 to October 2025	7.25%-8.20%	954.13	2,250.00
Term Loan V-HDFC Bank	16 Instalments from June 2021 to October 2025	7.25%-8.20%	1,750.00	2,625.00
Term Loan VI-HDFC Bank	16 Instalments from June 2021 to October 2025	7.25%-8.20%	1,500.00	1,193.25
Term Loan VII-HDFC Bank	16 Instalments from Sept 2021 to March 2025	7.25%-8.20%	795.50	1,431.20
			5,930.26	9,741.20
Less : Current maturities of long term borrowing under "Borrowings" (Note 13 B)			3,244.32	3,810.93
			2,685.94	5,930.27

(₹ in Lakhs)

Note 13.2 : Vehicle Loans	Maturity Profile*	Rate of Interest	As at 31 March 2023	As at 31 March 2022
Vehicles Loans	24 to 60 Instalments from November 15 to July 23	7.70% - 11%	-	43.15
Less : Current maturities of long term borrowing under "Borrowings" (Note 13 B)			-	8.22
			-	34.93

*The above maturity profile is excluding accrued interest.

Note 13.3 :

- (a) Term Loans of Citicorp Finance India Limited Bank ₹ 930.63 Lakhs (P.Y. ₹ 2,241.74 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 ₹ 4,999.63 Lakhs (P.Y.7,499.45) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 ₹ 00.00 Lakhs (P.Y. ₹ 5,079.08.00 Lakhs), working Capital Loans of ₹ 33,250.44 lakhs(P.Y. ₹ 22,696.40 lakhs) and Rupee Loan - Repayable of demand of ₹ 3603.89 Lakhs (P.Y. ₹ 2569.05 lakhs) are secured by way of second pari-passu charge with the Security Trustee over various immovable properties at Waghodia and 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 and 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 Mahesh Kabra and Mr Sumeet Kabra.
- (e) Working Capital demand loans carry interest rate from 6.95. % to 8.55% 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 except as shown below and which has been rectified and revised numbers have been submitted to Banks for period ended March 2023.

(₹ in Lakhs)

Name of Bank / FI	Quarter	Particulars	For the year ended 31 March 2023			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	66,551.33	66,478.46	(72.87)	Fuel, Consumable, Stores & Spares stock not reported to Bank.
		Trade Receivable	72,605.87	69,786.11	(2,819.75)	Trade receivables pertaining to recent acquisition of Home Electrical Business (HEB) in FEMG segment were reported to banks as net of transactions (i.e. revenues recognised less collections received) for the month of June 2022 instead of closing balance of trade receivables as at 30 June 2022. This resulted into lower balance being reported inadvertently to banks for the Quarter - 1 as compared to the book balances.
		Trade payable	22,341.97	18,303.42	(4,038.55)	Certain trade payables pertaining to recent acquisition of HEB in FMEG segment were reported as advances to suppliers instead of trade payables as appearing in the books. This resulted into lower balance being reported inadvertently to banks for Quarter 1 as compared to book balances.
	2	Inventory	57,550.19	57,527.91	(22.28)	Fuel, Consumable, Stores & Spares stock not reported to Bank.
		Trade Receivable	74,804.48	74,803.63	(0.85)	
	3	Trade payable	18,927.34	18,927.86	0.52	
		Inventory	54,436.44	54,415.87	(20.57)	Fuel, Consumable, Stores & Spares stock not reported to Bank.
		Trade Receivable	81,445.01	81,446.01	1.00	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Name of Bank / FI	Quarter	Particulars	For the year ended 31 March 2022		Reason for discrepancies
			Amounts as per the Books of Accounts	Amounts as reported in the Quarterly Return Statement	
DBS BANK, HDFC BANK, HSBC BANK KOTAK BANK STATE BANK OF INDIA SCB BANK	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	
	Inventory	46,223.05	46,363.83	140.78	
2	Trade Receivable	59,374.28	58,935.67	(438.61)	
	Trade payable	4,941.08	5,112.27	171.18	
	Inventory	52,641.76	51,881.42	(760.34)	
3	Trade Receivable	63,278.01	62,805.98	(472.04)	
	Trade payable	4,188.10	4,328.27	140.17	
	Inventory	50,255.08	50,513.73	258.65	
4	Trade Receivable	73,325.48	73,314.88	(10.60)	
	Trade payable	3,695.17	4,093.47	398.30	
	Total	467,555.03	466,656.78	(898.26)	

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 THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 14A: LEASE LIABILITIES	Non-Current	
	As at 31 March, 2023	As at 31 March 2022
Lease liabilities (Refer Note 40)	5,640.45	822.68
	5,640.45	822.68

(₹ in Lakhs)

Note 14B: LEASE LIABILITIES	Current	
	As at 31 March 2023	As at 31 March 2022
Lease liabilities (Refer Note 40)	819.53	325.06
	819.53	325.06

(₹ in Lakhs)

Note 15A: OTHER FINANCIAL LIABILITIES	Current	
	As at 31 March 2023	As at 31 March 2022
Retention money relating to capital expenditure	212.87	-
	212.87	-

(₹ in Lakhs)

Note 15B: OTHER FINANCIAL LIABILITIES	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Retention money relating to capital expenditure	293.60	440.45
Interest accrued on others	198.18	63.53
Accrued salary & benefits	1,454.48	1,023.72
Commission to directors	264.02	272.33
Derivative liabilities - mark to market	222.39	0.68
Creditors for capital expenditure	614.50	273.88
Security deposits	558.69	248.67
Unclaimed dividends	4.03	0.03
Other payables(Note 15.1)	167.34	81.57
	3,777.23	2,404.86

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

(₹ in Lakhs)

Note 16A: PROVISIONS	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits	1,408.07	717.16
Compensated absences (Note 35C)		
	1,408.07	717.16

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 16B: PROVISIONS	Current	
	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Compensated absences (Note 35C)	285.03	430.57
Others		
Provision for warranty(Note 16B.1)	1,934.21	969.28
	2,219.24	1,399.85

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 31 March 2023	As at 31 March 2022
Opening Balance	969.28	216.84
Created during the year	1,637.51	1,481.77
Utilised during the year	672.58	729.33
Closing Balance	1,934.21	969.28

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 31 March 2023	As at 31 March 2022
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		
Current Tax :-		
In respect of current year	6,583.15	6,482.65
Short in respect of preceding years	38.69	29.89
Deferred Tax :-		
In respect of current year	(9.95)	529.65
Income tax expenses recognised in statement of profit & loss	6,611.89	7,042.19
(ii) Income tax expenses recognised in the OCI		
Deferred Tax :-		
Deferred tax on fair value of equity instruments through OCI	197.71	10.28
Deferred tax on re-measurement of post employment benefits obligation	(11.42)	(18.20)
	186.29	(7.92)
B. Reconciliation of estimated income tax expenses and the accounting profit for the year is as under:		
Profit before tax	25,504.74	28,015.97
Expected income tax expense at statutory income tax rate	6,419.03	7,051.06
Tax adjustment of earlier years	38.69	29.89
Tax effect on non deductible expenses	181.25	138.30
Others	(27.08)	(175.12)
Current tax expense as per Statement of Profit and Loss for the period	6,611.89	7,042.19
Effective rate of tax	25.92%	25.14%
Statutory rate of tax	25.17%	25.17%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 17.1 : The tax rate used for the year ended 31 March 2023 and 31 March 2022 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)

C: The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:	As at 1 April 2022	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2023
Deferred tax liabilities				
Difference between written down value as per books of account and Income Tax Act, 1961.	1,670.58	61.94	-	1,732.52
Difference in carrying value and tax base of investments in equity measured at FVTOCI	504.23	(237.91)	197.71	464.03
Difference in carrying value and tax base of investments in Mutual Fund	276.84	337.62	-	614.45
Mark to market exchange gain & loss	1.59	(22.27)	-	(20.68)
Deferred tax assets				
Provision for expenses allowed for tax purpose on payment basis (net)	(159.26)	(121.74)	-	(281.00)
Allowance for expected credit loss on trade receivables	(860.82)	(13.55)	-	(874.37)
Provision for advance given to supplier	(39.30)	39.30	-	-
Lease liabilities	(9.09)	(60.25)	-	(69.34)
Merger expenses of RREL	(8.66)	3.67	-	(4.99)
Re-measurement of post employment benefits obligation	(65.59)	3.25	(11.42)	(73.76)
Net Deferred tax liabilities	1,310.53	(9.95)	186.29	1,486.86

(₹ in Lakhs)

The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:	As at 1 April 2021	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2022
Deferred tax liabilities				
Difference between written down value as per books of account and Income Tax Act, 1961.	1,693.16	(22.58)	-	1,670.58
Difference in carrying value and tax base of investments in equity measured at FVTOCI	256.03	237.92	10.28	504.23
Difference in carrying value and tax base of investments in Mutual Fund	127.56	149.27	-	276.84
Deferred tax assets				
Provision for expenses allowed for tax purpose on Payment basis (net)	(120.77)	(38.49)	-	(159.26)
Allowance for expected credit loss on trade receivable	(906.30)	45.48	-	(860.82)
Mark to market exchange gain & loss	1.59	-	-	1.59
Provision for advance given to supplier	(143.03)	103.74	-	(39.30)
Provision for warranty	(54.57)	54.57	-	0.00
Lease liabilities	(4.60)	(4.49)	-	(9.09)
Merger expenses of RREL	(12.89)	4.23	-	(8.66)
Re-measurement of post employment benefits obligation	(47.39)	-	(18.20)	(65.59)
Net Deferred tax liabilities	986.39	529.65	(7.92)	1,310.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 18A: OTHER LIABILITIES	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Deferred income (Note 18.1)	0.89	0.89
	0.89	0.89

(₹ in Lakhs)

Note 18B: OTHER LIABILITIES	Current	
	As at 31 March 2023	As at 31 March 2022
Advances from customers	7,050.08	2,552.09
Deferred income (Note 18.1)	137.73	112.31
Statutory dues		
VAT & WCT	40.06	60.61
Provident fund and professional tax	161.18	111.26
TDS / TCS payable	97.17	410.50
Goods and services tax	1,496.99	703.02
Export incentives & duty scripts	603.96	204.73
	9,587.17	4,154.52

Note: 18.1 Deferred income mainly represents grants relating to property, plant and equipment and 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.

(₹ in Lakhs)

Note 19: TRADE PAYABLES	As at 31 March 2023	As at 31 March 2022
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises (Note 30)	4,588.10	1,109.90
- total outstanding dues of creditors other than micro enterprises and small enterprises	39,424.79	15,677.48
	44,012.89	16,787.38

Trade Payables ageing schedule as at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					As at 31 March 2023
	Unbilled	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	-	4,582.24	3.90	1.95	0.01	4,588.10
Undisputed- Others	4,161.13	34,862.14	373.77	1.08	26.68	39,424.79
Total	4,161.13	39,444.38	377.67	3.03	26.69	44,012.89

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Trade Payables ageing schedule as at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					As at 31 March 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	33.51	35.73	34.58	15,677.48
Total	2,584.74	14,098.76	33.51	35.73	34.63	16,787.38

(₹ in Lakhs)

Note 20: INCOME TAX LIABILITIES (NET)	As at 31 March 2023	As at 31 March 2022
Provision for income tax (net of advance tax)	643.40	
	643.40	-

(₹ in Lakhs)

Note 21: REVENUE FROM OPERATIONS	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers (Note 44)		
Sales of Products		
Finished goods	510,468.74	410,820.34
Traded goods	43,220.24	21,109.92
	553,688.98	431,930.26
Other operating revenues :		
Sale of scrap	6,163.46	6,638.01
Processing charges	23.44	25.35
Export incentives	44.24	-
	6,231.14	6,663.36
	559,920.12	438,593.62

(₹ in Lakhs)

Note 22: OTHER INCOME	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest Income:		
Bank deposits	173.37	40.42
Others (Note 22.1)	133.80	56.31
Dividend Income:		
Dividends from quoted equity investments	70.55	14.11
Fair value Gain on Investment on mutual fund	1,043.37	945.34
Other Non Operating Income:		
Rent income	28.93	29.36
Guarantee commission	-	130.35
Foreign exchange gain (net)	1,408.56	2,650.85
Grant related to property, plant & equipment	10.10	369.16
Grant related to electricity	259.09	-
Gain on sale of property plant & equipment (net)	8.01	202.77
Gain on sale of mutual fund investments	87.03	0.35
Miscellaneous income	28.53	8.30
Reversal of Expected credit Loss provision on trade receivable (net)	-	180.71
	3,443.93	4,628.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 22.1: Interest others include interest from customers

	(₹ in Lakhs)	
Note 23A: COST OF MATERIAL CONSUMED	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the beginning of the year	13,405.57	8,443.59
Add :Purchases of inventories from buisness acquisition (Note 51)	614.08	-
Add :Purchases	431,689.90	362,513.44
	445,709.55	370,957.03
Less :Inventories at the end of the year	8,730.65	13,405.57
	436,978.90	357,551.46

	(₹ in Lakhs)	
Note 23B: PURCHASES OF STOCK - IN -TRADE	For the year ended 31 March 2023	For the year ended 31 March 2022
Electrical appliances	34,179.85	15,661.70
Electrical appliances purchase on account of buisness acquisition (Note 51)	2,705.35	-
	36,885.20	15,661.70

	(₹ in Lakhs)	
Note 23C: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE, WORK-IN-PROGRESS AND SCRAP	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the end of the year:		
Finished goods	55,958.36	41,823.52
Work-in-progress	14,893.34	11,945.66
Stock-in-trade	5,550.00	2,982.53
Scrap	190.75	154.95
	76,592.45	56,906.66
Less:- Inventories at the beginning of the year		
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
	56,906.66	44,491.65
Add:- Inventories purchase on account of buisness acquisition (Note 51)		
Finished goods	3,302.15	-
Work-in-progress	89.57	-
	3,391.72	-
	(16,294.07)	(12,415.01)

	(₹ in Lakhs)	
Note 24: EMPLOYEE BENEFITS EXPENSE	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and incentives	22,331.92	15,617.72
Remuneration to directors*	952.06	1,034.46
Employees share based payment expenses(Note 49)	50.43	75.18
Contributions to:		
Provident fund & ESIC (Note 35B)	871.97	610.94
Gratuity fund (Note 35A)	280.78	206.56
Compensated absences	717.34	468.91
Staff welfare expenses	1,211.38	871.56
	26,415.88	18,885.33

* Including commission given to directors ₹ 264.02 Lakhs (P.Y. ₹ 272.33 Lakhs)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 25: FINANCE COSTS	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on financial liabilities carried at amortised cost		
Interest on borrowings	3,545.14	2,208.33
Interest on lease liabilities	410.21	31.02
Other borrowing costs	166.04	36.07
Net exchange difference regarded as adjustment to borrowing cost	-	51.87
Interest on income tax	87.30	1.05
	4,208.69	2,328.34

(₹ in Lakhs)

Note 26: DEPRECIATION AND AMORTISATION EXPENSE	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (Note 2A)	4,611.44	4,042.11
Amortisation of intangible assets (Note 2D)	416.54	180.36
Depreciation of right-of-use assets (Note 2C)	934.84	386.04
	5,962.82	4,608.51

(₹ in Lakhs)

Note 27: Other Expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent expenses (Note 40)	133.19	155.24
Rates and taxes	160.91	173.90
Repairs and Maintenance of :		
Buildings	130.68	276.70
Plant and machinery	1,816.25	1,322.54
Others	453.69	191.23
Commission on sales	2,553.27	1,574.35
Advertisement and Business promotion expenses	8,514.27	4,912.94
Travelling expenses	2,070.42	835.00
Payment to Auditors (Note 29)	78.93	59.07
Legal and professional fees	2,605.51	1,629.48
Insurance charges	505.64	355.72
Allowance for expected credit loss on trade receivables(net)	53.85	-
Bad debts	37.54	106.0
Bank charges	72.36	96.54
Consumption of consumable stores and spares	802.07	317.30
Corporate social responsibility expenses (Note 32)	404.00	330.34
Donation	93.80	174.22
Director sitting fees and commission-independent directors (Note 33)	72.98	22.10
Freight and distribution charges	11,557.77	8,201.93
Power and fuel	4,879.34	3,702.42
Research and development expenses (Note 41)	215.77	418.58
Warranty expenses (Note 16B.1)	1,637.51	1,481.77
Miscellaneous expenses	4,852.14	2,248.02
	43,701.89	28,585.35

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 28 : Contingent Liabilities and Commitments	As at 31 March 2023	As at 31 March 2022
Contingent Liabilities		
A) Claims against the Company not acknowledged as debts		
Service tax and GST demands (Note 28.1)	375.44	212.20
Income Tax Demands (Note 28.1)	317.08	219.55
Sales tax / Vat demands -C Forms (Note 28.1)	967.34	953.54
Labour Law demand (Note 28.1)	18.60	15.61
B) Channel financing guarantees(Note 28.2)	2,250.00	4,257.58
Commitments		
A) Estimated amount of contracts remaining to be executed and not provided for:		
- On Capital Account (net of advance)	7,189.77	2,153.15

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 ₹ 25,577.58 Lakhs (P.Y. ₹ 17,043.70 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 ₹ 2,250 lakhs (P.Y. ₹ 4,257.58 Lakhs) (to the extent of recourse available with bank).

(₹ in Lakhs)

Note 29 : Payment to Auditors	For the year ended 31 March 2023	For the year ended 31 March 2022
Payment to Auditors of the Company :		
a) As auditors	72.00	55.00
b) For certifications services	0.78	2.20
c) For expenses reimbursement	6.15	1.87
	78.93	59.07

(₹ in Lakhs)

Note 30 : Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Principal amount and the interest due thereon remaining unpaid to any suppliers at the end of the each accounting year :		
Principal	5,030.54	1,172.74
Interest	13.78	4.73
(b) (i) The delayed payment of principal amount paid beyond the appointed day the year	14,162.67	18,182.29
(ii) Interest actually paid under Section 16 of the MSMED Act, 2006	-	0.21
(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	121.27	36.27
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	198.18	63.13
(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.	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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.

(₹ in Lakhs)

Note 31 : Dividend	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend paid ₹ 18.00 (P.Y. ₹ 10.00) per equity share of ₹ 10.00 each	4,306.33	2,392.41
Dividend paid ₹ 18.00 (P.Y. ₹ 10.00) per Compulsory Convertible Preference Share of ₹ 1,080.33 each	691.77	384.31
Total	4,998.10	2,776.72

31.1 Dividend proposed of ₹ 4.5 each amounting to ₹ 4,306.33 Lakhs for year ended 31 March 23 (for year ended 31 March 22 ₹ 18 each amounting to ₹ 4,306.33 lakhs) by board of directors on 14 August 2023 per equity share before the financial statements approved for issue but not recognized as a Liability in financial statements.

