

**Rapicut Carbides Limited**

Since 1977



**44<sup>th</sup>**

**Annual Report  
2020-2021**



Total Customer Satisfaction Shall Be Our Prime Corporate Objective.

We Shall Achieve This Through Inculcating Team Spirit In Every Member Of The Company.

The Spirit Of Excellence Is The Corner Stone Of All We Do.

Quality With Us Is A Way Of Life.

Value For Money To The Customer, Continuous Improvement And Moving Towards Zero Defect Is Our Consistent Endeavour.

We Shall Continually Meet Statutory & Legal Requirement And Interested Party Requirement Along With Customer Requirement



**Abhishek V. Gami**  
Managing Director

## BOARD OF DIRECTORS

**Dhananjay D. Kanitkar**

Chairman, Independent Director

**Abhishek V. Gami**

Managing Director (Appointed w.e.f. July 01, 2020)

**Kishore D. Sharma**

Independent Director (Appointed w.e.f. July 01, 2020)

**Shruti A. Gami**

Non-Executive Director (Appointed w.e.f. July 01, 2020)

## MANAGEMENT TEAM

**Ashwin R. Master**

Chief Financial Officer

**Kamlesh M. Shinde**

Company Secretary & Compliance Officer

**Sanjay Kumar**

DGM (Sales & Marketing)

## CONSULTANT TEAM

**Jagdish C. Bhatia**

Strategic Business Advisor

**Balaram D. Markad**

Senior Technical Advisor

**Kirit S. Dave**

HR & Admin Consultant

## REGISTRAR & SHARE TRANSFER AGENTS

**Link Intime India Private Limited.**

C-101, 247 Park, L B S Marg,

Vikhroli West, Mumbai- 400083.

Tel : 022 49186000 / 49186270

Email ID : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website : [www.linkintime.co.in](http://www.linkintime.co.in)

## REGISTERED OFFICE & WORKS

**Rapicut Carbides Limited**

119, GIDC Industrial Area, Ankleshwar - 393 002.

Tel / Landline : (+91) 7573022016 / 7622002203

CIN : L28910GJ1977PLC002998

E-mail : [info@rapicutcarbides.com](mailto:info@rapicutcarbides.com)

[investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com)

Web : [www.rapicutcarbides.com](http://www.rapicutcarbides.com)

**Bank**

State Bank of India

**Auditors**

Maloo Bhatt & Co.

Chartered Accountants

Vadodara.

**Area Sales Force At :**

Mumbai, Pune, Kolkatta, Chennai.

**Sales Representative**

Bangalore

# Contents

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- 1 Notice
- 9 Board's Report
- 17 Management Discussion & Analysis
- 20 Secretarial Audit Report
- 24 Auditors' Report
- 30 Balance Sheet
- 31 Profit & Loss Account
- 32 Cash Flow
- 34 Notes to Accounts





## NOTICE

### 44th Annual General Meeting

NOTICE is hereby given that the 44th Annual General Meeting of the Members of Rapicut Carbides Limited will be held on Tuesday, September 28, 2021 at 12.00 noon through Video Conferencing (VC) facility or Other Audio Visual Means (OAVM), to transact the following business:

#### Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements including the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date, along with reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Shruti Abhishek Gami (DIN: 08764442), who retires by rotation and being eligible, offers herself for re-appointment.

3. Appointment of Statutory Auditors of the Company.

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, including any amendment, modification or variation thereof, and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s K C Mehta & Co., Chartered Accountants, Vadodara, having Firm Registration No. 106237W, be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring auditors, M/s. Maloo Bhatt & Co., Chartered Accountants, for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 49th Annual General Meeting of the Company to be held in the year 2026, at a remuneration of Rs 2,12,500/- per annum plus GST and out-of-pocket expenses."