31.1 Dividend proposed of ₹ 18 each amounting to ₹ 691.77 Lakhs for year ended 31 March 23 (for year ended 31 March 22 ₹ 18 each amounting to ₹ 691.77 lakhs) by board of directors on 14 August 2023 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)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Corporate Social Responsibility expenses for the year	404.00	330.34
Various Head of expenses included in above:		
Promoting education	403.00	291.78
Rural development	1.00	29.31
Women empowerment	-	5.00
Promoting health care including preventive health care	-	4.25
Gross amount required to be spent by the company during the year	403.71	326.69
Amount spent during the period on:	404.00	330.34
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	404.00	330.34
Details of related party transactions	-	-
Provision for CSR Expenses related to ongoing projects		
Opening Balance	-	34.70
Add: Provision created during the year	-	-
Less: Provision utilised during the year	-	34.70
Closing Balance	-	-
The amount of shortfall/(Excess) at the end of the year out of the amount required to be spent by the Company during the year	-	-
The total of previous years' shortfall amounts	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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

Relationships

a) Key Management Personnel:

Tribhuvanprasad Rameshwarlal Kabra	Executive Chairman
Shreegopal Rameshwarlal Kabra	Managing Director
Mahendrakumar Rameshwarlal Kabra	Joint Managing Director
Ashok Satyanarayan Loya (upto 20.09.2022)	Whole Time Director
Mahhesh Kabra (upto 16.12.2022)	Whole Time Director
Sumeet Mahendrakumar Kabra (upto 16.12.2022)	Whole Time Director
Kirtidevi Shreegopal Kabra (upto 16.12.2022)	Whole Time Director
Sanjay Narnarayan Taparia (upto 16.12.2022)	Whole Time Director
Rajesh Babu Jain (upto 16.12.2022)	Whole Time Director
Rajeev Pandiya (w.e.f 01.04.2021 upto 22.08.2022)	Chief Financial Officer
Rajesh Babu Jain (w.e.f. 23.08.2022)	Chief Financial Officer
Dinesh Aggarwal (w.e.f. 16.12.2022)	Chief Executive Officer
Himanshu Navinchandra Parmar	Company Secretary

Non Executive Directors:

Ramamirtham Kannan (upto 16.12.2022)	Independent Director
Bhagwat Singh Babel	Independent Director
Mukund Chitale	Independent Director
Puneet Bhatia (upto 16.12.2022)	Non-Executive Nominee Director
Mitesh Daga	Non-Executive Nominee Director
Vipul Sabharwal (w.e.f. 23.08.2022)	Independent Director
Jyoti Davar (w.e.f. 16.12.2022)	Independent Director

b) Relatives of Key Management Personnel:

Rameshwarlal Jagannath Kabra	Father of Tribhuvanprasad Rameshwarlal Kabra, Mahendrakumar Rameshwarlal Kabra and Shreegopal Rameshwarlal Kabra
Ratnidevi Rameshwarlal Kabra	Mother of Tribhuvanprasad Rameshwarlal Kabra, Mahendrakumar Rameshwarlal Kabra and Shreegopal Rameshwarlal Kabra
Satyanarayan Loya	Father of Ashok Satyanarayan Loya
Saraswatidevi Satyanarayan Loya	Mother of Ashok Satyanarayan Loya
Hemant Mahendrakumar Kabra	Son of Mahendrakumar Rameshwarlal Kabra
Umadevi Tribhuvanprasad Kabra	Wife of Tribhuvanprasad Rameshwarlal Kabra
Vvidhi Kabra	Wife of Mahhesh Kabra
Anant Satyanarayan Loya	Brother of Ashok Satyanarayan Loya
Neha Ashok Loya	Daughter of Ashok Satyanarayan Loya
Mamta Ashok Loya	Wife of Ashok Satyanarayan Loya
Nikunj Ashok Loya	Son of Ashok Satyanarayan Loya
Kishori Dinesh Modani	Sister of Kirtidevi Shreegopal Kabra
Shaurya Sanjay Taparia	Son of Sanjay Narnarayan Taparia
Vandana Jain	Wife of Rajesh Babu Jain
Sarita Jhawar	Daughter of Tribhuvanprasad Rameshwarlal Kabra
Rajesh Shreegopal Kabra	Son of Shreegopal Rameshwarlal Kabra

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Gaurishankar Satyanarayan Loya	Brother of Ashok Satyanarayan Loya
Priti Amit Saboo	Daughter of Shreegopal Rameshwarlal Kabra
Shruti Kalani	Daughter of Sanjay Narnarayan Taparia
Asha Muchhal	Daughter of Shreegopal Kabra
Janvi Kabra	Daughter of Mahhesh Kabra
Deves Kabra	Son of Mahhesh Kabra
Saumya Sumeet Kabra	Daughter of Sumeet Mahendrakumar Kabra
Samaya Sumeet Kabra	Daughter of Sumeet Mahendrakumar Kabra

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

MEW Electricals Limited	Rameshwarlal Kabra (HUF)
Ram Ratna International	Tribhuvanprasad Kabra (HUF)
Kabel Buildcon Solutions Private Limited	Mahendra Kumar Kabra (HUF)
Ram Ratna Infrastructure Private Limited	Kabra Shreegopal Rameshwarlal (HUF)
Ram Ratna Wires Limited	Mahesh Kabra (HUF)
Pratik Wire & Cable Machine Private Limited	Satyanarayan Mohanlal Loya (HUF)
Jag-Bid Finvest Private Limited	Anant Satyanarayan Loya (HUF)
RR Electrical Middle East FZC	
Ram Ratna Research and Holdings Private Limited	
Global Copper Private Limited	
KGR Worldwide Solutions LLP	
Gallery Retail LLP	
Epavo Electricals Private Limited	
Maa Ratnidevi Kabra Maheshwari Mahila Sashaktikaran Trust	

d) Joint venture:

RR-Imperial Electricals Limited (Bangladesh)

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

A) Transactions with Key Management Personnel:

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Directors :		
Director sitting fees		
Bhagwat Singh Babel	8.20	4.10
Ramamirtham Kannan	4.10	3.50
Mahendrakumar Rameshwarlal Kabra	2.80	1.00
Mukund Chitale	4.90	2.50
Vipul Sabharawal	3.40	-
Jyoti Davar	1.50	-
Commission-independent directors		
Bhagwat Singh Babel	14.00	4.00
Ramamirtham Kannan	11.12	4.00
Mukund Chitale	14.00	4.00
Vipul Sabharawal	6.05	-
Jyoti Davar	2.90	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Commission to directors		
Tribhuvanprasad Rameshwarlal Kabra	132.01	136.17
Shreegopal Rameshwarlal Kabra	132.01	136.17
Managerial Remuneration (Note 33.1)		
Ashok Satyanarayan Loya	30.00	60.00
Kirtidevi Shreegopal Kabra	51.10	72.00
Sanjay Narnarayan Taparia	85.16	90.00
Shreegopal Rameshwarlal Kabra	171.00	144.00
Sumeet Mahendrakumar Kabra	51.10	72.00
Tribhuvanprasad Rameshwarlal Kabra	171.00	144.00
Mahhesh Kabra	51.10	72.00
Rajesh Babu Jain	114.39	102.17
Rajeev Pandiya	175.20	172.82
Dinesh Aggarwal	59.36	-
Himanshu Navinchandra Parmar	25.19	26.03
Reimbursement of Travelling expenses		
Tribhuvanprasad Rameshwarlal Kabra	20.96	9.93
Mahendrakumar Rameshwarlal Kabra	4.38	2.71
Shreegopal Rameshwarlal Kabra	4.62	3.88
Mahhesh Kabra	9.93	3.72
Others	6.07	5.83
Dividend Paid:		
Mahendrakumar Rameshwarlal Kabra	389.19	216.21
Shreegopal Rameshwarlal Kabra	134.75	84.86
Kirtidevi Shreegopal Kabra	254.53	141.41
Tribhuvanprasad Rameshwarlal Kabra	219.72	56.56
Mahhesh Kabra	251.30	57.72
Others	196.50	109.17
Personal gaurantee given		
For Secured borrowings		
Tribhuvanprasad Rameshwarlal Kabra	}	}
Mahendrakumar Rameshwarlal Kabra		
Shreegopal Rameshwarlal Kabra		
Mahhesh Kabra		
Sumeet Mahendrakumar Kabra	50,833	43,846
For Un-secured borrowings		
Tribhuvanprasad Rameshwarlal Kabra	}	}
Mahendrakumar Rameshwarlal Kabra		
Shreegopal Rameshwarlal Kabra		
Mahhesh Kabra		
Sumeet Mahendrakumar Kabra	18,933	10,709.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

B) Transactions with Relatives of Key Management Personnel:

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Expenses:		
Rent expenses		
Ratnadevi Rameshwarlal Kabra	47.01	47.01
Umadevi Tribhuvanprasad Kabra	-	22.66
Vvidhi Kabra	16.99	-
Others	5.04	4.62
Dividend :		
Dividend Paid		
Hemant Mahendrakumar Kabra	305.97	169.99
Umadevi Tribhuvanprasad Kabra	-	327.55
Rajesh Shreegopal Kabra	148.58	82.55
Priti Amit Saboo	120.80	77.11
Vvidhi Kabra	200.26	29.37
Sarita Jhawar	202.15	14.04
Others	238.28	135.38
Outstanding balances		
Security deposits Receivable		
Umadevi Tribhuvanprasad Kabra	-	40.00
Ratnadevi Rameshwarlal Kabra	15.00	15.00
Hemant Mahendrakumar Kabra	1.26	1.26

C) Transactions with the entities over which Key Management Personnel and their relatives are able to exercise significant influence:

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Purchase of Goods		
MEW Electricals Limited	272.93	205.55
Ram Ratna International	226.93	204.19
Epavo Electricals Private Limited	822.65	95.04
Others	18.69	17.22
Sale of Goods		
Ram Ratna International	19,755.22	17,730.66
Global Copper Private Limited	632.79	701.83
Others	1,575.94	2,027.09

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Purchase of Capital Goods		
Pratik Wire & Cable Machine Private Limited	90.40	45.93
Income :		
Rent income		
Ram Ratna Interational	0.42	0.42
Processing charges		
MEW Electricals Limited	15.90	3.59
Ram Ratna Wires Limited	4.66	1.29
Expenses:		
Commission on sales		
Ram Ratna International	1,381.74	1,153.14
Donations		
Maa Ratnidevi Kabra Maheshwari Mahila Sashaktikaran Trust	-	106.00
Rent expenses		
Kabel Buildcon Solutions Private Limited	0.97	8.68
Kabra Shreegopal Rameshwarlal (HUF)	47.01	47.01
MEW Electricals Limited	-	2.83
Dividend :		
Dividend Paid		
Ram Ratna Research and Holding Private Limited	228.53	126.96
Rameshwarlal Kabra (HUF)	408.19	226.77
Kabra Shreegopal Rameshwarlal (HUF)	176.45	98.03
Tribhuvanprasad Kabra (HUF)	64.62	35.90
Mahendra Kumar Kabra (HUF)	51.94	28.86
Satyanarayan Loya (HUF)	5.40	3.00
Anant Loya (HUF)	11.70	6.50
MEW Electricals Limited	100.62	55.90
Ram Ratna Wires Limited	61.40	34.11
Jag-Bid Finvest Private Limited	60.48	33.60
Kabel Buildcon Solutions Private Limited	31.82	17.68
Dividends received from quoted equity investments		
Ram Ratna Wires Limited	70.54	14.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Outstanding balances		
Security deposits Receivable		
Kabra Shreegopal Rameshwarlal (HUF)	15.00	15.00
Kabel Buildcon Solutions Private Limited	-	3.68
Ram Ratna International		
Ram Ratna International	340.44	316.12
Others	-	5.43
Advances to vendor		
EPAVO Electricals Private Limited	179.84	27.00
Pratik Wire & Cable Machine Private Limited	46.65	3.12
Ram Ratna Wire Limited	339.29	-
Others	-	-
Trade Receivable		
Ram Ratna International	91.88	718.45
Ram Ratna Wires Limited	268.48	0.04
Others	25.48	26.71

D) Transaction with Joint venture

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Sale of Goods		
RR-Imperial Electricals Limited	809.85	1,033.50
Trade Receivable		
RR-Imperial Electricals Limited	398.36	555.71

33.1: Includes provision of ₹ 5.01 Lakhs (P.Y ₹ 5.09 Lakhs) post employment benefits and ₹ 10 Lakhs (P.Y ₹ 8.98 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.

Note 34 : Transactions with 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 period ended 31 March 2023 and 31 March 2022.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31 March 2023	For the year ended 31 March 2022
i) Change in Defined Benefit Obligation		
Obligation at the beginning of the year	1,674.27	1,385.40
Current Service Cost	280.79	216.48
Interest Cost	117.53	81.34
Past Service Cost	-	-
Benefits Paid	(101.47)	(81.24)
Remeasurement (gains)/ losses	55.51	72.29
Liability assumed / (settled)*	290.46	-
Defined Benefit Obligation at the end of the year	2,317.08	1,674.27
ii) Change in Plan Assets		
Fair value of plan assets at the beginning of the year	1,795.47	1,544.11
Return on plan assets	117.54	91.26
Employer Contributions	296.37	241.34
Benefits Paid	(101.47)	(81.24)
Remeasurement gains/ (losses)	10.12	0.00
Assets acquired/ (settled)*	290.46	-
Fair Value of Plan Assets at the end of the year	2,408.49	1,795.47
iii) Amount recognized in the Balance Sheet		
Present value of funded defined benefit obligation	2,317.08	1,674.27
Fair value of plan assets at the end of the year	2,408.49	1,795.47
Amount Recognized in the Balance Sheet	(91.41)	(121.20)
iv) Expenses recognized in the Statement of Profit & Loss and Other Comprehensive Income		
Employee Benefits Expense		
Current Service Cost	280.79	216.48
Past Service Cost	-	-
Interest Cost	117.53	81.34
Expected Return on plan assets	(117.54)	(91.26)
	280.78	206.56
Other Comprehensive Income		
Remeasurement gains/ (losses)	(10.12)	(0.00)
Actuarial loss arising from changes in financial assumption	(75.05)	86.18
Actuarial (gain) arising from changes in demographic assumption	-	(19.79)
Actuarial (gain)/loss arising on account of experience changes	130.55	5.91
	45.39	72.30
v) Investment details		
LIC- Administrator of the plan fund	2,408.49	1,795.47
vi) Principal assumption used in determining defined benefit obligation		
Discount rate (per annum)	7.40%	6.95%
Salary escalation rate (per annum)	8.50%	8.50%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Attrition rate		
18-20 year	5.00%	5.00%
21-30 year	12.00%	12.00%
31-50 year	10.00%	10.00%
51-57 year	15.00%	15.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table
vii) Sensitivity Analysis		
Increase in 50bps on DBO		
Change in discounting rate	2,238.49	1,615.08
Change in Salary Escalation	2,395.43	1,733.74
Decrease in 50bps on DBO		
Change in discounting rate	2,400.73	1,737.39
Change in Salary Escalation	2,242.22	1,617.70
viii) Maturity profile of defined benefit obligation (undiscounted value)		
Within the next 12 months (next annual reporting period)	334.40	208.45
Between 2 and 5 years	740.10	698.53
Between 5 and 9 years	1,147.82	644.45
Between 10 and Above	2,200.30	1,577.12

- i) The average duration of the defined benefit plan obligation at the end of the reporting period is 7.00 years (P.Y. 7.30 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:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Assets	% of Investment pattern as on 31.03.2023	% of Investment pattern as on 31.03.2022
Central Govt Securities	30.94	23.57
State Govt Securities	38.41	45.67
C.B.L.O., Bank balance etc.	12.32	3.29
Other approved securities	0.01	0.01
NCD / Bonds	6.35	17.57
Equity	11.97	9.89
Total	100.00	100.00

- (vi) Expected contribution of plan in next year is ₹ 296.37 Lakhs (P.Y. ₹ 234.41).
- (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 :-

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contribution to Provident Fund*	828.11	588.95
Contribution to Employees state insurance	49.89	34.70

*Includes contribution of ₹ 6.05 Lakhs (P.Y. ₹ 12.72) 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 31 March 2023	As at 31 March 2022
Amount recognized in the Balance Sheet		
i) Current Liability	285.03	430.57
ii) Non- Current Liability	1,408.07	717.16

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Actuarial Assumptions	As at March 31 2023	As at 31 March 2022
Discount Rate	7.40%	6.95%
Salary growth rate	8.50%	8.50%
Attrition rate		
18-20 year	5.00%	5.00%
21-30 year	12.00%	12.00%
31-50 year	10.00%	10.00%
51-57 year	15.00%	15.00%

Note 36 : Calculations of Earnings Per Share	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year (₹ in Lakhs)	18,892.85	20,973.78
Movement of Equity shares:		
Number of equity share at the beginning of the year*	111,068,856	111,068,856
Number of equity share at the end of the year*	111,068,856	111,068,856
Weighted average number of equity shares outstanding during the year (for basic)*	111,068,856	111,068,856
Weighted average number of equity shares outstanding during the year for Diluted (Nos.)		
Add : Weighted average Equity Options (Time Based)	148,393	177,902
Add : Weighted average Equity Options (Performance Based)	29,634	35,580
Weighted average number of equity shares outstanding during the year (for diluted)*	111,246,883	111,282,338
Face value of equity share (in ₹)	5.00	5.00
Earnings Per Share		
Basic Earnings Per Share (in ₹)	17.01	18.88
Diluted Earnings Per Share (in ₹)	16.98	18.85

Note 36.1 Share split and bonus issue

The basic and diluted earnings per share for the previous periods/years presented have been calculated/restated after considering the share split and issue of bonus shares during the year ended 31 March 2023. Further, appropriate effect of potential equity shares to be issued has been considered in above EPS calculation on account of share split and of issue of bonus shares in relation to compulsory convertible preference shares and options granted to employees under the ESOP scheme of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Financial assets measured at fair value through other comprehensive income (FVTOCI)					
Investments in quoted equity shares (Note 37.1)	3A	4,461.57	2,789.65	-	-
Investments in unquoted equity shares (Note 37.1)	3A	1,348.94	1,265.96	-	-
Financial assets measured at fair value through profit & loss (FVTPL)					
Investments in mutual funds	3B	-	-	28,492.36	20,547.35
Financial assets measured at amortised cost (Note 37.3)					
Security deposits	5A & 5B	324.12	205.85	39.65	194.24
Loan to employees	4A & 4B	28.70	5.21	6.03	22.01
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5A	33.51	11.27	-	-
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	245.92	201.89
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	120.88	14.09
Derivative assets-mark to market	5B	-	-	140.30	600.16
Others (Insurance claim and recoverable expenses)	5B	-	-	350.13	179.28
Trade receivables	9	-	-	59,186.85	51,714.29
Cash and cash equivalents	10A	-	-	3,103.48	1,229.90
Bank Balances other than cash and cash equivalents	10B	-	-	5,004.03	0.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Liabilities	Refer Note	Non-Current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Financial Liabilities measured at fair value through profit or loss (FVTPL)					
Derivative liabilities-mark to market	15B	-	-	222.39	0.68
Financial Liabilities measured at amortised cost					
Borrowings	13A & 13B	2,685.95	5,931.32	48,898.11	46,179.81
Lease Liabilities	14A & 14B	5,640.45	822.68	819.53	325.06
Security deposits and others	15B	-	-	558.69	248.67
Unclaimed dividend	15B	-	-	4.03	0.03
Retention money relating to capital expenditure	15B	212.87	-	293.60	440.45
Interest accrued	15B	-	-	198.18	63.53
Accrued salary & benefits	15B	-	-	1,454.48	1,023.72
Director's Commission	15B	-	-	264.02	272.33
Creditors for capital expenditure	15B	-	-	614.50	273.88
Other payables	15B	-	-	167.34	81.57
Trade payables	19	-	-	44,012.89	16,787.38

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 (31.03.2022 ₹ 1,637.31 Lakhs) are measured at cost in accordance with Ind AS 27 requirements. Since it is scoped out of Ind AS -109 for the purpose of measurement, the same have not been disclosed in tables above.

Note 37.3 The Company has not disclosed the fair values of financial instruments carried at amortised cost because their carrying amounts are a reasonable approximation of fair value.

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 THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(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 31 March 2023	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
Investments in quoted equity shares (Note 3A)	4,461.57	4,461.57	-	-
Investments in unquoted equity shares (Note 3A)	1,348.94	-	-	1,348.94
Financial assets measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds (Note 3B)	28,492.36	28,492.36	-	-
Derivative assets -mark to market (Note 5B)	140.30	-	140.30	-
Financial liabilities measured at fair value through profit or loss (FVTPL)				
Derivative liability -mark to market (Note 15B)	222.39	-	222.39	-

(₹ in Lakhs)

Financial Assets/ Financial Liabilities as at 31 March 2022	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
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
Financial assets measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds (Note 3B)	20,547.35	20,547.35	-	-
Derivative assets -mark to market (Note 5B)	600.16	-	600.16	-
Financial liabilities measured at fair value through profit or loss (FVTPL)				
Derivative liability -mark to market (Note 15B)	0.68	-	0.68	-

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 period ended 31 March 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 . 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.

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.

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.

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	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Increase in interest rate by 100 basis points	515.84	521.10
Decrease in interest rate by 100 basis points	(515.84)	(521.10)

(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 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:

As at 31 March 2023

(₹ in Lakhs)

Particulars	USD	GBP	Euro	INR
Booked against import creditors	11.70	-	-	962.92
Booked against firm commitments or highly probable forecasted transactions				
- Against Import creditors	17.27	-	-	1,419.74
- Against export trade receivable*	157.59	135.25	73.21	33,500.01

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

As at 31 March 2022

(₹ in Lakhs)

Particulars	USD	GBP	Euro	INR
Booked against Foreign Currency Non-Resident borrowing	67.00	-	-	5,079.46
Booked against firm commitments or highly probable forecasted transactions				
- Against export trade receivable*	240.31	82.00	23.55	28,711.78

* 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:

As at 31 March 2023

(₹ in Lakhs)

Particulars	USD	GBP	others	Euro	INR
Import creditors	22.81	-	0.02	7.90	2,583.03
Export trade receivables	51.86	0.05	-	4.16	4,642.05

As at 31 March 2022

(₹ in Lakhs)

Particulars	USD	GBP	others	Euro	INR
Import creditors	58.38	-	-	0.18	4,440.60
Export trade receivables	55.67	1.46	0.05	2.28	4,559.39

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	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Increase in exchange rates by 5%	361.25	450.00
Decrease in exchange rates by 5%	(361.25)	(450.00)

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 31 March, 2023 the carrying value of such equity instruments recognised at fair value through OCI amounts to ₹ 5,810.51 Lakhs (P.Y. 31.03.2022 ₹ 4,055.61 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:

(₹ in Lakhs)

Particulars	Impact on OCI before tax	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Increase by 5%	223.08	202.78
Decrease by 5%	(223.08)	(202.78)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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 31 March 2023	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	48,898.11	2,685.95	51,584.06	51,584.06
Derivative financial liabilities (Note 15B)	222.39	-	222.39	222.39
Other financial liabilities (Note 15B)	3,554.84	-	3,554.84	3,554.84
Trade payables (Note 19)	44,012.89	-	44,012.89	44,012.89

(₹ in Lakhs)

At 31 March 2022	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	46,179.81	5,931.32	52,111.13	52,111.13
Derivative financial liabilities (Note 15B)	0.68	-	0.68	0.68
Other financial liabilities (Note 15B)	2,404.18	-	2,404.18	2,404.18
Trade payables (Note 19)	16,787.38	-	16,787.38	16,787.38

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 March 2023	As at 31 March 2022
Balance at the beginning of the year	3,420.27	3,600.98
Add/(Less): Allowance/(reversal) for expected credit loss	53.85	(180.71)
Balance at the end of the year	3,474.12	3,420.27

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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.

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.

Fast Moving Electrical Goods [FMEG] : 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	For the year ended 31 March 2023				For the year ended 31 March 2022			
	Wires & Cables	Fast-Moving Electrical Goods	Elimination	Total	Wires & Cables	Fast-Moving Electrical Goods	Elimination	Total
Income								
Revenue from operations	495,853.24	64,066.88	-	559,920.12	411,144.28	27,449.34	-	438,593.62
Inter segment revenue	-	681.66	(681.66)	-	-	29.76	(29.76)	-
Total Income	495,853.24	64,748.54	(681.66)	559,920.12	411,144.28	27,479.10	(29.76)	438,593.62
Segment Results								
External	35,158.30	(6,952.99)	-	28,205.31	32,271.93	(2,984.15)	-	29,287.78
Inter segment results	-	-	-	-	-	-	-	-
Segment Profit/(loss) before tax and interest	35,158.30	(6,952.99)	-	28,205.31	32,271.93	(2,984.15)	-	29,287.78
Un-allocated items:								
Finance income				1,508.12				1,056.53
Finance costs				4,208.69				2,328.34
Profit before tax				25,504.74				28,015.97
Provision for taxation				6,611.89				7,042.19
Profit for the year				18,892.85				20,973.78
Depreciation & amortisation expenses	4,569.54	1,393.28	-	5,962.82	4,199.34	409.17	-	4,608.51

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(B) Revenue by Geography

(₹ in Lakhs)

Particulars	Year ended 31 st March 2023	Year ended 31 st March 2022
Within India	432,901.08	337,838.17
Outside India	127,019.04	100,755.45
Total Revenue	559,920.12	438,593.62

(C) Segment assets

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Wires & Cables	Consumer Electricals	Total	Wires & Cables	Consumer Electricals	Total
Segment assets	174,382.14	42,133.54	216,515.68	157,431.64	16,864.44	174,296.08
Unallocated assets:						
Non -Current Investment	-	-	7,447.82	-	-	5,692.92
Current investments	-	-	28,492.36	-	-	20,547.35
Cash and bank balances	-	-	3,103.48	-	-	1,229.90
Bank balances other than cash and cash equivalents	-	-	5,004.03	-	-	0.03
Loans	-	-	34.73	-	-	27.22
Other financial assets	-	-	1,254.51	-	-	1,406.79
Income tax assets (net)	-	-	1,183.39	-	-	1,337.16
Total assets	174,382.14	42,133.54	263,036.00	157,431.64	16,864.44	204,537.45
Investment accounted for using equity method	-	-	1,637.31	-	-	1,637.31

(D) Segment liabilities

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Wires & Cables	Consumer Electricals	Total	Wires & Cables	Consumer Electricals	Total
Segment liabilities	43,551.41	17,666.95	61,218.36	18,679.43	6,785.26	25,464.69
Unallocated liabilities:						
Borrowings (Non-Current and Current, including Current Maturity)	-	-	51,584.06	-	-	52,111.13
Lease liabilities	-	-	6,459.98	-	-	1,147.74
Deferred tax liabilities (net)	-	-	1,486.86	-	-	1,310.53
	-	-	643.40	-	-	-
Total	43,551.41	17,666.95	121,392.66	18,679.43	6,785.26	80,034.08

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 March 2023	As at 31 March 2022
Ram Ratna Wires Limited	Investment	4,460.85	2,789.09
Comfort Intech Limited	Investment	0.72	0.56
MEW electricals Ltd	Investment	1,348.94	1,265.96
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 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 2023 are shown in Note no 2(C)

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

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Non-current lease liabilities	5,640.45	822.68
Current lease liabilities	819.53	325.06
Total	6,459.98	1,147.74

The following is the movement in lease liabilities :

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As at the beginning of the year	1,147.74	833.00
Additions	6,239.87	737.80
Finance cost accrued during the year	410.21	31.02
Deletions	(375.40)	(54.85)
Payment of lease liabilities	(962.44)	(399.23)
As at the end of the period	6,459.98	1,147.74

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Below 1 year	819.54	325.06
1 to 3 years	1,561.14	534.73
3 to 5 years	1,185.85	287.95
Above 5 years	2,893.45	-

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Amortisation expense of right-of-use assets	934.84	386.04
Interest expense on lease liabilities	410.21	31.01
Expense relating to short-term leases (included in other expenses)	133.19	155.24
	1,478.24	572.29

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 THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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	For the period ended 31 March 2023		For the year ended 31 March 2022	
Capital Expenditure *		3.41		28.43
Revenue Expenditure				
- Cost of Raw Material	187.63		155.15	
- Salary & Wages	149.46		355.71	
- Other Expenses	8.91		10.14	
- Sales of Scrap	(130.23)	215.77	(102.42)	418.58
Total		219.17		447.01

* 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 period ended March 2023.

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
Net debt (Current & Non-Current borrowing less cash and cash equivalents) (A)	43,476.55	50,881.18
Total capital (equity) (B)	141,643.34	124,503.39
Total capital (equity) and net debt C=(A+B)	185,119.89	175,384.57
Gearing ratio (A/C)	0.23	0.29

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.

As of 14 August 2023, there are no subsequent events to be recognized or reported that are not already disclosed.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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 March 2023	For the year ended 31 March 2022
Revenue as per contracted price	577,854.07	441,935.41
Adjustment		
Less : Sales Return	2,609.60	927.23
Less : Rebate & Discounts	21,555.49	9,077.91
Other operating revenue	6,231.14	6,663.36
Revenue from contract with customers	559,920.12	438,593.62

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 March 2023	For the year ended 31 March 2022
Receivables, which are included in 'trade and other receivables'	59,186.85	51,714.28
Contact Liabilities, Advances from customers	7,050.08	2,552.09
	52,136.77	49,162.19

The amount included in contract liabilities above as at 31 March 2022 and 31 March 2021 have been recognized as revenue during the respective subsequent years.

(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 March 2023	For the year ended 31 March 2022
Money received from Director during the year	-	-
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 2022. The Management believes that the Company's international transactions with associated enterprises post 31 March 2022 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 14 August 2023.

Note 48: Employee Stock Option Plan

RRKL ESOP 2020 (as amended in 2023)

On November 10, 2020, pursuant to the approval by the shareholders in the EGM and subsequently modified on April 11, 2023, the Board was authorized to create and grant from time to time, in one or more tranches, not exceeding 3,40,840 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 as amended in 2023 plan and eligible to receive such options under the Act, as may be decided under the

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

RRKL ESOP 2020 plan as amended in 2023, exercisable into not more than 3,40,840 equity shares of face value of Rs.5/- each fully paid-up, where one employee stock option would convert into one fully paid-up equity share of face value of Rs. 5/- 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 employee stock options during the year ended 31 March 23 and 31 March 22 to its eligible employee under RRKL ESOP 2020 plan. Details of the same 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	18,516	18,516	18,516	18,516	18,516
Grant Date	01 April 2021	01 April 2021	01 April 2021	01 April 2021	01 April 2021
Vesting date	01 April 2022	01 April 2023	01 April 2024	01 April 2025	01 April 2026
Exercise price (₹ per share)	270.08	270.08	270.08	270.08	270.08
Fair Value per Stock Option (₹ per share)	31.25	35.03	42.30	45.80	49.15
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	18,516	18,516	18,516	18,516	18,516
Vesting date	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026
Exercise price (₹ per share)	270.08	270.08	270.08	270.08	270.08
Fair Value per Stock Option (₹ per share)	35.03	38.73	42.30	45.80	49.15
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

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	13,332	13,332	13,332	13,332	13,332
Grant Date	01 June 2021	01 June 2021	01 June 2021	01 June 2021	01 June 2021
Vesting date	01 June 2022	01 June 2023	01 June 2024	01 June 2025	01 June 2026
Exercise price (₹ per share)	270.08	270.08	270.08	270.08	270.08
Fair Value per Stock Option (₹ per share)	45.00	49.53	53.90	58.13	62.18
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	13,332	13,332	13,332	13,332	13,332
Vesting date	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026
Exercise price (₹ per share)	270.08	270.08	270.08	270.08	270.08
Fair Value per Stock Option (₹ per share)	45.00	49.53	53.90	58.13	62.18
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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	11,856	11,856	11,856	11,856	11,856
Grant Date	30 September 2021	30 September 2021	30 September 2021	30 September 2021	30 September 2021
Vesting date	30 September 2022	30 September 2023	30 September 2024	30 September 2025	30 September 2026
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	57.93	63.73	69.33	74.75	79.98
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	11,856	11,856	11,856	11,856	11,856
Vesting date	30 September 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	57.93	63.73	69.33	74.75	79.98
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

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	2,964	2,964	2,964	2,964	2,964
Grant Date	31 March 2022	31 March 2022	31 March 2022	31 March 2022	31 March 2022
Vesting date	31 March 2023	08 November 2023	08 November 2024	08 November 2025	08 November 2026
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	161.75	161.75	170.50	178.83	186.70
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	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	161.75	170.50	178.83	186.70	194.20
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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	1,484	1,484	1,484	1,484	1,484
Grant Date	31 March 2022	31 March 2022	31 March 2022	31 March 2022	31 March 2022
Vesting date	31 March 2023	01 November 2023	01 November 2024	01 November 2025	01 November 2026
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	161.75	161.75	170.50	178.83	186.70
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	1,484	1,484	1,484	1,484	1,484
Vesting date	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	161.75	170.50	178.83	186.70	194.20
EBITDA Target (in Rs. lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

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	4,448	4,448	4,448	4,448	4,448
Grant Date	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023
Vesting date	31 March 2024	28 February 2025	28 February 2026	28 February 2027	28 February 2028
Exercise price (₹ per share)	450.00	450.00	450.00	450.00	450.00
Fair Value per Stock Option (₹ per share)	240.84	248.30	255.91	262.98	269.56
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	4,448	4,448	4,448	4,448	4,448
Vesting date	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Exercise price (₹ per share)	450.00	450.00	450.00	450.00	450.00
Fair Value per Stock Option (₹ per share)	242.98	250.98	258.40	265.29	271.73
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

On 20 March 2023, 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 10,60,000 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 RR Kabel Limited Employee Stock Option Plan 2023 and eligible to receive such options under the Act, as may be decided under the RR Kabel Limited Employee Stock Option Plan 2023, exercisable into not more than 10,60,000 equity shares of face value of ₹ 5/- each fully paid-up, where one employee stock option would convert into one fully paid-up equity share of face value of ₹ 5/- 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 RR Kabel Limited Employee Stock Option Plan 2023.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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.

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	11,112	11,112	11,112	11,112	11,112
Grant Date	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023
Vesting date	31 March 2024	16 December 2024	16 December 2025	16 December 2026	16 December 2027
Exercise price (₹ per share)	450.00	450.00	450.00	450.00	450.00
Fair Value per Stock Option (₹ per share)	240.84	246.65	254.38	261.55	268.22
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	11,112	11,112	11,112	11,112	11,112
Vesting date	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028
Exercise price (₹ per share)	450.00	450.00	450.00	450.00	450.00
Fair Value per Stock Option (₹ per share)	242.98	250.98	258.40	265.29	271.73
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

Weighted average fair value of options granted under RR Kabel Limited Employee Stock Option Plan 2020 are as follows :

Grant date	Option Value per unit granted	
	Term based	Performance based
01 April 2021	40.70	42.20
01 June 2021	53.75	53.75
30 September 2021	69.13	69.13
31 March 2022	171.90	178.40
31 March 2023	255.52	257.88

Weighted average fair value of options granted under RR Kabel Limited Employee Stock Option Plan 2023 are as follows :

Grant date	Option Value per unit granted	
	Term based	Performance based
Total	254.33	257.88

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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

Particulars	1 April 2021	1 June 2021	30 September 2021	31 March 2022	31 March 2023
Risk Free Rate	5.58%	5.70%	5.63%	6.20%	7.10%
Discount for lack of marketability	22.00%	22.00%	22.00%	22.00%	10.00%
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 31 March 2023	As at 31 March 2022
	No. of shares	No. of shares
Outstanding at the beginning of the year	481,520	259,184
Granted during the year	155,600	481,520
Exercised during the year	-	-
Options expired (due to resignation)	185,160	259,184
Outstanding at the end of the year	451,960	481,520
Options exercisable at the end of the year	-	-

Grant date	Exercise price per share option (in ₹).
01 April 2021	270.10
01 June 2021	270.10
30 September 2021	337.50
31 March 2022	337.50
31 March 2023	450.00

(E) Break up of employee stock option expense (₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Term based options	25.49	37.07
Performance based options	24.94	38.11
Total	50.43	75.18

Note 49 : 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 50 : Finance Performance Ratio

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	% of variance	Explanation for change in the ratio by more than 25%
Liquidity Ratio						
Current Ratio (times)	Current Assets	Current Liabilities	1.77	2.14	-17.30%	
Solvency Ratio						
Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	0.36	0.42	-12.99%	
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	3.51	4.31	-18.52%	
Profitability ratio						
Net Profit Ratio (%)	Profit After Tax	Total Income	3.35%	4.73%	-29.13%	Net Profit ratio has been decreased due to higher operating expenses.
Return on Equity Ratio (%)	Profit After Tax	Closing Shareholder's Equity	13.34%	16.85%	-20.82%	
Return on Capital employed (%)	Earning before interest and tax	Tangible Net Worth + Total Debt + Deferred Tax Liability	14.77%	16.95%	-12.84%	
Return on Investment (%)	Income from investments	Average investment	9.23%	10.71%	-13.88%	
Utilization Ratio						
Trade Receivables turnover ratio (times)	Net Credit Sales	Average Trade Receivables	10.10	9.36	7.92%	
Inventory turnover ratio (times)	Cost of goods sold or Sales	Average Inventory	5.83	5.80	0.47%	
Trade payables turnover ratio (times)	Net Credit Purchases	Average Trade Payables	15.43	26.88	-42.59%	Trade payable turnover ratio has been decreased due to higher average trade payables.
Net capital turnover ratio (times)	Net Sales	Working Capital	6.61	5.40	22.51%	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 51 : Business acquisition

The company had entered into business transfer agreement with Luminous Power Technologies Private Limited for acquisition of branded business of Fan & Lights on a going concern basis by way of slump sale, which has been completed on 1st May 2022.

The company has accounted for the transaction under Ind AS 103, "Business combination" and allocated the aggregate purchase price to identifiable assets acquired and liabilities assumed. The difference being the excess of net assets value is credited to Capital Reserve. the details of such allocation is provided below :

₹ in Lakhs	
Particulars	Amount
I. ASSETS	
Non-current assets	
Property, Plant and Equipment	2,689.49
Other Intangible assets	666.81
Total non current assets	3,356.30
Current Assets	
Inventories	7,067.50
Financial Assets	
Trade receivables	5,818.97
Cash and cash equivalents	0.10
Other current assets	678.89
Total current assets	13,565.45
TOTAL ASSETS (A)	16,921.75
Total non current liabilities	-
Current liabilities	
Trade payables	
- total outstanding dues of micro enterprises and small enterprises	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	2,781.22
Other financial liabilities	1,510.65
Total Current liabilities	4,291.87
Total liabilities (B)	4,291.87
Intangible Assets	
Brand license agreement	500.00
Designs	148.00
Non-compete clause	18.81
Net Assets (A-B)	12,629.88
Purchase consideration	10,958.33
Total Capital Reserve	1,671.55

The Company has upgraded its ERP system with effect from 1 January 2023 wherein the details with respect to adjustment made to revenue from operations such as schemes and discounts, etc and profit or loss before tax pertaining to such business is not maintained separately. Accordingly, it is impracticable to determine revenue from operations and profit or loss before tax for such business acquired separately for the full period from 1 May 2022 to 31 March 2023 and hence the same has not been disclosed.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Further, revenue from operations and profit or loss before tax for such business acquired before the date of acquisition is not available with the Company and hence the combined revenue from operations and profit or loss before tax of the Company assuming the business combination had occurred from the beginning of the applicable reporting period i.e. 1 April 2022 is impracticable to compute and not been disclosed for the year ended 31 March 2023.

Note 52 : 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")

Note 53 : Other statutory disclosures

- i) The Company has not traded or invested in Crypto currency or Virtual Currency during reporting periods.
- ii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- iii) The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.
- iv) Section 8 of the Companies Act, 2013 company is required to disclose grants or donations received during the year. Since, the company is not covered under Section 8 of the Companies Act, 2013, the said disclosure is not applicable.

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 Rameshwarlal Kabra
Executive Chairman
DIN : 00091375

Shreegopal Rameshwarlal Kabra
Managing Director
DIN : 00140598

Rupen Shah
Partner
Membership No. 116240

Rajesh Babu Jain
Chief Financial Officer
Membership No: 20811

Dinesh Aggarwal
Chief Executive
Officer

Himanshu Navinchandra Parmar
Company Secretary
Membership No.FCS 10118

Place : Bengaluru
Date: 14 August 2023

Place : Mumbai
Date: 14 August 2023

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 2023, 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 auditor on separate financial statements of such joint venture which was audited by the other auditor, 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 2023, 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 auditor referred to in paragraph 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 including 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 of 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 of 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 of 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 entity or business activity 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 entity 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 auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Company 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 (and other comprehensive income) of ₹ 94.41 Lakhs for the year ended 31 March 2023, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has 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 report of the other auditor.

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 its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Company's management has converted the financial statements of such joint venture located outside India from accounting principles generally accepted in its 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 report of other auditor 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 matter with respect to our reliance on the work done and the report of the other auditor.

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, based on our audit and on the consideration of report of the other auditor on separate financial statements of such joint venture as was audited by other auditor, 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 report of the other auditor.
 - 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 2023 and 1 April 2023 taken on record by the Board of Directors of the Company, none of the directors of the Company, is disqualified as on 31 March 2023 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 report of the other auditor 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 2023 on the consolidated financial position of the Company and its joint venture. Refer Note 28 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 2023.
 - 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 2023.
 - d. (i) The management of the Company represented to us that, to the best of its knowledge and belief, as disclosed in the Note 52 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 from any 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 represented to us that, to the best of its knowledge and belief, as disclosed in the Note 52 to the consolidated financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend

INDEPENDENT AUDITORS' REPORT (Contd.)

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) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for 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.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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 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) 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:23116240BGWVFF1976

Place: Bengaluru

Date: 14 August 2023

**ANNEXURE A TO THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF R R KABEL LIMITED FOR THE YEAR ENDED 31 MARCH 2023
(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

(xxi) 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, qualification or adverse remarks given by its auditor in their report under the Companies (Auditor’s Report) Order, 2020 (CARO):

Sr. No.	Name of the entity	CIN	The Company/JV	Clause number of the CARO report which is unfavourable or qualified or adverse
1	R R Kabel Limited	U28997MH1995PLC08529	The Company	(i) (c)

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

Place: Bengaluru
Date: 14 August 2023

Rupen Shah
Partner
Membership No.: 116240
ICAI UDIN:23116240BGWVFF1976

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF R R KABEL LIMITED FOR THE YEAR ENDED 31 MARCH 2023

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 2023, 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 2023, 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:23116240BGWVFF1976

Place: Bengaluru

Date: 14 August 2023

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2A	44,882.31	38,370.42
Capital work-in-progress	2B	4,358.04	4,231.02
Right of use assets	2C	6,184.60	1,111.73
Other intangible assets	2D	648.62	366.53
Intangible assets under development	2D	-	60.00
Investment accounted for using equity method	3A	1,962.94	2,163.62
Financial assets			
Investments	3A	5,810.51	4,055.61
Loans	4A	28.70	5.21
Other financial assets	5A	357.63	217.12
Income tax assets (net)	6A	1,183.39	1,337.17
Other non-current assets	7A	3,333.45	659.86
		68,750.19	52,578.29
Current assets			
Inventories	8	86,017.51	70,962.08
Financial assets			
Investments	3B	28,492.36	20,547.35
Trade receivables	9	59,186.85	51,714.28
Cash and cash equivalents	10A	3,103.48	1,229.90
Bank balances other than cash and cash equivalents	10B	5,004.03	0.03
Loans	4B	6.03	22.01
Other financial assets	5B	896.88	1,189.66
Current tax assets (net)	6B	-	-
Other current assets	7B	11,904.31	6,820.15
		194,611.45	152,485.46
		263,361.64	205,063.75
Total Assets			
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11A	4,784.82	2,392.41
Instrument entirely equity in nature	11B	41,518.59	41,518.59
Other equity	12	95,665.54	81,118.69
		141,968.95	125,029.69
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13A	2,685.95	5,931.32
Lease liabilities	14A	5,640.45	822.68
Other financial liabilities	15A	212.87	-
Provisions	16A	1,408.07	717.16
Deferred tax liabilities (net)	17	1,486.86	1,310.53
Other non-current liabilities	18A	0.89	0.89
		11,435.09	8,782.58
Current liabilities			
Financial liabilities			
Borrowings	13B	48,898.11	46,179.81
Lease liabilities	14B	819.53	325.06
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	19	4,588.10	1,109.90
- total outstanding dues of creditors other than micro enterprises and small enterprises	19	39,424.79	15,677.48
Other financial liabilities	15B	3,777.25	2,404.86
Other current liabilities	18B	9,587.18	4,154.52
Provisions	16B	2,219.24	1,399.85
Income tax liabilities (net)	20	643.40	-
		109,957.60	71,251.48
		263,361.64	205,063.75
Total Equity and Liabilities			
Significant accounting policies	1		
See accompanying notes to the consolidated financial statements	1-56		