#### NOTES

1. In view of the outbreak of Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated 5th May, 2020, read with General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 02/2021 dated 13th January, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations, 2015') and MCA Circulars, the 44th AGM of the Company will be held through VC/OAVM on Tuesday, September 28, 2021 at 12.00 noon (IST). The deemed venue for the 44th AGM will be 119, GIDC Industrial Area, Ankleshwar – 393002, Gujarat, India. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. In line with the Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 read with SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, the Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website [www.rapicutcarbides.com](http://www.rapicutcarbides.com), website of stock exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Central Depository Services (India) Limited [www.evotingindia.com](http://www.evotingindia.com).
3. Since this AGM is being held through VC / OAVM, pursuant to MCA Circulars, 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. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Corporate Members intending to appoint their authorised representatives pursuant to Sections 113 of the Act to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Company by e-mail at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com).
5. Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
6. The details of the Directors seeking re-appointment at the AGM, pursuant to the provisions of Regulation 36(3) of the SEBI Listing Regulations, 2015, para 1.2.5 of the Secretarial Standards on General Meetings (SS-2) and other applicable provisions are provided in Annexure – A to this Notice.
7. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send a request from their registered Email ID mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com)
8. As per Regulation 40 of the SEBI Listing Regulations, 2015 as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and Transfer Agent, M/s Link Intime India Private Limited at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) for assistance in this regard.
9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to their Depository Participants (DP) in case the shares are held in electronic form and to the Registrar at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting their folio number. Further, Members may note that Securities and Exchange Board of India ('SEBI') has mandated the submission of PAN by every participant in the securities market.
10. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and register a fresh nomination, he/she may submit the same in Form No. SH-14. The said forms can be downloaded from the Registrar and Transfer Agent's website at [www.linkintime.co.in](http://www.linkintime.co.in) under 'Downloads' section. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting their folio number.
11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
12. The Company has uploaded the information in respect of the Unclaimed Dividends of the Financial years 2013-2014 to 2018-2019 under "Investor Section" on the website of the Company viz. [www.rapicutcarbides.com](http://www.rapicutcarbides.com).
13. In terms of Section 124 of the Act, all unpaid and unclaimed dividend for the financial year ended March 31, 2014 will be transferred to the Investor Education and Protection Fund set up by the Government u/s 125 of the Act within 30 days from the due date i.e. October 12, 2021 and thereafter no claim shall lie against the Company in respect of the said unpaid or unclaimed amount. Shareholders may approach IEPF Authority for claiming the dividend transferred to Investor Education and Protection Fund and follow the procedure as per Rule 7 of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred as "IEPF Rules") for claiming unpaid dividend.

As per Section 124 (6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid / unclaimed for seven consecutive years or more are required to be transferred to IEPF Demat Account. The Company had sent notice to all the members whose Dividends are lying unpaid/unclaimed for seven consecutive years or more. Members are requested to claim the same. In case the dividends are not claimed, necessary steps will be initiated by the Company for transfer of shares to IEPF without further notice. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF.

In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5.

14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.
15. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include big Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

The instructions for shareholders for remote e-voting and joining virtual meetings are as under:

- (i) The voting period begins on Saturday, September 25, 2021 at 9.00 a.m. and ends on Monday, September 27, 2021 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, September 21, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the AGM.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and Email ID in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL / NSDL / KARVY / LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</li> <li>3) If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also will be able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>



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

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.:18001020990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

- 1) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Ex. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the Depository or Company, please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the Rapicut Carbides Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians – Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.



3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to AGM mentioning their name, demat account number/folio number, Email ID, mobile number at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, Email ID, mobile number at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com). These queries will be replied by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITORIES.**

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhar (self attested scanned copy of Aadhar Card) by email to Company/RTA Email ID.
2. For Demat shareholders - Please update your Email ID & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders- Please update your Email ID & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Date: August 14, 2021  
Place : Ankleshwar.

**By Order of the Board**

Kamlesh M. Shinde  
**Company Secretary**

**Annexure-A**

Details of the Director seeking Re-Appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 are as under:

Name of the Director	Smt. Shruti Abhishek Gami.
Age	31 years.
Date of first Appointment on the Board	July 01, 2020.
Qualification	M.Com, Diploma in Computer Application.
Experience in specific functional areas	Experience in handling Accounts, Administration and IT related activities.
Directorships in other Public Companies	Nil
Chairman/ Member of the Committees of the Board of Directors of the Company	Member of Nomination and Remuneration Committee and Stakeholder's Relationship Committee.
Chairman/Member of the Committees of the Board of Directors of the other Companies in which he is a Director	Nil
No. of Shares held in the Company	1,48,640 Equity Shares.
Inter-se Relationship between Directors	Wife of Shri. Abhishek Gami, Managing Director
Director Identification Number	08764442.
No. of Meetings of the Board attended during the FY 2020-21	Three

\*\*\*\*\*

## **BOARD'S REPORT**

Dear Members,

Your Directors have pleasure in presenting their 44th Annual Report together with the Audited Statements of Accounts for the year ended March 31, 2021. The Company operates only in one business segment viz., Tungsten and Tungsten Carbide Products.