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 Rameshwarlal Kabra

Executive Chairman

DIN : 00091375

Shreegopal Rameshwarlal Kabra

Managing Director

DIN : 00140598

Rupen Shah

Partner

Membership No. 116240

Rajesh Babu Jain

Chief Financial Officer

Membership No: 20811

Dinesh Aggarwal

Chief Executive

Officer

Himanshu Navinchandra Parmar

Company Secretary

Membership No.FCS 10118

Place : Bengaluru

Date: 14 August 2023

Place : Mumbai

Date: 14 August 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	21	559,920.12	438,593.62
Other income	22	3,443.93	4,628.03
Total income		563,364.05	443,221.65
Expenses			
Cost of materials consumed	23A	436,978.90	357,551.46
Purchases of stock-in-trade	23B	36,885.20	15,661.70
Changes in inventories of finished goods, stock-in-trade, work-in-progress and scrap	23C	(16,294.07)	(12,415.00)
Employee benefits expense	24	26,415.88	18,885.33
Finance costs	25	4,208.69	2,328.34
Depreciation and amortization expense	26	5,962.82	4,608.51
Other expenses	27	43,701.89	28,585.34
Total expenses		537,859.31	415,205.68
Profit before share of profit of joint venture and tax		25,504.74	28,015.97
Add : Share of profit of joint venture net of tax		94.41	419.71
Profit before tax		25,599.15	28,435.68
Tax expense:	17		
Current tax		6,583.15	6,482.65
Short provision of tax of earlier years		38.69	29.89
Deferred tax charge / (credit)		(9.95)	529.65
		6,611.89	7,042.19
Profit for the year		18,987.26	21,393.49
Other comprehensive income/(loss)			
A) Items that will not be reclassified to profit and loss			
a) (i) Re-measurement of post employment benefits obligation		(45.39)	(72.30)
(ii) Income tax relating to items that will not be reclassified to profit and loss		11.42	18.20
b) (i) Fair value gain on investment in equity instrument through OCI		1,754.90	1,709.76
(ii) Income tax relating to items that will not be reclassified to profit and loss		(197.71)	(10.28)
B) Items that will be reclassified to profit or loss			
a) Exchange difference arising on translation of foreign operation		(295.10)	29.61
Total other comprehensive income/(loss) (net of tax)		1,228.12	1,674.99
Total comprehensive income for the year		20,215.38	23,068.48
Earnings per Equity Share (face value of ₹ 5 each):	36		
Basic		17.09	19.26
Diluted		17.07	19.22
Significant Accounting Policies	1		
See accompanying Notes to the Consolidated Financial Statements	1-56		

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 Rameshwarlal Kabra
Executive Chairman
DIN : 00091375

Shreegopal Rameshwarlal Kabra
Managing Director
DIN : 00140598

Rupen Shah
Partner
Membership No. 116240

Rajesh Babu Jain
Chief Financial Officer
Membership No: 20811

Dinesh Aggarwal
Chief Executive
Officer

Himanshu Navinchandra Parmar
Company Secretary
Membership No.FCS 10118

Place : Bengaluru
Date: 14 August 2023

Place : Mumbai
Date: 14 August 2023

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(A) CASH FLOWS FROM OPERATING ACTIVITIES :		
Profit before tax	25,599.15	28,435.68
Adjustments for:		
Depreciation and amortization expense	5,962.83	4,608.51
Property, plant and equipment written off	8.30	-
Grant related to property, plant and equipment	(10.10)	(369.16)
Share of (profit) from joint venture	(94.41)	(419.71)
Finance costs	4,208.69	2,328.34
Employees share based payment expenses	50.43	75.18
Interest income	(307.17)	(96.73)
Dividend income	(70.55)	(14.11)
Gain on sale of mutual fund investments	(87.03)	(0.35)
Fair value gain on investment on mutual fund	(1,043.37)	(945.34)
Allowance for / (reversal) of expected credit loss on trade receivables(net)	91.39	(74.75)
Reversal of provision on advances to vendor	(192.59)	-
Provisions for warranty expenses	964.93	752.45
Unrealised foreign exchange loss	786.02	608.90
Gain on sale of property, plant and equipment	(8.01)	(202.77)
	35,858.53	34,686.14
Adjustments for:		
(Increase) in trade receivables	(1,792.95)	(9,595.31)
(Increase) in financial assets	(256.81)	(827.05)
(Increase)/ decrease in other assets	(4,286.90)	1,640.22
(Increase) in inventories	(7,987.93)	(17,556.60)
Increase in trade payables	24,011.26	5,408.08
Increase / (decrease) in financial liabilities	410.12	(693.61)
Increase in other liabilities & provision	5,244.23	4,081.30
Cash generated from operations	51,199.55	17,143.17
Income taxes paid	(5,824.65)	(7,326.19)
Net cash generated from operating activities (A)	45,374.89	9,816.99
(B) CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment including payments towards capital advance and capital creditors	(10,834.89)	(6,822.53)
Proceeds from sale of property, plant and equipment	53.24	471.77
(Investment in) / proceed from fixed deposits with banks	(5,066.28)	(23.09)
Purchase of home electrical business, net of cash acquired	(10,958.23)	-
(Investment in) / Redemption of mutual fund (net)	(6,814.61)	0.35
Dividend received from investments in quoted equity shares	70.55	14.11
Interest received	200.38	93.74
Net cash (used in) Investing activities (B)	(33,349.84)	(6,265.65)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from non current borrowing	-	3,380.00
Repayment of non current borrowing	(3,820.21)	(757.67)
Proceeds from / (repayment) of short term borrowing (net)	3,184.00	(385.11)
Finance costs paid	(3,554.72)	(2,222.28)
Repayment of lease obligations	(962.44)	(399.23)
Dividend paid	(4,998.10)	(2,776.72)
Net cash (used in) financing activities (C)	(10,151.46)	(3,161.01)
(D) Net increase in cash and equivalents (A+B+C)	1,873.58	390.33
Add : Cash and cash equivalents as at the beginning of the year	1,229.90	839.57
Cash and cash equivalents as at the end of the year (Refer note below)	3,103.48	1,229.90

Note :

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

b) Cash and cash equivalents (Note 10) (₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	3.66	3.25
Balance with banks	1,219.82	726.65
Term deposits (with original maturity of 3 months or less)	1,880.00	500.00
Cash and cash equivalents in Cash Flows Statement	3,103.48	1,229.90

c) Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

Particulars	As at 31 March 2022	Cash Flow	Non Cash Changes		As at 31 March 2023
			Fair value changes	Current / Non-current classification	
Borrowings- Non Current	5,931.33	(3,820.21)	-	574.83	2,685.95
Borrowings- Current	46,179.81	3,184.00	109.13	(574.83)	48,898.11
Total	52,111.14	(636.21)	109.13	-	51,584.06

(₹ in Lakhs)

Particulars	As at 31 March 2021	Cash Flow	Non Cash Changes		As at 31 March 2022
			Fair value changes	Current / Non-current classification	
Borrowings- Non Current	7,128.15	2,622.33	-	(3,819.15)	5,931.33
Borrowings- Current	42,743.10	(385.11)	2.67	3,819.15	46,179.81
Total	49,871.25	2,237.22	2.67	-	52,111.14

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 Rameshwarlal Kabra
Executive Chairman
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Rajesh Babu Jain
Chief Financial Officer
Membership No: 20811

Dinesh Aggarwal
Chief Executive
Officer

Himanshu Navinchandra Parmar
Company Secretary
Membership No.FCS 10118

Place : Bengaluru
Date: 14 August 2023

Place : Mumbai
Date: 14 August 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

(A) EQUITY SHARE CAPITAL

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Balance as at beginning of the reporting year	23,924,074	2,392.41	23,924,074	2,392.41
Changes in share capital				
Add:- shares split during the year (Note 11.9)	23,924,074	-	-	-
Add:- Bonus shares Issued during the year (Note 11.9)	47,848,148	2,392.41	-	-
Balance as at end of the reporting year	95,696,296	4,784.82	23,924,074	2,392.41

(B) INSTRUMENT ENTIRELY EQUITY IN NATURE

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Balance as at beginning of the reporting year	3,843,140	41,518.59	3,843,140	41,518.59
Changes in share capital				
Balance as at end of the reporting year	3,843,140	41,518.59	3,843,140	41,518.59

(C) OTHER EQUITY

Particulars	Reserves and surplus				Other Comprehensive Income			Other Equity
	Capital Redemption Reserve (refer note a)	Capital Reserve (refer note b)	Retained Earnings	Share based payment reserve outstanding (refer note c)	Equity Instruments through Other Comprehensive income (refer note d)	Foreign Currency Translation Reserve (refer note e)		
Balance as at 1 April 2021	75.07	1,250.52	58,166.49	-	972.68	287.00	60,751.75	
Profit for the year	-	-	21,393.49	-	-	-	21,393.49	
Other comprehensive income/(loss)	-	-	(54.10)	-	1,699.48	-	1,645.38	
Exchange difference arising on translation of foreign operation	-	-	-	-	-	29.61	29.61	
Dividends	-	-	21,339.39	-	1,699.48	29.61	23,068.48	
Employee stock option (Note 48)	-	-	(2,776.72)	75.18	-	-	(2,776.72)	
Balance as at 31 March 2022	75.07	1,250.52	76,729.15	75.18	2,672.16	316.61	81,118.69	
Additions during the year								
Profit for the year	-	-	18,987.26	-	-	-	18,987.26	
Pursuant to acquisition of business (Note 51)	-	1,671.55	(33.97)	-	1,557.19	-	1,671.55	
Other comprehensive income/(loss)	-	-	-	-	-	(295.10)	1,523.22	
Exchange difference arising on translation of foreign operation	-	-	-	-	-	-	(295.10)	
Employee stock option (Note 48)	-	-	-	50.43	-	-	50.43	
Dividends	-	-	18,953.29	50.43	1,557.19	(295.10)	21,937.36	
Issue of Bonus Shares (Note 11.9)	(75.07)	-	(4,998.10)	-	-	-	(4,998.10)	
Balance as at 31 March 2023	(75.07)	2,922.07	88,367.00	125.61	4,229.35	21.51	95,665.54	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

Note :

(a) Capital Redemption Reserve

Capital redemption reserve was created to the extent of share capital extinguished and it was used during the year end 31 March 2023 for issue of bonus shares.

(b) Capital Reserve

Capital reserve of ₹ 1,250.52 Lakhs was created pursuant to scheme of amalgamation during the year ended 31 March 2020 and ₹ 1,671.55 Lakhs was created pursuant to business acquisition during the year ended by 31 March 2023.

(c) Share based payment reserve outstanding

Share based payment reserve outstanding 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 share based payment reserve. The Company has two stock option schemes under which options to subscribe for the Company's shares have been granted to certain employees. The share based payment reserve is used to recognise the value of equity- settled share- based payments provided to employees, including key management personnel, as part of their remuneration.

(d) 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.

(e) Foreign Currency Translation Reserve

Foreign currency translation reserve comprises of exchange differences arising from translation of financial statements of foreign Joint venture.

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 Rameshwarlal Kabra

Executive Chairman

DIN : 00091375

Rajesh Babu Jain

Chief Financial Officer

Membership No: 20811

Dinesh Aggarwal

Chief Executive

Officer

Shreegopal Rameshwarlal Kabra

Managing Director

DIN : 00140598

Himanshu Navinchandra Parmar

Company Secretary

Membership No.FCS 10118

Place : Bengaluru

Date: 14 August 2023

Place : Mumbai

Date: 14 August 2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

CORPORATE INFORMATION

The Consolidated Financial Statements comprises the financial statements of R R Kabel Limited (the Company) and its Joint venture RR-Imperial Electricals Limited for the year ended 31 March 2023.

The Company is mainly into the manufacturing of PVC insulated wires and cables, power cables and special cables. The Company has five 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 Fast-Moving Electrical Goods [FMEG] at Roorkee in the state of Uttarakhand, fourth unit of FMEG at Bengaluru in the state of Karnataka, fifth unit of FMEG at Garget in the state of Himachal Pradesh. The Company has strategically located its sales offices and depots pan India.

The Joint venture is engaged in the business of manufacturing of enamelled winding wires, strips, PVC Insulated wires and cables.

The Consolidated Financial Statements for the year ended 31 March 2023 are approved by the Board of Directors and authorized for issue on 14 August 2023.

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

1. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(i) Statement of compliance

The Company 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.

The Consolidated Financial Statements of the Company comprise of the Consolidated balance sheet as at 31 March 2023, Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of changes in equity and Consolidated Statement of cash flow for the year ended 31 March 2023, the summary of significant accounting policies and explanatory notes (collectively, the Consolidated Financial Statements').

The Consolidated Financial Statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standard 27 Consolidated Financial statement ("Ind AS 27") as prescribed under Section 133 of the Companies Act, 2013.

The Consolidated Financial Statements is presented in Indian Rupees (₹) lakhs, except where otherwise indicated.

(ii) Basis of Measurement:

The Consolidated Financial Statements have been prepared on a going concern basis, accrual basis and a historical cost basis 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

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;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

- 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.

(iii) Functional and Presentation Currency

Items included in the Consolidated 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

The preparation of Consolidated Financial Statements, in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from those estimates.

The 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 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 Company. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its Consolidated Financial Statements:

(i) Useful lives of property, plant and equipment

The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets which is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

(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 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 Consolidated 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 out-flow 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(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 recognized nor disclosed in the Consolidated Financial statements.

(v) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using appropriate valuation techniques. 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 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 Company 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 Company to use assumptions. These assumptions have been explained under employee benefits note 35.

(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.

(ix) Measurement of ECL allowance for trade receivables

Refer accounting policy for impairment of financial assets for measurement of ECL allowance on trade receivables under section C (v) below.

(x) Impairment of financial and non-financial assets

Refer accounting policy C (v) provided below for impairment of Assets

(xi) Basis of consolidation of Joint Venture

The Consolidated Financial Statements comprise the Financial Statements of the Company and its Joint Venture for the year ended 31 March 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 Company'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 Company'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 Company's share of the results of joint Venture. Any change in OCI of the joint Venture is presented as part of the Company's OCI. Unrealised gains and losses resulting from inter-Company transactions between the Company and the joint venture are eliminated to the extent of the interest in the joint venture.

If Company's share of losses of a joint venture exceeds its interest in that joint venture, the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Company 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 Company determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Company 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 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 end of the period/year. Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting 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 and equipment and the resultant gains or losses are recognised in the Consolidated Statement of profit and loss. Property, plant and equipment to be disposed of is reported at the lower of the carrying value or the fair value less cost of sale.

(iii) Other Intangible Assets

Other Intangible assets acquired are initially measured at cost. Other intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, other 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 Consolidated statement of profit and loss.

(iv) Depreciation on property, plant and equipment and amortisation of other intangible assets

Depreciation on property, plant and equipment is calculated in the Consolidated Statement of Profit and Loss on a straight-line method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II to the Companies Act, 2013.

Other Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on other intangible assets with finite lives is recognized in the Consolidated 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 other intangible assets are:

Particulars	Years	Particulars	Years
Factory Buildings	30	Office and Other Equipment's	5 to 10
Workers Quarters	60	Vehicles	8 to 10
Plant and Equipment	15	Electrical Installations	10
Furniture and Fixtures	10	Computer Software	5
Brand	5	Royalty	2
Design	2-3	Non -Compete clause	2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(v) Impairment of Assets

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. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

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.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months)

Impairment of non-financial assets

At each Reporting date, the Company reviews the carrying values of its non-financial assets (other than inventories and deferred tax 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 estimated in order to determine the extent of impairment loss (if any).

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGU).

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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-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 Consolidated Financial statement of assets and liabilities and lease payments have been classified as cash flows from financing activity.

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

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 for methods of valuation.

(viii) Inventories:

Raw Materials, Work-in-progress, stock-in-trade and Finished goods are valued at the lower of cost or net realizable value. The cost is determined using First in first out (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 and machineries, power and fuel, factory management and administration expenses, repairs and maintenance and consumable stores and spares.

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

Scrap is valued at net realizable value.

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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.

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 3 months or less 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 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 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 Company 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 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 Consolidated Statement of Profit and Loss.

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 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.

Where the Company and the Joint venture has transferred an asset, the Company 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 and the Joint venture has not retained control of the financial asset. Where the Company 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 Company 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 Company 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 Company and the Joint venture enter 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 and as financial liabilities when fair value is negative.

e) **Offsetting Financial Instruments**

Financial assets and liabilities are off-set and the net amount is reported in the Consolidated Financial Statements where there is a legally enforceable right to offset the recognised amounts and there is an

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 and the Joint Venture or the counter party.

(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 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 Company and the Joint venture 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 and the Joint Venture 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 Company will comply with all the attached conditions. When the grant relates to revenue expense, it is recognised as an income on a systematic basis over the period necessary to match it with the expenses that it is intended to compensate. Government grant related to expenditure on property, plant and equipment is included as cost of property, plant and equipment and is credited to the statement of profit and loss over the useful lives of qualifying assets or credited to the statement of profit and loss over the period in which the corresponding export obligation is fulfilled. Total grants availed less the amounts credited to the Consolidated Statement of Profit and Loss at the reporting date is included in the Consolidated Statement of Assets and Liabilities as deferred income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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.

(xiii) Employee Benefits

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.

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 Consolidated 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 Consolidated Statement of Profit and Loss.

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 period. Taxable profit differs from net profit as reported in the Consolidated Statement of Profit and Loss because taxable profit is adjusted for items of income or expenses which are taxable or deductible in other years and also for items which are never taxable or deductible 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 Consolidated 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 and Cables and FMEG) 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 Consolidated Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share based payment reserve 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.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(xviii) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period 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 Company are segregated.

Cash and cash equivalents for the purposes of statement of cash flow 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 statement of cash flow, 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 reporting 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. Property, plant and equipment utilized for research and development are capitalized and depreciated in accordance with the policies stated for Property, plant and 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.

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.

(xxiii) 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 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2023, as below:

Amendments to Ind AS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction:

Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying Ind AS 116 Leases at the commencement date of a lease. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The company and its joint venture does not expect the amendment to have any significant impact in its Consolidated Financial Statement.

Amendments to Ind AS 1 Presentation of Financial Statements – Disclosure of Accounting Policies:

The amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraph in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The company and its joint venture does not expect the amendment to have any significant impact in its Consolidated Financial Statement.

Amendments to Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors—

Definition of Accounting Estimates:

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The company and its joint venture does not expect the amendment to have any significant impact in its Consolidated Financial Statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note : 2
A) PROPERTY, PLANT & EQUIPMENT

Particulars	Gross carrying value					Accumulated Depreciation				Net carrying value
	As at 1 April 2022	Adjustment pursuant to Business Acquisition (Refer note 51)	Additions	Deletion	As at 31 March 2023	As at 1 April 2022	For the year ended 31 March 2023	Deletion	As at 31 March 2023	As at 31 March 2023
Land - Free Hold	4,012.30	-	74.00	-	4,086.30	-	-	-	-	4,086.30
Buildings	1,526.59	-	167.54	-	1,694.13	118.37	39.74	-	158.11	1,536.02
Factory Buildings	12,665.60	-	2,451.66	-	15,117.26	2,272.32	518.37	-	2,790.69	12,326.57
Worker's Quarters	526.79	-	-	-	526.79	55.82	9.30	-	65.12	461.67
Plant and Equipments	32,229.78	2,284.68	4,120.06	47.15	38,587.37	13,486.97	3,220.29	32.62	16,674.64	21,912.73
Electric Installations	2,237.05	38.99	229.57	0.06	2,505.55	812.41	209.88	0.03	1,022.26	1,483.29
Furniture & Fixtures	983.48	53.37	465.78	-	1,502.63	443.97	146.51	-	590.48	912.15
Office & Other Equipments	1,154.08	132.94	681.26	134.25	1,834.03	657.69	266.53	125.97	798.25	1,035.78
Vehicles	1,691.57	150.40	318.27	92.07	2,068.17	809.25	200.82	69.70	940.37	1,127.80
Total	57,027.24	2,660.38	8,508.14	273.53	67,922.23	18,656.80	4,611.44	228.32	23,039.92	44,882.31
B) Capital Work - in - Progress	4,231.02	-	7,186.47	7,059.45	4,358.04	-	-	-	-	4,358.04

a) For Capital-work-in progress [CWIP], following is the ageing schedule as on 31 March 2023:

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	1,022.58	1,283.52	258.26	234.39	2,798.75
Others	1,393.33	142.40	23.55	-	1,559.29
Total	2,415.92	1,425.92	281.82	234.39	4,358.04

(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 2023:

CWIP	To be completed in			Total
	Less than 1 year	1-2 years	2-3 years	
E Beam project	1,855.34	-	-	1,855.34
Total	1,855.34	-	-	1,855.34

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2021	Additions	Deletion	As at 31 March 2022	As at 1 April 2021	For the year ended 31 March 2022	Deletion	As at 31 March 2022	As at 31 March 2022	As at 31 March 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	99.28	23.81	4.73	118.36	1,408.23	118.36
Factory Buildings	12,285.06	380.54	-	12,665.60	1,785.86	486.46	-	2,272.32	10,393.28	2,272.32
Worker's Quarters	526.79	-	-	526.79	46.52	9.31	-	55.83	470.96	55.83
Plant and Equipments	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	13,486.97
Electric Installations	1,889.96	347.31	0.22	2,237.05	641.89	170.69	0.16	812.42	1,424.63	812.42
Furniture and Fixtures	902.22	83.15	1.90	983.47	349.10	95.67	0.80	443.97	539.50	443.97
Office and Other Equipments	896.60	287.19	29.70	1,154.09	549.47	131.40	23.18	657.69	496.40	657.69
Vehicles	1,733.76	86.98	129.17	1,691.57	719.14	188.53	98.41	809.26	882.31	809.26
Total	53,478.82	4,131.28	582.86	57,027.24	14,880.04	4,042.11	265.33	18,656.82	38,370.42	4,231.02
B) Capital Work - in - Progress	668.18	6,016.14	2,453.30	4,231.02	-	-	-	-	-	-

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
Total	3,714.81	281.82	234.39	-	4,231.02

(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			Total
	Less than 1 year	1-2 years	2-3 years	
E Beam project	1,904.47	-	-	1,904.47
Total	1,904.47	-	-	1,904.47

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

2.1 : Additions to Property, Plant & Equipment includes Items aggregating to ₹ 3.41 Lakhs (P.Y. ₹ 28.43 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 2023	Gross Block as on 31 March 2022	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)

2.2 : The Company has capitalized foreign exchange fluctuation of (₹ 1.70) Lakhs (P.Y. ₹ 16.30 Lakhs) Lakhs on account of the policy change under para 46A of erstwhile regime of Accounting Standard.

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

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

2.4 : 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.

2.5 : Building includes warehouse situated at Kolkatta with gross carrying value amounting to ₹ 364.23 lakhs, title of which is yet to be registered in the name of Company as documents related to the same are in possession with banker of seller.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

C) RIGHT OF USE ASSETS

Particulars	Gross carrying value				Accumulated Amortisation			Net Block	
	As at 1 April 2022	Additions	Deletion	As at 31 March 2023	As at 1 April 2022	For the year ended 31 March 2023	Deductions	As at 31 March 2023	As at 31 March 2023
	1,966.73	6,376.42	372.06	7,971.09	855.00	934.84	3.35	1,786.49	6,184.60
Right of use Asset (Refer note 40)	1,966.73	6,376.42	372.06	7,971.09	855.00	934.84	3.35	1,786.49	6,184.60
Total	1,966.73	6,376.42	372.06	7,971.09	855.00	934.84	3.35	1,786.49	6,184.60

Particulars	Gross carrying value				Accumulated Amortisation			Net Block	
	As at 1 April 2021	Additions	Deletion	As at 31 March 2022	As at 1 April 2021	For the year ended 31 March 2022	Deductions	As at 31 March 2022	As at 31 March 2022
	1,300.24	737.80	71.31	1,966.73	485.42	386.04	16.46	855.00	1,111.73
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	1,111.73
Total	1,300.24	737.80	71.31	1,966.73	485.42	386.04	16.46	855.00	1,111.73

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

D) OTHER INTANGIBLE ASSETS

Particulars	Gross carrying value						Accumulated Depreciation			Net carrying value	
	As at 1 April 2022	Adjustment pursuant to Business Acquisition (Refer note 5f)	Additions	Deletion	As at 31 March 2023	As at 1 April 2022	For the year ended 31 March 2023	Deletion	As at 31 March 2023	As at 31 March 2023	As at 31 March 2023
	406.69	29.10	2.72	-	438.51	358.19	34.06	-	392.25	46.26	46.26
Computer Software	406.69	29.10	2.72	-	438.51	358.19	34.06	-	392.25	46.26	46.26
Brand	530.00	-	-	-	530.00	211.97	105.94	-	317.91	212.09	212.09
Royalty	-	500.00	-	-	500.00	-	227.40	-	227.40	272.60	272.60
Designs	-	148.00	-	-	148.00	-	44.87	-	44.87	103.13	103.13
Non-compete Clause	-	18.81	-	-	18.81	-	4.27	-	4.27	14.54	14.54
Total	936.69	695.91	2.72	-	1,635.32	570.16	416.54	-	986.70	648.62	648.62
ii) Under development	60.00	-	-	60.00	-	-	-	-	-	-	-

Particulars	Gross carrying value				Accumulated Depreciation			Net carrying value	
	As at 1 April 2021	Additions	Deletion	As at 31 March 2022	As at 1 April 2021	For the year ended 31 March 2022	Deletion	As at 31 March 2022	As at 31 March 2022
	387.34	19.35	-	406.69	283.86	74.33	-	358.19	48.50
Computer Software	387.34	19.35	-	406.69	283.86	74.33	-	358.19	48.50
Brand	530.00	-	-	530.00	105.94	106.03	-	211.97	318.03
Total	917.34	19.35	-	936.69	389.80	180.36	-	570.16	366.53
ii) Under development	-	60.00	-	60.00	-	-	-	-	60.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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	
SCM Project	35.20	-	-	-	35.20
Others	24.80	-	-	-	24.80
Total	60.00	-	-	-	60.00

(₹ in Lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 3A: INVESTMENTS	Face Value	Non-Current	
		As at 31 March 2023	As at 31 March 2022
Investment accounted for using equity method			
a) Joint venture (measured at cost, Note 1 (b) (xi)) RR-Imperial Electricals Limited - Bangladesh (35%) 22,190,854 Equity shares (year ended 31 March 22 22,190,854 Equity shares)	Taka 10 (P.Y.Taka 10)	1,962.94	2,163.62
Investments in equity instruments			
i) Quoted equity shares (fully paid up) Ram Ratna Wires Limited 2,821,536 Equity shares (year ended 31 March 22 1,410,768 Equity shares) Comfort Intech Limited 2,500 Equity shares (year ended 31 March 22 2,500 Equity shares)	₹ 5 (P.Y. ₹ 5) ₹ 10 (P.Y. ₹ 10)	4,460.85 0.72	2,789.09 0.56
ii) Unquoted Equity Shares (Fully Paid up) (measured at fair value and designated as fair value through other comprehensive income) MEW Electricals Limited 50,000 Equity shares (year ended 31 March 22 50,000 Equity shares)	₹ 100 (P.Y. ₹ 100)	1,348.94	1,265.96
		7,773.45	6,219.23
Aggregate amount of quoted investments and market value thereof		4,461.57	2,789.65
Aggregate amount of unquoted investments at cost		1,962.94	2,163.62
Aggregate of unquoted investments at fair value		1,348.94	1,265.96
Aggregate amount of impairment in value of investments		-	-

(₹ in Lakhs)

Note 3B: INVESTMENTS	Current	
	As at 31 March 2023	As at 31 March 2022
Investments in mutual fund instruments (fair value through profit and loss)		
i) UTI Liquid Cash Fund Regular Plan - Growth	2,061.42	2,249.70
ii) Axis Treasury Advantage Fund- Regular Growth	4,449.86	4,235.58
iii) HDFC Ultra Short Term Fund- Regular Growth	3,881.53	3,687.97
iv) Bandhan Low Duration Fund Growth-Regular Plan [erstwhile IDFC Low Duration Fund- Growth Regular Plan]	3,856.01	3,678.49
v) UTI Treasury Advantage Fund Regular Growth Plan	4,675.52	4,444.72
vi) Axis Liquid Fund Growth	2,063.40	2,250.89
vii) UTI overnight fund regular plan growth	7,504.62	-
Aggregate amount of mutual fund investments	28,492.36	20,547.35
Aggregate amount of quoted investments at market value	28,492.36	20,547.35
Aggregate amount of impairment in value of investments	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 4A: LOANS	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good :		
Loans to employees	28.70	5.21
	28.70	5.21

Note 4B: LOANS	Current	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good :		
Loans to employees	6.03	22.01
	6.03	22.01

(₹ in Lakhs)

Note 5A: OTHER FINANCIAL ASSETS	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good:		
Security deposits (Note 5.1)	324.12	205.85
Term deposits held as margin money or security against borrowing, guarantees or other commitments	33.51	11.27
	357.63	217.12

(₹ in Lakhs)

Note 5B: OTHER FINANCIAL ASSETS	Current	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good:		
Security deposits (Note 5.1)	39.65	194.24
Term deposits held as margin money or security against borrowing, guarantees or other commitments	245.92	201.89
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	120.88	14.09
Derivative assets-mark to market	140.30	600.16
Others (Note 5.2)	350.13	179.28
	896.88	1,189.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 5.1 Security deposit includes:	As at 31 March 2023	As at 31 March 2022
Deposits given to directors, relatives of directors & firms in which director is a partner	31.26	71.26
Deposits given to a private limited company in which some of the directors are director or member	-	3.68

Note 5.2

Other financial assets includes receivable for expenses incurred in relation to Initial Public Offering ("IPO") that will be recovered by the Company from the selling shareholders upon completion of IPO process.

(₹ in Lakhs)

Note 6: NON CURRENT INCOME TAX ASSETS (Net)	As at 31 March 2023	As at 31 March 2022
Income tax (net of provisions)	1,183.39	1,337.17
	1,183.39	1,337.17

(₹ in Lakhs)

Note 7A: OTHER ASSETS	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good:		
Capital advances	3,031.16	357.93
Balances with government authorities :		
- Value added tax	109.63	113.75
- Service tax and excise duty paid under protest	55.76	56.95
Prepaid expenses	45.49	10.03
Gratuity (Note 35)	91.41	121.20
	3,333.45	659.86

(₹ in Lakhs)

Note 7B: OTHER ASSETS	Current	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good:		
Balances with government authorities:		
- Excise duty	-	44.76
- Goods and services tax*	6,195.68	2,460.67
- Export incentives & duty scripts	100.70	-
Prepaid expenses	895.14	606.10
Advances to suppliers	4,704.72	3,698.43
Advance to employees	8.07	10.19
	11,904.31	6,820.15

*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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 8: INVENTORIES	As at	
	31 March 2023	31 March 2022
Raw materials (In transit period ended 31 March 23 ₹ 440.41 Lakhs and year ended 31 March 2022 ₹ 3,304.74 Lakhs)	7,962.96	12,880.00
Work-in-progress	14,893.34	11,945.66
Finished goods (In transit period ended 31 March 23 ₹ 18,515.76 Lakhs and year ended 31 March 2022 ₹ 16,783.40 Lakhs)	55,958.36	41,823.52
Stock in trade	5,550.00	2,982.54
Others:		
Packing materials	767.69	525.57
Scrap	190.75	154.95
Consumable stores and spares	684.26	637.70
Fuel	10.15	12.14
	86,017.51	70,962.08

8.1 The Company charged inventory write- down of ₹ 496.53 lakhs during the year ended 31 March 2023 and reversed ₹ (367.24) lakhs during the year ended 31 March 2022 .

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

(₹ in Lakhs)

Note 9: TRADE RECEIVABLES	Current	
	As at 31 March 2023	As at 31 March 2022
Secured, considered good	1,533.90	2,198.83
Unsecured, considered good [Note 9.1]	58,680.82	50,320.11
Trade receivable which have significant increase in credit risk	2,303.22	2,472.59
Trade receivable - credit impaired	143.03	143.03
	62,660.97	55,134.56
Allowance for expected credit loss on trade receivables		
Unsecured, considered good	1,027.87	804.66
Trade receivable which have significant increase in credit risk	2,303.22	2,472.59
Trade receivable - credit impaired	143.03	143.03
	59,186.85	51,714.28

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 and joint venture ₹ 784.20 Lakhs as at 31 March 2023 and ₹ 1,300.83 lakhs as at 31 March 2022 .

(₹ in Lakhs)

Note 9.1 Dues from directors or firms or private companies	As at	
	31 March 2023	31 March 2022
Due from private companies in which director is director or member	24.99	24.21
Due from firm in which director is partner	91.88	718.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Trade Receivables ageing schedule as at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					As at 31 March 2023
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- considered good	58,295.11	634.95	508.34	200.51	575.81	60,214.72
Disputed- significant increase in credit risk	1.21	5.37	153.79	378.55	1,764.30	2,303.22
Disputed- credit impaired	-	-	-	-	143.03	143.03
Total	58,296.32	640.32	662.13	579.06	2,483.14	62,660.97

Trade Receivables ageing schedule as at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					As at 31 March 2022
	Less than 6 months	6 months- 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- considered good	50,967.71	472.05	410.56	299.78	368.84	52,518.94
Disputed- significant increase in credit risk	-	19.86	366.01	654.22	1,432.50	2,472.59
Disputed- credit impaired	-	-	-	85.19	57.84	143.03
Total	50,967.71	491.91	776.57	1,039.19	1,859.18	55,134.56

(₹ in Lakhs)

Note 10A: CASH AND CASH EQUIVALENTS	As at 31 March 2023	As at 31 March 2022
Balances with bank	1,219.82	726.65
Cash on hand	3.66	3.25
Term deposits (with original maturity of 3 months or less)	1,880.00	500.00
	3,103.48	1,229.90

(₹ in Lakhs)

Note 10B: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS	As at 31 March 2023	As at 31 March 2022
Earmarked balance with Bank for unclaimed dividend	4.03	0.03
Term deposits (with original maturity of more than 3 months or less than 12 months)	5,000.00	-
	5,004.03	0.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 11A: EQUITY SHARE CAPITAL	As at 31 March 2023	As at 31 March 2022
Authorised Capital 120,000,000 Equity shares of ₹ 5 each (P.Y. 57,000,000 Equity shares of ₹ 10 each)	6,000.00	5,700.00
Issued, Subscribed and Paid Up Capital 95,696,296 Equity shares of ₹ 5 each (P.Y. 23,924,074 Equity shares of ₹ 10 each)	4,784.82	2,392.41
	4,784.82	2,392.41

(₹ in Lakhs)

NOTE 11B: INSTRUMENT ENTIRELY EQUITY IN NATURE	As at 31 March 2023	As at 31 March 2022
Authorised Capital 3,843,140 (P.Y. 3,843,140) Compulsory Convertible Preference Shares of ₹ 1,080.33 each	41,518.59	41,518.59
Issued, Subscribed and Paid Up Capital 3,843,140 (P.Y. 3,843,140) Compulsory Convertible Preference Share of ₹ 1,080.33 each	41,518.59	41,518.59
	41,518.59	41,518.59

11.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year	As at 31 March 2023		As at 31 March 2022	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Fully Paid up Equity Shares				
As at the beginning of the year	23,924,074	2,392.41	23,924,074	2,392.41
Add:- Issued during the year				
Shares split (note 11.9)	23,924,074	-	-	-
Bonus shares issued (note 11.9)	47,848,148	2,392.41	-	-
As at the end of the year	95,696,296	4,784.82	23,924,074	2,392.41

11.2 Reconciliation of Compulsory Convertible Preference Share outstanding at the beginning and at the end of the year	As at 31 March 2023		As at 31 March 2022	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Fully Paid up Preference Shares				
As at the beginning of the year	3,843,140	41,518.59	3,843,140	41,518.59
Add:- Issued during the year	-	-	-	-
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 31 March 2023		As at 31 March 2022	
	No. of shares	% of Holding	No. of shares	% of Holding
Umadevi Tribhuvanprasad Kabra	-	-	3,275,468	13.69%
Rameshwarlal Kabra (HUF)	9,070,912	9.48%	2,267,728	9.48%
Mahendrakumar Rameshwarlal Kabra	8,648,588	9.04%	2,162,147	9.04%
TPG Asia VII SF Pte Limited	7,960,512	8.32%	1,990,128	8.32%
Hemant Mahendrakumar Kabra	6,799,436	7.11%	1,699,859	7.11%
Kirtidevi Shreegopal Kabra	5,656,308	5.91%	1,414,077	5.91%
Mahhesh Kabra	5,584,336	5.84%	577,217	2.41%
Ram Ratna Research and Holdings Private Limited	5,078,464	5.31%	1,269,616	5.31%
Tribhuvanprasad Rameshwarlal Kabra	4,882,704	5.10%	565,582	2.36%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

11.4 Details of shareholders holding more than 5% Compulsory Convertible Preference Share *	As at 31 March 2023		As at 31 March 2022	
	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 March 2023			As at 31 March 2022		
	No of Shares	% of total shares	% change during the year	No of Shares	% of total shares	% change during the year
Tribhuvanprasad Rameshwarlal Kabra	4,882,704	5.10%	2.74	565,582	2.36%	-
Mahendrakumar Rameshwarlal Kabra	8,648,588	9.04%	-	2,162,147	9.04%	-1.12
Shreegopal Rameshwarlal Kabra	3,034,424	3.17%	0.04	748,606	3.13%	0.21
Kirtidevi Shreegopal Kabra	5,656,308	5.91%	-	1,414,077	5.91%	0.63
Tribhuvanprasad Kabra (HUF)	1,436,000	1.50%	-	359,000	1.50%	-
Mahendra Kumar Kabra (HUF)	1,154,208	1.21%	-	288,552	1.21%	-
Kabra Shreegopal Rameshwarlal (HUF)	3,961,160	4.14%	0.04	980,290	4.10%	-
Total	28,773,392	30.06%	2.82	6,518,254	27.24%	-0.28

Pursuant to board meeting held on 13 February 2023, the Company has revised the list of promoters resulting into decrease in number of promoters from 41 to 7. Consequently, the Company has updated its annual return for the financial year 2021-22 filed with Registrar of Companies (RoC) on 2 March 2023.

The number of shares of are increases due to sub-division of the face value of equity shares from the existing ₹ 10 per equity share to ₹ 5 per equity share and one bonus share in the ratio of 1 equity shares of ₹ 5 each for every 1 equity shares of ₹ 5 each held by holders of the equity shares of the Company, board approved in meeting held as on 16.03.2023. The shareholder of the company approved above recommendation in its Extra Ordinarily General Meeting, dated 20.03.2023.

11.5 Terms/ rights attached to Equity shares:

The Company has only one class of equity shares having face value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuring 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 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 750,724 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

A Letter of Offer was made to all eligible shareholders. The Company bought back 750,724 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 The Board of Directors of the Company, at its meeting held on September 06, 2018 had approved the proposal to issue 3,702,572 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.

11.9 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 Balance sheet date:

- i) The Company has issued 5,28,798 fully paid up equity shares of ₹ 10 each to the equity shares holders of Ram Ratna Electrical Limited and 1,40,568 Compulsory Convertible Preference Shares (CCPS) of ₹ 1,080.33 to the preference shares holders of Ram Ratna Electrical Limited pursuant to scheme of amalgamation for consideration other than cash during the year ended 31 March 2020.
- ii) 47,848,148 equity Shares have been allotted by way of Bonus during the year ended 31 March 2023 .
- iii) 23,924,074 equity shares having face value of ₹ 10 each are split into face value of ₹ 5 each during the year ended 31 March 2023 .

(₹ in Lakhs)

Note 12: OTHER EQUITY	As at 31 March 2023	As at 31 March 2022
Reserves and surplus		
a) Capital Redemption Reserve		
Balance at the beginning of year	75.07	75.07
Changes during year	(75.07)	-
Balance at end of the year	-	75.07
b) Capital Reserve		
Balance at the beginning of year	1,250.52	1,250.52
Changes during year	1,671.55	-
Balance at end of the year	2,922.07	1,250.52
c) Retained Earnings		
Balance at the beginning of year	76,729.15	58,166.49
Profit for the year	18,987.26	21,393.49
Dividends	(4,998.10)	-
Re-measurement of post employment benefits obligation	(33.97)	(54.10)
Issue of Bonus Share	(2,317.34)	-
Balance at end of the year	88,367.00	76,729.15
d) Share based payment reserve outstanding		
Balance at the beginning of year	75.18	-
Created during year	50.43	75.18
Balance at end of the year	125.61	75.18

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 12: OTHER EQUITY	As at 31 March 2023	As at 31 March 2022
<u>Other comprehensive income</u>		
e) Equity Instruments through Other comprehensive income		
Balance at the beginning of year	2,672.16	972.68
Increase on account of change in fair value of investments	1,557.19	1,699.48
Balance at end of the year	4,229.35	2,672.16
f) Foreign currency translation reserve		
Balance at the beginning of year	316.61	-
Decrease/ Increase during the year	(295.10)	316.61
Balance at end of the year	21.51	316.61
	95,665.54	81,118.69

(₹ in Lakhs)

Note 13A: BORROWINGS	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Secured		
Term Loans from Bank		
Rupee Loans (Refer Note 13.1 & 13.3)	2,499.82	4,999.63
Term loan from financial institution		
Rupee loans (Refer Note 13.1 & 13.3)	186.13	930.63
Vehicle loans (Refer note 13.2 & 13.3)	-	1.06
	2,685.95	5,931.32

(₹ in Lakhs)

Note 13B: BORROWINGS	Current	
	As at 31 March 2023	As at 31 March 2022
Secured		
Working capital loans		
From banks		
Foreign currency loans (Refer Note 13.5)	-	5,079.08
Rupee loans		
Short term (Refer Note 13.5)	33,250.00	22,696.40
Repayable on demand (Refer Note 13.5)	3,603.89	2,569.05
Current maturities of long term borrowings		
Rupee loans (Note 13.1 and 13.3)	3,244.32	3,810.93
Vehicle loans (Note 13.2 and 13.4)	-	8.22
Unsecured		
Working capital loans		
From banks		
Rupee loans - short term(Refer Note 13.5 (e))	8,600.25	11,925.61
Interest accrued	199.65	90.52
	48,898.11	46,179.81

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Notes to 13A & 13B

(₹ in Lakhs)

Note 13.1 : Term Loans (Rupee Loans)	Maturity Profile*	Rate of Interest for period ended 31 March 2023	As at 31 March 2023	As at 31 March 2022
Term Loan I-CITICorp Financial Institution	16 Instalments from January 2019 to October 2022	8.15%	-	373.12
Term Loan II-CITICorp Financial Institution	16 Instalments from March 2019 to December 2022	8.15%	-	193.50
Term Loan III-CITICorp Financial Institution	16 Instalments from August 2020 to May 2024	8.95%	930.63	1,675.13
Term Loan IV-HDFC Bank	16 Instalments from June 21 to October 25	7.25%-8.20%	954.13	2,250.00
Term Loan V-HDFC Bank	16 Instalments from June 21 to October 25	7.25%-8.20%	1,750.00	2,625.00
Term Loan VI-HDFC Bank	16 Instalments from June 21 to October 25	7.25%-8.20%	1,500.00	1,193.25
Term Loan VII-HDFC Bank	16 Instalments from September 21 to March 25	7.25%-8.20%	795.50	1,431.20
			5,930.26	9,741.20
Less : Current maturities of long term borrowing under "Borrowings" (Note 13 B)			3,244.32	3,810.93
			2,685.94	5,930.27

(₹ in Lakhs)

Note 13.2 : Vehicle Loans	Maturity Profile*	Rate of Interest	As at 31 March 2023	As at 31 March 2022
Vehicles Loans	24 to 60 Instalments from November 15 to July 23	7.70% - 11%	-	43.15
Less : Current maturities of long term borrowing under "Borrowings" (Note 13 B)			-	8.22
			-	34.93

*The above maturity profile is excluding accrued interest.