### **Operations and State of Affairs of the Company:**

Particulars	(Rs. in Lakhs)	
	Year ended 31/03/2021	Year ended 31/03/2020
Revenue from Operations	2,803	3,360
Profit before Depreciation and Tax (Including Deferred Tax)	(42)	42
Profit after Depreciation and Tax	(82)	(9)
Reassessment of Losses (Profit) on defined employee benefit plans and fair value of loan	(15)	(1)
Total Comprehensive income for the year	(97)	(10)
Add:		
Profit brought forward from previous year	1,221	1,328
Profit available for appropriation	1,127	1,318
Appropriations		
Dividend and Dividend Tax	-	97
Transfer to General Reserve	-	-
Profit carried to Balance Sheet	1,127	1,221

### **DIVIDEND**

The Board of Directors of your Company, after considering relevant circumstances and loss for the Financial Year 2020-21 (year under review), has decided that it would be prudent, not to recommend any Dividend for the year under review.

### **TRANSFER TO RESERVES**

Due to loss in the FY 2020-21, no amount has been transferred to Reserves.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report as required under Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report. Certain Statements in the said report may be forward-looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook. The Management Discussion and Analysis Report is furnished as Annexure -A.

### **SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE**

The Company does not have any Subsidiary, Associate Company and has not entered into any Joint Venture during the year under review.

### **DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public during the year under review and no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2021.

### **CHANGE IN CAPITAL STRUCTURE**

There is no change in the paid up equity share capital during the year under review. The paid up equity share capital of the Company as on March 31, 2021 is Rs. 5,37,12,450/-.

## **DIRECTORS**

Members at their meeting held on September 28, 2020, appointed 1) Shri. Abhishek V. Gami as Managing Director for a period of five years commencing from July 01, 2020 till June 30, 2025, liable to retire by rotation. 2) Smt. Shruti A. Gami as Non Executive Director liable to retire by rotation. 3) Shri. Dhananjay D. Kanitkar as Independent Director of the Company for a period of two years, effective from February 07, 2020 till February 06, 2022. 4) Shri. Kishore D. Sharma as Independent Director of the Company for a period of two years, effective from July 01, 2020 till June 30, 2022.

## **KEY MANAGERIAL PERSONNEL**

Shri. Abhishek V. Gami, Managing Director, Shri. Ashwin R. Master, Chief Financial Officer and Shri. Kamlesh M. Shinde, Company Secretary are the Key Managerial Personnel of the Company.

Shri. Balaram D. Markad, Chief Operating Officer retired from service on June 01, 2021.

## **MEETINGS OF THE BOARD**

Four (4) Board Meetings were held during the financial year ended March 31, 2021 on the following dates:

1) June 30, 2020. 2) August 25, 2020. 3) November 09, 2020. 4) February 13, 2021.

## **INDEPENDENT DIRECTORS**

The Company has received declarations / confirmations from all the Independent Directors of the Company as required under Section 149(7) of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

## **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The following were the Evaluation Criteria:

- a) For Independent Directors:
  - Knowledge and Skills
  - Professional Conduct
  - Duties, Role and Functions
  - Fulfilment of the Independence Criteria and their independence from the management;
- b) For Executive Director:
  - Performance as Team Leader/Member
  - Evaluating Business Opportunity and analysis of Risk Reward Scenarios
  - Set Key Goals and Achievements
  - Professional Conduct and Integrity
  - Sharing of Information with the Board.

The Directors expressed their satisfaction with the evaluation process.

## **AUDIT COMMITTEE**

This Committee comprises of the Directors viz. Shri. Dhananjay D. Kanitkar as Chairman of the Committee, Shri. Abhishek V Gami and Shri. Kishore D. Sharma as Members.

The Committee inter alia reviews the Internal Control System, Reports of Internal Auditors, Key Audit Matters presented by the Statutory Auditors and Compliance of various regulations. The Committee also reviews the financial statements before they are placed before the Board.