Note 13.3 :

- (a) Term Loans from Citicorp Finance India Limited Bank of ₹ 930.63 Lakhs (P.Y. ₹ 2,241.74 lakhs) are secured by way of first pari-passu charge with the Security Trustee over various immovable properties at Waghodia and 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 from HDFC Bank of ₹ 4,999.65 Lakhs (P.Y. ₹ 7499.45 lakhs) are secured by way of first charge with the Security Trustee over various immovable properties at Waghodia and 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 ₹ 00.00 Lakhs (P.Y. ₹ 5,079.08.00 Lakhs), working Capital Loans of ₹ 33,250.44 lakhs(P.Y. ₹ 22,696.40 lakhs) and Rupee Loan - Repayable of demand of ₹ 3603.89 Lakhs (P.Y. ₹ 2569.05 lakhs) are secured by way of second pari-passu charge with the Security Trustee over various immovable properties at Waghodia and 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 and 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 and Mr Sumeet Kabra.
- (e) Working Capital demand loans carry interest rate from 6.95.% to 8.55% 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 period ended 31 March 23 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 except as shown below and which has been rectified and revised numbers have been submitted to Banks for period ended March 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Name of Bank / FI	Quarter	Particulars	For the Year ended 31 March 2023			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	66,551.33	66,478.46	(72.87)	Fuel, Consumable, Stores & Spares stock not reported to Bank.	
		Trade Receivable	72,605.87	69,786.11	(2,819.75)	Trade receivables pertaining to recent acquisition of Home Electrical Business (HEB) in FEMG segment were reported to banks as net of transactions (i.e. revenues recognised less collections received) for the month of June 2022 instead of closing balance of trade receivables as at 30 June 2022. This resulted into lower balance being reported inadvertently to banks for the Quarter - 1 as compared to the book balances.	
		Trade payable	22,341.97	18,303.42	(4,038.55)	Certain trade payables pertaining to recent acquisition of HEB in FMEG segment were reported as advances to suppliers instead of trade payables as appearing in the books. This resulted into lower balance being reported inadvertently to banks for Quarter 1 as compared to book balances.	
	2	Inventory	57,550.19	57,527.91	(22.28)	Fuel, Consumable, Stores & Spares stock not reported to Bank.	
		Trade Receivable	74,804.48	74,803.63	(0.85)		
	3	Trade payable	18,927.34	18,927.86	0.52		
		Inventory	54,436.44	54,415.87	(20.57)	Fuel, Consumable, Stores & Spares stock not reported to Bank.	
			Trade Receivable	81,445.01	81,446.01	1.00	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Name of Bank / FI	Quarter	Particulars	For the Year ended 31 March 2022		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	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	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	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	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	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	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
DBS BANK, HDFC BANK, HSBC BANK KOTAK BANK STATE BANK OF INDIA SCB BANK	3	Inventory	52,641.76	51,881.42	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	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	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	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	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	Payables pertaining to recent acquisition in consumer electrical business were not included since the operations of the same were at nascent / incubation stage.
		Total	467,555.03	466,656.78	(898.25)

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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 14A: LEASE LIABILITIES	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Lease liabilities(Note 40)	5,640.45	822.68
	5,640.45	822.68

(₹ in Lakhs)

Note 14B: LEASE LIABILITIES	Current	
	As at 31 March 2023	As at 31 March 2022
Lease liabilities(Note 40)	819.53	325.06
	819.53	325.06

(₹ in Lakhs)

Note 15A: OTHER FINANCIAL LIABILITIES	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Retention money relating to capital expenditure	212.87	-
	212.87	-

(₹ in Lakhs)

Note 15B: OTHER FINANCIAL LIABILITIES	Current	
	As at 31 March 2023	As at 31 March 2022
Retention money relating to capital expenditure	293.60	440.45
Interest accrued on others	198.19	63.53
Accrued salary and benefits	1,454.48	1,023.72
Commission to directors	264.02	272.33
Derivative liabilities - mark to market	222.39	0.68
Creditors for capital expenditure	614.50	273.88
Security deposits	558.69	248.67
Unclaimed dividends	4.03	0.03
Other payables(Note 15.1)	167.35	81.57
	3,777.25	2,404.86

Note 15.1: Other payables includes payable against reimbursement of expenses to employees.

(₹ in Lakhs)

Note 16A: PROVISIONS	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Provision for Employee Benefits		
Compensated absences (Note 35C)	1,408.07	717.16
	1,408.07	717.16

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 16B: PROVISIONS	Current	
	As at 31 March 2023	As at 31 March 2022
Provision for Employee Benefits		
Compensated absences (Note 35C)	285.03	430.57
Provision for warranty(Note 16B.1)	1,934.21	969.28
	2,219.24	1,399.85

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 31 March 2023	As at 31 March 2022
Opening Balance	969.28	216.84
Acquired on account of buisness acquisition (Note 51)	588.77	-
Created during the period	1,048.74	1,481.77
Utilised during the period	672.58	729.33
Closing Balance	1,934.21	969.28

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 31 March 2023	As at 31 March 2022
A. The major components of income tax expenses for the year are as under :-		
(i) Income tax expenses recognised in the Consolidated statement of profit and loss		
Current Tax :-		
In respect of current year	6,583.15	6,482.65
Short in respect of preceding years	38.69	29.89
Deferred Tax :-		
In respect of current year	(9.95)	529.65
Income tax expenses recognised in consolidated statement of profit and loss	6,611.89	7,042.19
(ii) Income tax expenses recognised in the OCI		
Deferred Tax :-		
Deferred tax on fair value of equity instruments through OCI	197.71	10.28
Deferred tax on re-measurement of post employment benefits obligation	(11.42)	(18.20)
	186.29	(7.92)
B. Reconciliation of estimated income tax expenses and the accounting profit for the year is as under:		
Profit before share of profit of joint venture and tax	25,504.74	28,015.97
Expected income tax expense at statutory income tax rate	6,419.03	7,051.06
Tax adjustment of earlier years	38.69	29.89
Tax effect on non deductible expenses	181.25	138.30
Others	(27.08)	(175.12)
Current tax expense as per Consolidated Statement of Profit and Loss for the year	6,611.89	7,042.19
Effective rate of Tax	25.92%	25.14%
Statutory rate of Tax	25.17%	25.17%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 17.1 : The tax rate used for the year ended 31 March 2023 and 31 March 2022 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)

C: The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:	As at 1 April 2022	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2023
Deferred tax liabilities				
Difference between written down value as per books of account and Income Tax Act, 1961	1,670.58	61.94	-	1,732.52
Difference in carrying value and tax base of investments in equity measured at FVTOCI	504.23	(237.91)	197.71	464.03
Difference in carrying value and tax base of investments in Mutual Fund	276.84	337.62	-	614.45
Mark to market exchange gain & loss	1.59	(22.27)	-	(20.68)
Deferred tax assets				
Provision for expenses allowed for tax purpose on payment basis (net)	(159.25)	(121.75)	-	(281.00)
Allowance for expected credit loss on trade receivable	(860.82)	(13.55)	-	(874.37)
Provision for advance given to supplier	(39.30)	39.30	-	-
Lease liabilities	(9.09)	(60.25)	-	(69.34)
Merger expenses of Ram ratna electricals limited	(8.66)	3.67	-	(5.00)
Re-measurement of post employment benefits obligation	(65.59)	3.26	(11.42)	(73.75)
Net Deferred tax liabilities	1,310.53	(9.95)	186.29	1,486.86

(₹ in Lakhs)

The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:	As at 1 April 2021	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2022
Deferred tax liabilities				
Difference between written down value as per books of account and Income Tax Act, 1961.	1,693.16	(22.58)	-	1,670.58
Difference in carrying value and tax base of investments in equity measured at FVTOCI	256.03	237.92	10.28	504.23
Difference in carrying value and tax base of investments in Mutual Fund	127.56	149.27	-	276.84
Deferred tax assets				
Provision for expenses allowed for tax purpose on payment basis (net)	(120.77)	(38.48)	-	(159.25)
Allowance for expected credit loss on trade receivable	(906.30)	45.48	-	(860.82)
Mark to market exchange gain & loss	1.59	-	-	1.59
Provision for advance given to supplier	(143.03)	103.73	-	(39.30)
Provision for warranty	(54.57)	54.57	-	-
Lease liabilities	(4.60)	(4.49)	-	(9.09)
Merger expenses of RREL	(12.89)	4.23	-	(8.66)
Re-measurement of post employment benefits obligation	(47.39)	-	(18.20)	(65.59)
Net deferred tax liabilities	788.79	529.65	(7.92)	1,310.53

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 18A: OTHER LIABILITIES	Non-Current	
	As at 31 March 2023	As at 31 March 2022
Deferred income (Note 18.1)	0.89	0.89
	0.89	0.89

(₹ in Lakhs)

Note 18B: OTHER LIABILITIES	Current	
	As at 31 March 2023	As at 31 March 2022
Advances from customers	7,050.08	2,552.09
Deferred income (Note 18.1)	137.74	112.31
Statutory dues		
Value added tax	40.06	60.61
Provident fund and professional tax	161.18	111.26
TDS / TCS payable	97.17	410.50
Goods and services tax	1,496.99	703.02
Export incentives & duty scripts	603.96	204.73
	9,587.18	4,154.52

Note: 18.1 Deferred income mainly represents grants relating to property, plant and equipment and 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.

(₹ in Lakhs)

Note 19: TRADE PAYABLES	As at 31 March 2023	As at 31 March 2022
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Note 30)	4,588.10	1,109.90
- total outstanding dues of creditors other than micro enterprises and small enterprises	39,424.79	15,677.48
	44,012.89	16,787.38

Note 19.1 Includes acceptances amount of 14,029.92 Lakhs paid to suppliers through usance letter of credit issued by the bank under non-fund based working capital limits to the company. The arrangements are interest bearing. Non-fund limits are secured by first pari passu charge over the present and future current assets of the Company. The company continues to recognize those liabilities till the settlement with the banks which are normally effected with in a period of 60 days.

Trade Payables ageing schedule as at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					As at 31 March 2023
	Unbilled	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed- MSME	-	4,582.24	3.90	1.95	0.01	4,588.10
Undisputed- Others	4,161.13	34,862.14	373.77	1.08	26.68	39,424.79
Total	4,161.13	39,444.38	377.67	3.03	26.69	44,012.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Trade Payables ageing schedule as at 31 March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of the payment					As at 31 March 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	2,584.75	12,988.90	33.51	35.73	34.58	15,677.48
Total	2,584.75	14,098.75	33.51	35.73	34.63	16,787.38

(₹ in Lakhs)

Note 20 : INCOME TAX LIABILITIES (NET)	As at 31 March 2023	As at 31 March 2022
Provision for income tax (net of advance tax)	643.40	-
	643.40	-

(₹ in Lakhs)

Note 21: REVENUE FROM OPERATIONS	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers (Note 44)		
Sales of products		
Finished goods	510,468.74	410,820.34
Traded goods	43,220.24	21,109.92
	553,688.98	431,930.26
Other operating revenues :		
Sale of scrap	6,163.46	6,638.01
Processing charges	23.44	25.35
Export incentives	44.24	-
	6,231.14	6,663.36
	559,920.12	438,593.62

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 22: OTHER INCOME	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest Income:		
Bank deposits	173.37	40.42
Others (Note 21.1)	133.80	56.31
Dividends from quoted equity investments	70.55	14.11
Fair value gain on investment on mutual fund	1,043.37	945.34
Other Non Operating Income:		
Rent income	28.93	29.36
Guarantee commission	-	130.35
Foreign exchange gain (net)	1,408.56	2,650.85
Grant related to property, plant and equipment	10.10	369.16
Grant related to electricity	259.09	-
Gain on sale of property plant and equipment (net)	8.01	202.77
Gain on sale of mutual fund investments	87.03	0.35
Reversal of provision on advances to vendor	192.59	-
Miscellaneous income	28.53	8.30
Reversal of Expected credit Loss provision on trade receivable (net)	-	180.71
	3,443.93	4,628.03

Note 22.1: Interest others include interest from customers

(₹ in Lakhs)

Note 23A: COST OF MATERIALS CONSUMED	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the beginning of the year	13,405.57	8,443.59
Add :Purchases of inventories from buisness acquisition (Note 51)	614.08	-
Add :Purchases	431,689.90	362,513.44
	445,709.55	370,957.03
Less :Inventories at the end of the year	8,730.65	13,405.57
	436,978.90	357,551.46

(₹ in Lakhs)

Note 23B: PURCHASES OF STOCK - IN -TRADE	For the year ended 31 March 2023	For the year ended 31 March 2022
Electrical appliances	34,179.85	15,661.70
Electrical appliances purchase on account of buisness acquisition (Note 51)	2,705.35	-
	36,885.20	15,661.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 23C: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE, WORK-IN-PROGRESS AND SCRAP	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the end of the year:		
Finished goods	55,958.36	41,823.52
Work-in-progress	14,893.34	11,945.66
Stock-in-trade	5,550.00	2,982.53
Scrap	190.75	154.95
	76,592.45	56,906.66
Less: Inventories at the beginning of the year		
Finished goods	41,823.52	31,765.11
Work-in-progress	11,945.66	9,882.93
Stock-in-trade	2,982.53	2,660.15
Scrap	154.95	183.47
	56,906.66	44,491.66
Add:- Inventories purchase on account of business acquisition (Note 51)		
Finished goods	3,302.15	-
Work-in-progress	89.57	-
	3,391.72	-
	(16,294.07)	(12,415.00)

(₹ in Lakhs)

Note 24: EMPLOYEE BENEFITS EXPENSE	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and incentives	22,331.92	15,617.72
Remuneration to directors*	952.06	1,034.46
Employees share based payment expenses(Note 48)	50.43	75.18
Contributions to:		
Provident fund and ESIC (Note 35B)	871.97	610.94
Gratuity fund (Note 35A)	280.78	206.56
Compensated absences	717.34	468.91
Staff welfare expenses	1,211.38	871.56
	26,415.88	18,885.33

* Including commission given to directors ₹ 264.02 Lakhs (P.Y. ₹ 272.33 Lakhs)

(₹ in Lakhs)

Note 25: FINANCE COSTS	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on financial liabilities carried at amortised cost		
Interest on borrowings	3,545.14	2,208.33
Interest on lease liabilities	410.21	31.02
Other borrowing costs	166.04	36.07
Net exchange difference regarded as adjustment to borrowing cost	-	51.87
Interest on income tax	87.30	1.05
	4,208.69	2,328.34

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Note 26: DEPRECIATION AND AMORTISATION EXPENSE	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (Note 2A)	4,611.44	4,042.11
Amortisation of other intangible assets (Note 2D)	416.54	180.36
Amortisation of right-of-use assets (Note 2C)	934.84	386.04
	5,962.82	4,608.51

(₹ in Lakhs)

Note 27: Other Expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent expenses (Note 40)	133.19	155.24
Rates and taxes	160.91	173.90
Repairs and Maintenance of :		
Buildings	130.68	276.70
Plant and machinery	1,816.25	1,322.54
Others	453.69	191.23
Commission on sales	2,553.27	1,574.35
Advertisement and Business promotion expenses	8,514.27	4,912.93
Travelling expenses	2,070.42	835.00
Payment to auditors (Note 29)	78.93	59.07
Legal and professional fees	2,605.51	1,629.48
Insurance charges	505.64	355.72
Allowance for expected credit loss on trade receivables(net)	53.85	-
Bad debts	37.54	105.96
Bank charges	72.36	96.54
Consumption of consumable stores and spares	802.07	317.30
Corporate social responsibility expenses (Note 32)	404.00	330.34
Donation	93.80	174.22
Director sitting fees and commission-independent directors (Note 33)	72.98	22.10
Freight and distribution charges	11,557.77	8,201.93
Power and fuel	4,879.34	3,702.42
Research and development expenses (Note 41)	215.77	418.58
Warranty expenses (Note 16 B.1)	1,637.51	1,481.77
Miscellaneous expenses	4,852.14	2,248.02
	43,701.89	28,585.34

(₹ in Lakhs)

Note 28 : Contingent Liabilities and Commitments	As at 31 March 2023	As at 31 March 2022
Contingent Liabilities		
A) Claims against the Company not acknowledged as debts		
Service tax and GST demands (Note 28.1)	375.44	212.20
Income Tax Demands (Note 28.1)	317.08	219.55
Sales tax / Vat0 demands -C Forms (Note 28.1)	967.34	953.54
Labour Law d0emand (Note 28.1)	18.60	15.61
B) Channel financing guarantees(Note 28.2)	2,250.00	4,257.58
Commitments		
A) Estimated amount of contracts remaining to be executed and not provided for:		
- On Capital Account (net of advance)	7,189.77	2,153.15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 ₹ 25,577.58 Lakhs (P.Y. ₹ 17,043.70 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 ₹ 2,250 lakhs (P.Y. ₹ 4,257.58 Lakhs) (to the extent of recourse available with bank).

(₹ in Lakhs)

Note 29 : Payment to Auditors	For the year ended 31 March 2023	For the year ended 31 March 2022
Payment to auditors :		
a) As auditors	72.00	55.00
b) For certifications services	0.78	2.20
c) For expenses reimbursement	6.15	1.87
	78.93	59.07

(₹ in Lakhs)

Note 30 : Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Principal amount and the interest due thereon remaining unpaid to any suppliers at the end of the each accounting year :		
Principal	5,030.54	1,172.74
Interest	13.78	4.73
(b) (i) The delayed payment of principal amount paid beyond the appointed day the year.	14,162.67	18,182.29
(ii) Interest actually paid under Section 16 of the MSMED Act, 2006	-	0.21
(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	121.27	36.27
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	198.18	63.13
(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.

(₹ in Lakhs)

Note 31 : Dividend	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend paid ₹ 18.00 (P.Y. ₹ 10.00) per equity share of ₹ 10.00 each	4,306.33	2,392.41
Dividend paid ₹ 18.00 (P.Y. ₹ 10.00) per Compulsory Convertible Preference Share of ₹ 1,080.33 each	691.77	384.31
	4,998.10	2,776.72

31.1 Dividend proposed of ₹ 4.5 each amounting to ₹ 4,306.33 lakhs for year ended 31 March 23 (for year ended 31 March 22 ₹ 18 each amounting to ₹ 4,306.33 lakhss) by board of directors on 14 August 2023 per equity share before the financial statements approved for issue but not recognized as a Liability in financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

31.1 Dividend proposed of ₹ 18 each amounting to ₹ 691.77 lakhs for year ended 31 March 23 (for year ended 31 March 22 ₹ 18 each amounting to ₹ 691.77 lakhss) by board of directors on 14 August 2023 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

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Corporate Social Responsibility expenses for the year	404.00	330.34
Various Head of expenses included in above:		
Promoting education	403.00	291.78
Rural development	1.00	29.31
Women empowerment	-	5.00
Promoting health care including preventive health care	-	4.25
Conservation of natural resources	-	-
Gross amount required to be spent by the company during the year	403.71	326.69
Amount spent during the year on:	404.00	330.34
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	404.00	330.34
Details of related party transactions	-	-
Provision for CSR Expenses related to ongoing projects	-	-
Opening Balance	-	34.70
Add: Provision created during the year	-	-
Less: Provision utilised during the year	-	34.70
Closing Balance	-	-
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
The total of previous years' shortfall amounts	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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

Relationships

a) Key Management Personnel:

Tribhuvanprasad Rameshwarlal Kabra	Executive Chairman
Shreegopal Rameshwarlal Kabra	Managing Director
Mahendrakumar Rameshwarlal Kabra	Joint Managing Director
Ashok Satyanarayan Loya (upto 20.09.2022)	Whole Time Director
Mahhesh Kabra (upto 16.12.2022)	Whole Time Director
Sumeet Mahendrakumar Kabra (upto 16.12.2022)	Whole Time Director
Kirtidevi Shreegopal Kabra (upto 16.12.2022)	Whole Time Director
Sanjay Narnarayan Taparia (upto 16.12.2022)	Whole Time Director
Rajesh Babu Jain (upto 16.12.2022)	Whole Time Director
Rajeev Pandiya (w.e.f 01.04.2021 upto 22.08.2022)	Chief Financial Officer
Rajesh Babu Jain (w.e.f. 23.08.2022)	Chief Financial Officer
Dinesh Aggarwal (w.e.f. 16.12.2022)	Chief Executive Officer
Himanshu Navinchandra Parmar	Company Secretary

Non Executive Directors:

Ramamirtham Kannan (upto 16.12.2022)	Independent Director
Bhagwat Singh Babel	Independent Director
Mukund Chitale	Independent Director
Puneet Bhatia (upto 16.12.2022)	Non-Executive Nominee Director
Mitesh Daga	Non-Executive Nominee Director
Vipul Sabharwal (w.e.f. 23.08.2022)	Independent Director
Jyoti Davar (w.e.f. 16.12.2022)	Independent Director

b) Relatives of Key Management Personnel:

Rameshwarlal Jagannath Kabra	Father of Tribhuvanprasad Rameshwarlal Kabra, Mahendrakumar Rameshwarlal Kabra and Shreegopal Rameshwarlal Kabra
Ratnidevi Rameshwarlal Kabra	Mother of Tribhuvanprasad Rameshwarlal Kabra, Mahendrakumar Rameshwarlal Kabra and Shreegopal Rameshwarlal Kabra
Satyanarayan Loya	Father of Ashok Satyanarayan Loya
Saraswatidevi Satyanarayan Loya	Mother of Ashok Satyanarayan Loya
Hemant Mahendrakumar Kabra	Son of Mahendrakumar Rameshwarlal Kabra
Umadevi Tribhuvanprasad Kabra	Wife of Tribhuvanprasad Rameshwarlal Kabra
Vvidhi Kabra	Wife of Mahhesh Kabra
Anant Satyanarayan Loya	Brother of Ashok Satyanarayan Loya
Neha Ashok Loya	Daughter of Ashok Satyanarayan Loya
Mamta Ashok Loya	Wife of Ashok Satyanarayan Loya
Nikunj Ashok Loya	Son of Ashok Satyanarayan Loya
Kishori Dinesh Modani	Sister of Kirtidevi Shreegopal Kabra

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Shaurya Sanjay Taparia	Son of Sanjay Narnarayan Taparia
Vandana Jain	Wife of Rajesh Babu Jain
Sarita Jhawar	Daughter of Tribhuvanprasad Rameshwarlal Kabra
Rajesh Shreegopal Kabra	Son of Shreegopal Rameshwarlal Kabra
Gaurishankar Satyanarayan Loya	Brother of Ashok Satyanarayan Loya
Priti Amit Saboo	Daughter of Shreegopal Rameshwarlal Kabra
Shruti Kalani	Daughter of Sanjay Narnarayan Taparia
Asha Muchhal	Daughter of Shreegopal Kabra
Janvi Kabra	Daughter of Mahhesh Kabra
Deves Kabra	Son of Mahhesh Kabra
Saumya Sumeet Kabra	Daughter of Sumeet Mahendrakumar Kabra
Samaya Sumeet Kabra	Daughter of Sumeet Mahendrakumar Kabra

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

MEW Electricals Limited	Rameshwarlal Kabra (HUF)
Ram Ratna International	Tribhuvanprasad Kabra (HUF)
Kabel Buildcon Solutions Private Limited	Mahendra Kumar Kabra (HUF)
Ram Ratna Infrastructure Private Limited	Kabra Shreegopal Rameshwarlal (HUF)
Ram Ratna Wires Limited	Mahesh Kabra (HUF)
Pratik Wire & Cable Machine Private Limited	Satyanarayan Mohanlal Loya (HUF)
Jag-Bid Finvest Private Limited	Anant Satyanarayan Loya (HUF)
RR Electrical Middle East FZC	
Ram Ratna Research and Holdings Private Limited	
Global Copper Private Limited	
KGR Worldwide Solutions LLP	
Gallery Retail LLP	
Epavo Electricals Private Limited	
Maa Ratnidevi Kabra Maheshwari Mahila Sashaktikaran Trust	

d) Joint venture:

RR-Imperial Electricals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

A) Transactions with Key Management Personnel:

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Directors :		
Director sitting fees		
Bhagwat Singh Babel	8.20	4.10
Ramamirtham Kannan	4.10	3.50
Mahendrakumar Rameshwarlal Kabra	2.80	1.00
Mukund Chitale	4.90	2.50
Vipul Sabharawal	3.40	-
Jyoti Davar	1.50	-
Commission-independent directors		
Bhagwat Singh Babel	14.00	4.00
Ramamirtham Kannan	11.12	4.00
Mukund Chitale	14.00	4.00
Vipul Sabharawal	6.05	-
Jyoti Davar	2.90	-
Commission to directors		
Tribhuvanprasad Rameshwarlal Kabra	132.01	136.17
Shreegopal Rameshwarlal Kabra	132.01	136.17
Managerial Remuneration (Note 33.1)		
Ashok Satyanarayan Loya	30.00	60.00
Kirtidevi Shreegopal Kabra	51.10	72.00
Sanjay Narnarayan Taparua	85.16	90.00
Shreegopal Rameshwarlal Kabra	171.00	144.00
Sumeet Mahendrakumar Kabra	51.10	72.00
Tribhuvanprasad Rameshwarlal Kabra	171.00	144.00
Mahhesh Kabra	51.10	72.00
Rajesh Babu Jain	117.00	102.17
Rajeev Pandiya	172.67	172.82
Dinesh Aggarwal	73.45	-
Himanshu Navinchandra Parmar	26.50	26.03
Reimbursement of Travelling expenses		
Tribhuvanprasad Rameshwarlal Kabra	20.96	9.93
Mahendrakumar Rameshwarlal Kabra	4.38	2.71
Shreegopal Rameshwarlal Kabra	4.62	3.88
Mahhesh Kabra	9.93	3.72
Others	6.07	5.83
Dividend Paid:		
Mahendrakumar Rameshwarlal Kabra	389.19	216.21
Shreegopal Rameshwarlal Kabra	134.75	84.86
Kirtidevi Shreegopal Kabra	254.53	141.41
Tribhuvanprasad Rameshwarlal Kabra	219.72	56.56
Mahhesh Kabra	251.30	57.72
Others	196.50	109.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Personal gaurantee given		
For Secured borrowings		
Tribhuvanprasad Rameshwarlal Kabra	}	}
Mahendrakumar Rameshwarlal Kabra		
Shreegopal Rameshwarlal Kabra		
Mahhesh Kabra		
Sumeet Mahendrakumar Kabra	50,833	43,846.00
For Un-secured borrowings		
Tribhuvanprasad Rameshwarlal Kabra	}	}
Mahendrakumar Rameshwarlal Kabra		
Shreegopal Rameshwarlal Kabra		
Mahhesh Kabra		
Sumeet Mahendrakumar Kabra	18,933	10,709.00

B) Transactions with Relatives of Key Management Personnel:

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Expenses:		
Rent expenses		
Ratnadevi Rameshwarlal Kabra	47.01	47.01
Umadevi Tribhuvanprasad Kabra	-	22.66
Vvidhi Kabra	16.99	-
Others	5.04	4.62
Dividend :		
Dividend Paid		
Hemant Mahendrakumar Kabra	305.97	169.99
Umadevi Tribhuvanprasad Kabra	-	327.55
Rajesh Shreegopal Kabra	148.58	82.55
Priti Amit Saboo	120.80	77.11
Vvidhi Kabra	200.26	29.37
Sarita Jhawar	202.15	14.04
Others	238.28	135.38
Outstanding balances		
Security deposits Receivable		
Umadevi Tribhuvanprasad Kabra	-	40.00
Ratnadevi Rameshwarlal Kabra	15.00	15.00
Hemant Mahendrakumar Kabra	1.26	1.26

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

C) Transactions with the entities over which Key Management Personnel and their relatives are able to exercise significant influence:

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Purchase of Goods		
MEW Electricals Limited	272.93	205.55
Ram Ratna International	226.93	204.19
Epavo Electricals Private Limited	822.65	95.04
Others	18.69	17.22
Sale of Goods		
Ram Ratna International	19,749.01	17,730.66
Global Copper Private Limited	632.79	701.83
Others	1,575.94	2,027.09
Purchase of Capital Goods		
Pratik Wire & Cable Machine Private Limited	90.40	45.93
Income :		
Rent income		
Ram Ratna International	0.42	0.42
Processing charges		
MEW Electricals Limited	15.90	3.59
Ram Ratna Wires Limited	4.66	1.29
Expenses:		
Commission on sales		
Ram Ratna International	1,381.74	1,153.14
Donations		
Maa Ratnadevi Kabra Maheshwari Mahila Sashaktikaran Trust	-	106.00
Rent expenses		
Kabel Buildcon Solutions Private Limited	0.97	8.68
Kabra Shreegopal Rameshwarlal (HUF)	47.01	47.01
MEW Electricals Limited	-	2.83
Dividend :		
Dividend Paid		
Ram Ratna Research and Holding Private Limited	228.53	126.96
Rameshwarlal Kabra (HUF)	408.19	226.77
Kabra Shreegopal Rameshwarlal (HUF)	176.45	98.03
Tribhuvanprasad Kabra (HUF)	64.62	35.90
Mahendra Kumar Kabra (HUF)	51.94	28.86
Satyanarayan Loya (HUF)	5.40	3.00
Anant Loya (HUF)	11.70	6.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
MEW Electricals Limited	100.62	55.90
Ram Ratna Wires Limited	61.40	34.11
Jag-Bid Finvest Private Limited	60.48	33.60
Kabel Buildcon Solutions Private Limited	31.82	17.68
Dividends received from quoted equity investments		
Ram Ratna Wires Limited	70.54	14.11
Outstanding balances		
Security deposits Receivable		
Kabra Shreegopal Rameshwarlal (HUF)	15.00	15.00
Kabel Buildcon Solutions Private Limited	-	3.68
Trade Payable		
Ram Ratna International		
Ram Ratna International	340.44	316.12
Others	-	5.43
Advances to vendor		
EPAVO Electricals Private Limited	179.84	27.00
Pratik Wire & Cable Machine Private Limited	46.65	3.12
Ram Ratna Wire Limited	339.29	-
Trade Receivable		
Ram Ratna International	91.88	718.45
Ram Ratna Wires Limited	268.48	0.04
Others	25.48	26.71

D) Transaction with Joint venture

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Sale of Goods		
RR-Imperial Electricals Limited	809.85	1,033.50
Trade Receivable		
RR-Imperial Electricals Limited	398.36	555.71

33.1: Includes provision of ₹ 5.01 Lakhs (P.Y ₹ 5.09 Lakhs) post employment benefits and ₹ 10 Lakhs (P.Y ₹ 8.98 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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 34 : Transactions with 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 period ended 31 March 2023 and 31 March 2022.

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	
	For the year ended 31 March 2023	For the year ended 31 March 2022
i) Change in Defined Benefit Obligation		
Obligation at the beginning of the year	1,674.27	1,385.40
Current Service Cost	280.79	216.48
Interest Cost	117.53	81.34
Past Service Cost	-	-
Liability on account of buisness combination	290.46	-
Benefits Paid	(101.47)	(81.24)
Remeasurement (gains)/ losses	55.51	72.29
Defined Benefit Obligation at the end of the year	2,317.08	1,674.27
ii) Change in Plan Assets		
Fair value of plan assets at the beginning of the year	1,795.47	1,544.11
Return on plan assets	117.54	91.26
Employer Contributions	296.37	241.34
Asset acquired on account of buisness combination	290.46	-
Benefits Paid	(101.47)	(81.24)
Remeasurement gains/ (losses)	10.12	0.00
Fair Value of Plan Assets at the end of the year	2,408.49	1,795.47
iii) Amount recognized in the Balance Sheet		
Present value of funded defined benefit obligation	2,317.08	1,674.27
Fair value of plan assets at the end of the year	2,408.49	1,795.47
Amount Recognized in the Balance Sheet	(91.41)	(121.20)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31 March 2023	For the year ended 31 March 2022
iv) Expenses recognized in the Statement of Profit & Loss and Other Comprehensive Income		
Employee Benefits Expense		
Current Service Cost	280.79	216.48
Past Service Cost	-	-
Interest Cost	117.53	81.34
Expected Return on plan assets	(117.54)	(91.26)
	280.78	206.56
Other Comprehensive Income		
Remeasurement gains/ (losses)	(10.12)	(0.00)
Actuarial loss arising from changes in financial assumption	(75.05)	86.18
Actuarial (gain) arising from changes in demographic assumption	-	(19.79)
Actuarial (gain)/loss arising on account of experience changes	130.55	5.91
	45.39	72.29
v) Investment details		
LIC- Administrator of the plan fund	2,408.49	1,795.47
vi) Principal assumption used in determining defined benefit obligation		
Discount rate (per annum)	7.40%	6.95%
Salary escalation rate (per annum)	8.50%	8.50%
Attrition rate		
18-20 year	5.00%	5.00%
21-30 year	12.00%	12.00%
31-50 year	10.00%	10.00%
51-57 year	15.00%	15.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table
vii) Sensitivity Analysis		
Increase in 50bps on DBO		
Change in discounting rate	2,238.49	1,615.08
Change in Salary Escalation	2,395.43	1,733.74
Decrease in 50bps on DBO		
Change in discounting rate	2,400.73	1,737.39
Change in Salary Escalation	2,242.22	1,617.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31 March 2023	For the year ended 31 March 2022
viii) Maturity profile of defined benefit obligation (undiscounted value)		
Within the next 12 months (next annual reporting period)	334.40	208.45
Between 2 and 5 years	740.10	698.53
Between 5 and 9 years	1,147.82	644.45
10 and above years	2,200.30	1,577.12

- i) The average duration of the defined benefit plan obligation at the end of the reporting period is 7.00 years (P.Y. 7.30 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 31.03.2023	% of Investment pattern as on 31.03.2022
Central Govt Securities	30.94	23.57
State Govt Securities	38.41	45.67
C.B.L.O., Bank balance etc.	12.32	3.29
Other approved securities	0.01	0.01
NCD / Bonds	6.35	17.57
Equity	11.97	9.89
Total	100.00	100.00

- vi) Expected contribution of plan in next year is ₹ 296.37 Lakhs (P.Y. ₹. 234.41).
- 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)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Contribution to Provident Fund*	828.11	588.95
Contribution to Employees state insurance	49.89	34.70

*Includes contribution of ₹ 6.05 Lakhs (P.Y. ₹ 12.72) 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 March 2023	As at 31 March 2022
Amount recognized in the Balance Sheet		
i) Current Liability	285.03	430.57
ii) Non- Current Liability	1,408.07	717.16

Actuarial Assumptions	As at	
	31 March 2023	31 March 2022
Discount Rate	7.40%	6.95%
Salary growth rate	8.50%	8.50%
Attrition rate		
18-20 year	5.00%	5.00%
21-30 year	12.00%	12.00%
31-50 year	10.00%	10.00%
51-57 year	15.00%	15.00%

Note 36 : Calculations of Earnings Per Share	For the year ended	
	31 March 2023	31 March 2022
Profit for the period (₹ in Lakhs)	18,987.26	21,393.49
Movement of Equity shares:		
Number of equity share at the beginning of the period*	111,068,856	111,068,856
Number of equity share at the end of the period*	111,068,856	111,068,856
Weighted average number of equity shares outstanding during the period*	111,068,856	111,068,856
Add : Weighted average Equity Options (Time Based)	148,393	177,902
Add : Weighted average Equity Options (Performance Based)	29,634	35,580

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 36 : Calculations of Earnings Per Share	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average number of equity shares outstanding during the period (for diluted)*	111,246,883	111,282,338
Face value of equity share (in ₹)	5.00	5.00
Earnings Per Share		
Basic Earnings Per Share (in ₹)	17.09	19.26
Diluted Earnings Per Share (in ₹)	17.07	19.22

Note 36.1 Share split and bonus issue

The basic and diluted earnings per share for the previous periods/years presented have been calculated/restated after considering the share split and issue of bonus shares during the year ended 31 March 2023. Further, appropriate effect of potential equity shares to be issued has been considered in above EPS calculation on account of share split and of issue of bonus shares in relation to compulsory convertible preference shares and options granted to employees under the ESOP scheme of the Company.

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 :

A) Category-wise classification of financial instruments:

(₹ in Lakhs)

Assets	Refer Note	Non-Current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Financial assets measured at fair value through other comprehensive income (FVTOCI)					
Investments in quoted equity shares (Note 37.1)	3A	4,461.57	2,789.65	-	-
Investments in unquoted equity shares (Note 37.1)	3A	1,348.94	1,265.96	-	-
Financial assets measured at fair value through profit and loss (FVTPL)					
Investments in mutual funds	3B	-	-	28,492.36	20,547.35
Financial assets measured at amortised cost (Note 37.3)					
Security deposits	5A & 5B	324.12	205.85	39.65	194.24
Loan to employees	4A & 4B	28.70	5.21	6.03	22.01
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5A	33.51	11.27	-	-
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	245.92	201.89
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	120.88	14.09
Derivative assets-mark to market	5B	-	-	140.30	600.16
Others (Insurance claim and recoverable expenses)	5B	-	-	350.13	179.28
Trade receivables	9	-	-	59,186.85	51,714.28
Cash and cash equivalents	10A	-	-	3,103.48	1,229.90
Bank Balances other than cash and cash equivalents	10B	-	-	5,004.03	0.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(₹ in Lakhs)

Liabilities	Refer Note	Non-Current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Financial Liabilities measured at fair value through profit or loss (FVTPL)					
Derivative liabilities - mark to market	15B	-	-	222.39	0.68
Financial Liabilities measured at amortised cost (Note 37.3)					
Borrowings	13A & 13B	2,685.95	5,931.32	48,898.11	46,179.81
Interest accrued	13B	-	-	199.65	63.53
Obligation under Lease	14A & 14B	5,640.45	822.68	819.53	325.06
Security deposits and others	15B	-	-	558.69	248.67
Unclaimed dividend	15B	-	-	4.03	0.03
Retention money relating to capital expenditure	15A and 15B	212.87	-	293.60	440.45
Interest accrued	15B	-	-	198.19	-
Accrued salary & benefits	15B	-	-	1,454.48	1,023.72
Director's Commission	15B	-	-	264.02	272.33
Creditors for capital expenditure	15B	-	-	614.50	273.88
Trade payables	19	-	-	44,012.89	16,787.38

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 (31.03.2022 ₹1,637.31 Lakhs) are measured at cost in accordance with Ind AS 27 requirements. Since it is scoped out of Ind AS -109 for the purpose of measurement, the same have not been disclosed in tables above.

Note 37.3 The Company has not disclosed the fair values of financial instruments carried at amortised cost because their carrying amounts are a reasonable approximation of fair value.

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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(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 31 March 2023	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
Investments in quoted equity shares (Note 3A)	4,461.57	4,461.57	-	-
Investments in unquoted equity shares (Note 3A)	1,348.94	-	-	1,348.94
Financial assets measured at fair value through profit or loss (FVTPL)				
Derivative assets -mark to market (Note 5B)	140.30	-	140.30	-
Investments in mutual funds (Note 3B)	28,492.36	28,492.36	-	-
Financial liabilities measured at fair value through profit or loss (FVTPL)				
Derivative liability -mark to market (Note 15B)	222.39	-	222.39	-

(₹ in Lakhs)

Financial Assets/ Financial Liabilities as at 31 March 2022	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
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
Financial assets measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds (Note 3B)	20,547.35	20,547.35	-	-
Derivative assets -mark to market (Note 5B)	600.16	-	600.16	-
Financial liabilities measured at fair value through profit or loss (FVTPL)				
Derivative liability -mark to market (Note 15B)	0.68	-	0.68	-

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments in the consolidated balance sheet, as well as the significant unobservable inputs used in measuring Level 3 fair values for financial instruments.

Financial instruments measured at fair value (Level 2 and Level 3)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in unquoted equity shares (Note 3A)	Discounted cash flows: The valuation model considers the present value of the expected equity value, discounted using a risk-adjusted discount rate.	<ul style="list-style-type: none"> Expected Terminal growth rate 31 March 2023: 1 % 31 March 2022: 1 % Risk-adjusted discount rate 31 March 2023: 7.05 % 31 March 2022: 7.05 %" 	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> the expected terminal growth rate was higher (lower); or the risk-adjusted discount rate was lower (higher).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivative assets -mark to market (Note 5B)	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable.	Not applicable.
Financial assets measured at fair value through profit or loss (FVTPL)	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable.	Not applicable.

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 period ended 31 March 2023.

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 . 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.

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.

The Company 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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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	
	For the period ended 31 March 2023	For the period ended 31 March 2022
Increase in interest rate by 100 basis points	515.84	521.10
Decrease in interest rate by 100 basis points	(515.84)	(521.10)

(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. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk are to be hedged through forward exchange contracts.

The Company 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:

As at 31 March 2023

(₹ in Lakhs)

Particulars	USD	GBP	Euro	INR
Booked against import creditors	11.70	-	-	962.92
Booked against firm commitments or highly probable forecasted transactions				
- Against Import creditors	17.27	-	-	1,419.74
- Against export trade receivable*	157.59	135.25	73.21	33,500.01

As at 31 March 2022

(₹ in Lakhs)

Particulars	USD	GBP	Euro	INR
Booked against Foreign Currency Non-Resident borrowing	67.00	-	-	5,079.46
Booked against firm commitments or highly probable forecasted transactions				
- Against export trade receivable*	240.31	82.00	23.55	28,711.78

* 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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

As at 31 March 2023

(₹ in Lakhs)

Particulars	USD	GBP	OTHERS	Euro	INR
Import creditors	22.81	-	0.02	7.90	2,583.03
Export trade receivables	51.86	0.05	-	4.16	4,642.05

As at 31 March 2022

(₹ in Lakhs)

Particulars	USD	GBP	OTHERS	Euro	INR
Import creditors	58.38	-	-	0.18	4,440.60
Export trade receivables	55.67	1.46	0.05	2.28	4,559.39

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	
	For the period ended 31 March 2023	For the period ended 31 March 2022
Increase in exchange rates by 5%	361.25	450.00
Decrease in exchange rates by 5%	(361.25)	(450.00)

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 31 March, 2023 the carrying value of such equity instruments recognised at fair value through OCI amounts to ₹ 5,810.51 Lakhs (P.Y. 31.03.2022 ₹ 4,055.61 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:

(₹ in Lakhs)

Particulars	Impact on OCI Vefor Tax	
	For the period ended 31 March 2023	For the period ended 31 March 2022
Increase by 5%	223.08	202.78
Decrease by 5%	(223.08)	(202.78)

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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)

As at 31 March 2023	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	48,898.11	2,685.95	51,584.06	51,584.06
Derivative liabilities - mark to market (Note 15B)	222.39	-	222.39	222.39
Other financial liabilities (Note 15B)	3,554.86	-	3,554.86	3,554.86
Trade payables (Note 19)	44,012.89	-	44,012.89	44,012.89

(₹ in Lakhs)

As at 31 March 2022	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	46,179.81	5,931.32	52,111.13	52,111.13
Derivative financial liabilities (Note 15B)	0.68	-	0.68	0.68
Other financial liabilities (Note 15B)	2,404.18	-	2,404.18	2,404.18
Trade payables (Note 19)	16,787.38	-	16,787.38	16,787.38

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 minimise 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 March 2023	As at 31 March 2022
Balance at the beginning of the year	3,420.27	3,600.98
Add/(Less): Allowance/(reversal) for expected credit loss	53.85	(180.71)
Balance at the end of the year	3,474.12	3,420.27

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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 three reportable segments as follows.

Wires and Cables: Manufacture and sale of wires and cables.

Fast-Moving Electrical Goods [FMEG] : 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	For the year ended 31 March 2023				For the year ended 31 March 2022			
	Wires & Cables	Fast-Moving Electrical Goods	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
Income								
External revenue	495,853.24	64,066.88	-	559,920.12	411,144.28	27,449.34	-	438,593.62
Inter segment revenue	-	681.66	(681.66)	-	-	29.76	(29.76)	-
Total Income	495,853.24	64,748.54	(681.66)	559,920.12	411,144.28	27,479.10	(29.76)	438,593.62
Segment Profit/loss before tax and interest	35,158.30	(6,952.99)	-	28,205.31	32,271.93	(2,984.15)	-	29,287.78
Un-allocated items:								
Finance income				1,508.12				1,056.53
Finance costs				4,208.69				2,328.34
Share of loss of joint venture (net of taxes)				94.41				419.71
Profit before tax				25,599.15				28,435.68
Provision for taxation				6,611.89				7,042.19
Profit for the year				18,987.26				21,393.49
Depreciation and amortisation expenses	4,569.54	1,393.28	-	5,962.82	4,199.34	409.17	-	4,608.51

(B) Revenue by Geography

(₹ in Lakhs)

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
Within India	432,901.08	337,838.17
Outside India	127,019.04	100,755.45
Total Revenue	559,920.12	438,593.62

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

(C) Segment assets

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Wires & Cables	Fast-Moving Electrical Goods	Total	Wires & Cables	Consumer Electricals	Total
Segment assets	174,382.16	42,133.52	216,515.68	157,431.64	16,864.43	174,296.07
Unallocated assets:						
Non-current Investment	-	-	7,773.45	-	-	6,219.23
Current investments	-	-	28,492.36	-	-	20,547.35
Cash and bank balances	-	-	3,103.48	-	-	1,229.90
Bank balances other than cash and cash equivalents	-	-	5,004.03	-	-	0.03
Loans	-	-	34.73	-	-	27.22
Other financial assets	-	-	1,254.51	-	-	1,406.78
Income tax assets (net)	-	-	1,183.39	-	-	1,337.17
Total assets	174,382.16	42,133.52	263,361.63	157,431.64	16,864.43	205,063.75
Investment accounted for using equity method	-	-	1,962.94	-	-	2,163.62

(D) Segment liabilities

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Wires & Cables	Fast-Moving Electrical Goods	Total	Wires & Cables	Consumer Electricals	Total
Segment liabilities	43,551.40	17,666.97	61,218.37	18,679.41	6,785.26	25,464.67
Unallocated liabilities:						
Borrowings (Non-Current and Current, including Current Maturity)	-	-	51,584.06	-	-	52,111.13
Lease liabilities	-	-	6,459.98	-	-	1,147.74
Deferred tax liabilities (net)	-	-	1,486.86	-	-	1,310.53
Income tax liabilities (net)	-	-	643.40	-	-	-
Total	43,551.40	17,666.97	121,392.68	18,679.41	6,785.26	80,034.07

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 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 March 2023	As at 31 March 2022
Ram Ratna Wires Limited	Investment	4,460.85	2,789.09
Comfort Intech Limited	Investment	0.72	0.56
MEW electricals Ltd	Investment	1,348.94	1,265.96
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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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 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.

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 8.25% p.a., with maturity between 2021-2042.

The changes in the carrying value of right of use for the period ended 31 December 2022 are shown in Note no 2(C).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Non-current lease liabilities	5,640.45	822.68
Current lease liabilities	819.53	325.06
Total	6,459.98	1,147.74

The following is the movement in lease liabilities :

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As at the beginning of the year	1,147.74	833.00
Additions	6,239.87	737.80
Finance cost accrued during the year	410.21	31.02
Deletions	(375.40)	(54.85)
Payment of lease liabilities	(962.44)	(399.22)
As at the end of the period	6,459.98	1,147.74

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Below 1 year	819.54	325.06
1 to 3 years	1,561.14	534.73
3 to 5 years	1,185.85	287.95
Above 5 years	2,893.45	-

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Amortisation expense of right-of-use assets	934.84	386.04
Interest expense on lease liabilities	410.21	31.01
Expense relating to short-term leases (included in other expenses)	133.19	155.24
	1,478.24	572.29

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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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	For the period ended 31 March 2023		For the year ended 31 March 2022	
	Capital Expenditure *		3.41	
Revenue Expenditure				
- Cost of Raw Material	187.63		155.15	
- Salary & Wages	149.46		355.71	
- Other Expenses	8.91		10.14	
- Sale of Scrap	(130.23)	215.77	(102.42)	418.58
Total		219.17		447.01

* 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 period ended as at 31 March, 2023.

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2023	31 March 2022
Net debt (Current & Non-Current borrowing less cash and cash equivalents) (A)	48,480.57	50,881.23
Total capital (B)	141,643.34	124,503.39
Total capital and net debt C=(A+B)	190,123.91	175,384.62
Gearing ratio (A/C)	0.25	0.29

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.

As of 14 August 2023, there are no subsequent events to be recognized or reported that are not already disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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 period ended 31 March 2023	For the period ended 31 March 2022
Revenue as per contracted price	577,854.07	441,935.41
Adjustment		
Less : Sales Return	2,609.60	927.23
Less : Rebate & Discounts	21,555.49	9,077.92
Other operating revenue	6,231.14	6,663.36
Revenue from contract with customers	559,920.12	438,593.62

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 period ended 31 March 2023	For the period ended 31 March 2022
Receivables, which are included in ‘trade and other receivables’	59,186.85	51,714.29
Contact Liabilities, Advances from customers	7,050.08	2,552.09
	52,136.77	49,162.20

(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 period ended 31 March 2023	For the period ended 31 March 2022
Money received from Director during the year	-	-
Balance outstanding at the end of the year	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

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 2022. The Management believes that the Company's international transactions with associated enterprises post 31 March 2022 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 14 August 2023.

Note 48: Employee Stock Option Plan

RRKL ESOP 2020 (as amended in 2023)

On November 10, 2020, pursuant to the approval by the shareholders in the EGM and subsequently modified on April 11, 2023, the Board was authorized to create and grant from time to time, in one or more tranches, not exceeding 3,40,840 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 as amended in 2023 plan and eligible to receive such options under the Act, as may be decided under the RRKL ESOP 2020 plan as amended in 2023, exercisable into not more than 3,40,840 equity shares of face value of ₹5/- each fully paid-up, where one employee stock option would convert into one fully paid-up equity share of face value of ₹ 5/- 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 employee stock options during the year ended 31 March 23 and 31 March 22 to its eligible employee under RRKL ESOP 2020 plan. Details of the same 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	18,516	18,516	18,516	18,516	18,516
Grant Date	01 April 2021	01 April 2021	01 April 2021	01 April 2021	01 April 2021
Vesting date	01 April 2022	01 April 2023	01 April 2024	01 April 2025	01 April 2026
Exercise price (₹ per share)	270.08	270.08	270.08	270.08	270.08
Fair Value per Stock Option (₹ per share)	31.25	35.03	42.30	45.80	49.15
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	18,516	18,516	18,516	18,516	18,516
Vesting date	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026
Exercise price (₹ per share)	270.08	270.08	270.08	270.08	270.08
Fair Value per Stock Option (₹ per share)	35.03	38.73	42.30	45.80	49.15
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (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	13,332	13,332	13,332	13,332	13,332
Grant Date	01 June 2021	01 June 2021	01 June 2021	01 June 2021	01 June 2021
Vesting date	01 June 2022	01 June 2023	01 June 2024	01 June 2025	01 June 2026
Exercise price (₹ per share)	270.08	270.08	270.08	270.08	270.08
Fair Value per Stock Option (₹ per share)	45.00	49.53	53.90	58.13	62.18
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	13,332	13,332	13,332	13,332	13,332
Vesting date	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026
Exercise price (₹ per share)	270.08	270.08	270.08	270.08	270.08
Fair Value per Stock Option (₹ per share)	45.00	49.53	53.90	58.13	62.18
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee .				

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	11,856	11,856	11,856	11,856	11,856
Grant Date	30 September 2021	30 September 2021	30 September 2021	30 September 2021	30 September 2021
Vesting date	30 September 2022	30 September 2023	30 September 2024	30 September 2025	30 September 2026
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	57.93	63.73	69.33	74.75	79.98
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	11,856	11,856	11,856	11,856	11,856
Vesting date	30 September 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	57.93	63.73	69.33	74.75	79.98
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee .				

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	2,964	2,964	2,964	2,964	2,964
Grant Date	31 March 2022	31 March 2022	31 March 2022	31 March 2022	31 March 2022
Vesting date	31 March 2023	08 November 2023	08 November 2024	08 November 2025	08 November 2026
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	161.75	161.75	170.50	178.83	186.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Particulars	Tranch I	Tranch II	Tranch III	Tranch IV	Tranch V
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	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	161.75	170.50	178.83	186.70	194.20
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

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	1,484	1,484	1,484	1,484	1,484
Grant Date	31 March 2022	31 March 2022	31 March 2022	31 March 2022	31 March 2022
Vesting date	31 March 2023	01 November 2023	01 November 2024	01 November 2025	01 November 2026
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	161.75	161.75	170.50	178.83	186.70
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	1,484	1,484	1,484	1,484	1,484
Vesting date	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027
Exercise price (₹ per share)	337.50	337.50	337.50	337.50	337.50
Fair Value per Stock Option (₹ per share)	161.75	170.50	178.83	186.70	194.20
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

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	4,448	4,448	4,448	4,448	4,448
Grant Date	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023
Vesting date	31 March 2024	28 February 2025	28 February 2026	28 February 2027	28 February 2028
Exercise price (₹ per share)	450.00	450.00	450.00	450.00	450.00
Fair Value per Stock Option (₹ per share)	240.84	248.30	255.91	262.98	269.56
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	4,448	4,448	4,448	4,448	4,448
Vesting date	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Exercise price (₹ per share)	450.00	450.00	450.00	450.00	450.00
Fair Value per Stock Option (₹ per share)	242.98	250.98	258.40	265.29	271.73
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

On 20 March 2023, 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 10,60,000 employee stock options to or for the benefit of such person(s)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

who are in employment of the Company, present and future, within the meaning of RR Kabel Limited Employee Stock Option Plan 2023 and eligible to receive such options under the Act, as may be decided under the RR Kabel Limited Employee Stock Option Plan 2023, exercisable into not more than 10,60,000 equity shares of face value of ₹ 5/- each fully paid-up, where one employee stock option would convert into one fully paid-up equity share of face value of ₹ 5/- 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 RR Kabel Limited Employee Stock Option Plan 2023.

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.

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	11,112	11,112	11,112	11,112	11,112
Grant Date	31 March 2023	31 March 2023	31 March 2023	31 March 2023	31 March 2023
Vesting date	31 March 2024	16 December 2024	16 December 2025	16 December 2026	16 December 2027
Exercise price (₹ per share)	450.00	450.00	450.00	450.00	450.00
Fair Value per Stock Option (₹ per share)	240.84	246.65	254.38	261.55	268.22
Performance based options					
% of total options which are eligible to vest	20%	20%	20%	20%	20%
No. of Options	11,112	11,112	11,112	11,112	11,112
Vesting date	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028
Exercise price (₹ per share)	450.00	450.00	450.00	450.00	450.00
Fair Value per Stock Option (₹ per share)	242.98	250.98	258.40	265.29	271.73
EBITDA Target (in ₹ lakhs)	Annual EBITDA target approved by the Board of directors from time to time basis and notified to the Participating Employee				

(B) Fair Valuation

Weighted average fair value of options granted under RR Kabel Limited Employee Stock Option Plan 2020 are as follows :
(₹ in Lakhs)

Grant date	Option Value per unit granted	
	Term based	Performance based
01 April 2021	40.70	42.20
01 June 2021	53.75	53.75
30 September 2021	69.13	69.13
31 March 2022	171.90	178.40
31 March 2023	255.52	257.88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Weighted average fair value of options granted under RR Kabel Limited Employee Stock Option Plan 2023 are as follows :

Grant date	Option Value per unit granted	
	Term based	Performance based
31 March 2023	254.33	257.88

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	1 April 2021	1 June 2021	30 September 2021	31 March 2022	31 March 2023
Risk Free Rate	5.58%	5.70%	5.63%	6.20%	7.10%
Discount for lack of marketability	22.00%	22.00%	22.00%	22.00%	10.00%
Implied EV/EBITDA multiple and calibration factor	1.0x	1.0x	1.0x	1.0x	1.0x

(₹ in Lakhs)

(D) Movement of Options Granted :	As at 31 March 2023	As at 31 March 2022
	No. of shares	No. of shares
Outstanding at the beginning of the period	481,520	259,176
Granted during the period	155,600	481,520
Exercised during the period	-	-
Options expired (due to resignation)	185,160	259,176
Outstanding at the end of the year	451,960	481,520
Options exercisable at the end of the year	-	-

(₹ in Lakhs)

Grant date	Exercise price per share option (in ₹)
01 April 2021	270.10
01 June 2021	270.10
30 September 2021	337.50
31 March 2022	337.50
31 March 2023	450.00

(E) Break up of employee stock option expense

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Term based options	25.49	37.07
Performance based options	24.94	38.11
Total	50.43	75.18

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 49 : 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 50 : Finance Performance Ratio

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	% of variance	Explanation for change in the ratio by more than 25%
Liquidity Ratio						
Current Ratio (times)	Current Assets	Current Liabilities	1.77	2.14	-17.30%	
Solvency Ratio						
Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	0.36	0.42	-12.82%	
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	3.52	4.38	-19.47%	
Profitability ratio						
Net Profit Ratio (%)	Profit After Tax	Total Income	3.37%	4.83%	-30.17%	Net Profit ratio has been decreased due to higher operating expenses.
Return on Equity Ratio (%)	Profit After Tax	Closing Shareholder's Equity	13.37%	17.11%	-21.84%	
Return on Capital employed (%)	Earning before interest and tax	Tangible Net Worth + Total Debt + Deferred Tax Liability	11.51%	13.21%	-12.84%	
Return on Investment (%)	Income from investments	Average investment	9.10%	10.59%	-14.01%	
Utilization Ratio						
Trade Receivables turnover ratio (times)	Net Credit Sales	Average Trade Receivables	10.10	9.36	7.92%	
Inventory turnover ratio (times)	Cost of goods sold or Sales	Average Inventory	5.83	5.80	0.47%	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	% of variance	Explanation for change in the ratio by more than 25%
Trade payables turnover ratio (times)	Net Credit Purchases	Average Trade Payables	15.43	26.88	-42.59%	Trade payable turnover ratio has been decreased due to higher average trade payables.
Net capital turnover ratio (times)	Net Sales	Working Capital	6.61	5.40	22.51%	

Note 51 : Buisness acquisition

The company had entered into business transfer agreement with Luminous Power Technologies Private Limited for acquisition of branded business of Fan & Lights on a going concern basis by way of slump sale, which has been completed on 1 May 2022.

The company has accounted for the transaction under Ind AS 103, "Buisness combination" and allocated the aggregate purchase price to identifiable assets acquired and liabilities assumed. The difference being the excess of net assets value is credited to Capital Reserve.the details of such allocation is provided below :

₹ in Lakhs

Particulars	Amount
Non-current assets	
Property, Plant and Equipment	2,689.49
Other Intangible assets	666.81
Total non current assets	3,356.30
Current Assets	
Inventories	7,067.50
Financial Assets	
Trade receivables	5,818.97
Cash and cash equivalents	0.10
Loans	28.46
Other current assets	650.43
Total current assets	13,565.45
TOTAL ASSETS (A)	16,921.75
Current liabilities	
Trade payables	
- total outstanding dues of micro enterprises and small enterprises	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	3,175.37
Other financial liabilities	408.12
Provisions	708.38
Total Current liabilities	4,291.87
Total liabilities (B)	4,291.87
Net Assets (A-B)	12,629.88
Purchase consideration	10,958.33
Total Capital Reserve	1,671.55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

The Company has upgraded its ERP system with effect from 1 January 2023 wherein the details with respect to adjustment made to revenue from operations such as schemes and discounts, etc and profit or loss before tax pertaining to such business is not maintained separately. Accordingly, it is impracticable to determine revenue from operations and profit or loss before tax for such business acquired separately for the full period from 1 May 2022 to 31 March 2023 and hence the same has not been disclosed.

Further, revenue from operations and profit or loss before tax for such business acquired before the date of acquisition is not available with the Company and hence the combined revenue from operations and profit or loss before tax of the Company assuming the business combination had occurred from the beginning of the applicable reporting period i.e. 1 April 2022 is impracticable to compute and not been disclosed for the year ended 31 March 2023.

Note 52 : 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 53 : 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	For the period ended 31 March 2023	For the period ended 31 March 2022
i) Name of Joint Venture	RR-Imperial Electricals Ltd.	RR-Imperial Electricals Ltd.
ii) Latest audited balance sheet date	31-Mar-23	31-Mar-22
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 31 March 2023		
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)	1,962.94	2,163.62
viii) Profit for the year :-		
Considered in Consolidation (₹ in Lakhs)	94.41	419.71
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 THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 54 : Details of Joint venture

1) Name of Entity in the group

Particulars	Subsidiary/ Joint Arrangement	Country of Incorporation	% of Holding as on 31 March 2023	% of Holding as on 31 March 2022	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 March 2023	As at 31 March 2022
Current Assets	8,678.63	11,041.76
Non-Current Assets	3,971.81	4,938.88
Current Liabilities	6,130.78	8,793.53
Non-Current Liabilities	911.26	1,005.33
Equity	5,608.40	6,181.78
Proportion of the Company's ownership interest	35%	35%
Carrying amount of the Company's interest before consolidation adjustments	1,962.94	2,163.62
Less : adjustments on Consolidation	-	-
Carrying amount of the Company's interest	1,962.94	2,163.62

₹ in Lakhs)

Particulars	Joint venture	
	For the period ended 31 March 2023	For the period ended 31 March 2022
Revenue	16,545.90	17,546.82
Interest Income	14.28	11.16
Cost of raw material and components consumed	10,791.76	11,501.48
Changes in Inventories	1,344.85	1,080.51
Depreciation & amortization	353.30	432.54
Finance cost	684.75	441.44
Employee benefit	977.17	1,117.25
Other expenses	2,028.46	1,207.15
Profit before tax	379.89	1,777.60
Income tax expense	110.14	578.84
Profit for the year	269.75	1,198.74
Other Comprehensive Income	-	-
Total Comprehensive Income	269.75	1,198.74
Company's share of loss for the period	94.41	419.71
Less: Adjustment on Consolidation	-	-
Total Comprehensive Income on consolidation	94.41	419.71
company's share of other comprehensive income for the period	-	-
Company's total comprehensive income for the period	94.41	419.71
Dividend received from Joint venture during the period	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTD.)

Note 55 : 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 and Loss before tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	For the period ended 31 March 2023		For the period ended 31 March 2023		For the period ended 31 March 2023		For the period ended 31 March 2023	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
Company								
R R Kabel Limited	98.62%	140,006.01	99.63%	25,504.74	124.03%	1,523.22	100.99%	20,416.07
Joint Venture								
RR-Imperial Electricals Ltd.	1.38%	1,962.94	0.37%	94.41	-24.03%	(295.10)	-0.99%	(200.69)
TOTAL	100.00%	141,968.95	100.00%	25,599.15	100.00%	1,228.12	100.00%	20,215.38

(₹ 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	
	For the period ended 31 March 2022		For the period ended 31 March 2022		For the period ended 31 March 2022		For the period ended 31 March 2022	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
Company								
R R Kabel Limited	98%	122,866.07	99%	28,015.97	98%	1,645.38	98.05	22,619.16
Joint Venture								
RR-Imperial Electricals Ltd.	2%	2,163.62	1%	419.71	2%	29.61	1.95	449.32
TOTAL	100.00	125,029.69	100.00	28,435.68	100.00	1,674.99	100.00	23,068.48

Note 56 : Other statutory disclosures

- The Company has not traded or invested in Crypto currency or Virtual Currency during reporting periods.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company is not declared as a wilful defaulter by any bank or financial institution or other lender during the any reporting period.
- Section 8 of the Companies Act, 2013 company is required to disclose grants or donations received during the year. Since, the company is not covered under Section 8 of the Companies Act, 2013, the said disclosure is not applicable.

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 Rameshwarlal Kabra

Executive Chairman

DIN : 00091375

Shreegopal Rameshwarlal Kabra

Managing Director

DIN : 00140598

Rupen Shah

Partner

Membership No. 116240

Rajesh Babu Jain

Chief Financial Officer

Membership No: 20811

Dinesh Aggarwal

Chief Executive

Officer

Himanshu Navinchandra Parmar

Company Secretary

Membership No.FCS 10118

Place : Bengaluru

Date: 14 August 2023

Place : Mumbai

Date: 14 August 2023

NOTES

A series of horizontal dashed lines for writing notes.

Regd. Office :

Ram Ratna House, Oasis Complex (Utopia City), P. B. Marg, Worli, Mumbai - 400 013.

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Corp. Office :

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Vadodara - 390 003 • **T :** +91-265-6830 800