## **VIGIL MECHANISM**

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism or Whistle Blower Policy for directors, employees and other stakeholders to report genuine concerns has been established. The same is uploaded on the website of the Company and the web-link as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is: [www.rapicutcarbides.com/finance.htm](http://www.rapicutcarbides.com/finance.htm).

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY AND COMPLIANCE**

The Company's internal control procedures include internal financial controls, ensure compliance with various policies, practices and statutes keeping in view the organisation's size and nature of the business. The internal auditor carries out extensive audits throughout the year.

Your Company has adopted policies and procedures 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 the timely preparation of reliable financial disclosure.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not falling under the criteria mentioned in Section 135 (1) of the Companies Act, 2013. Therefore, the Company is not required to develop or implement Corporate Social Responsibility initiatives.

## **POLICY ON NOMINATION AND REMUNERATION**

In compliance with the requirements of Section 178 of the Companies Act, 2013, the Company has laid down a Nomination and Remuneration Policy which has been uploaded on the Company's website. The web-link as required under the Companies Act, 2013 is: <http://www.rapicutcarbides.com/finance.htm>.

The salient features of the NRC Policy are as under:

- 1) Setting out the objectives of the Policy.
- 2) Definitions for the purposes of the Policy.
- 3) Policy for appointment, retirement and removal of Director, KMP and Senior Management Personnel.
- 4) Policy relating to the Remuneration for the Whole Time Directors, KMP and Senior Management Personnel.

## **DIVIDEND DISTRIBUTION POLICY**

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 pertaining to Dividend Distribution Policy is not applicable to your Company, since it does not fall under the top 1000 listed entities based on Market Capitalization calculated as on March 31, 2021. Therefore, the Company is not required to formulate Dividend Distribution Policy.

## **RELATED PARTY TRANSACTIONS**

The particulars of Material Related Party Transactions entered by the Company which were at Arm's Length and in ordinary course of business under Section 188 of the Companies Act, 2013 are furnished as "Annexure B". The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is: [www.rapicutcarbides.com/finance.htm](http://www.rapicutcarbides.com/finance.htm).

## **CORPORATE GOVERNANCE**

Pursuant to Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compliance with the Corporate Governance provisions as specified in Regulations 17 to 27 and para C, D and E of Schedule V are not applicable to the Company as the paid up share capital of the Company is less than Rs. 10 Crores and net worth is also less than Rs. 25 Crores as on the last day of previous financial year. Hence, the Company is not required to furnish Corporate Governance Report.

## **LISTING OF SECURITIES**

The equity shares of the Company are listed on the BSE Limited (BSE) with security ID of 500360.

The Company confirms that the annual listing fees to the stock exchange for the financial year 2021-22 have been paid.

## **LOANS, GUARANTEES AND INVESTMENTS**

Your Company has not granted any loans, nor furnished guarantees, nor made investments during the financial year ended March 31, 2021 as envisaged under Section 186 of the Companies Act, 2013.

## **DETAILS OF APPLICATION/S MADE / ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR 2021:**

NIL.

## **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT & VALUATION DONE WHILE TAKING LOAN FROM THE BANKS / FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF :**

NIL.

## **AUDITORS**

### **a) Statutory Auditors**

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. Maloo Bhatt & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company by the members at their 40th Annual General Meeting held on 23rd September, 2017 to hold office for their second term of 4 (four) years i.e. till the conclusion of Annual General Meeting ('AGM') for the financial year 2020-21.

The Auditor's Report for the financial year 2020-21 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

The Audit Committee and Board of Directors of the Company at their respective meetings held on August 14, 2021 recommended the appointment of M/s K C Mehta & Co., Chartered Accountants, Vadodara as Statutory Auditors of the Company for a term of five (5) years i.e. from the conclusion of ensuing AGM till the conclusion of 49th AGM subject to approval of shareholders.

### **b) Secretarial Auditors**

The Board of Directors appointed M/s. Samdani Shah & Kabra, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2021-22.

The Secretarial Audit Report of M/s. Samdani Shah & Kabra, Practising Company Secretaries for the financial year 2020-21, is annexed hereto as Annexure C.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards.

### **c) Internal Auditors**

The Board of Directors appointed M/s. Rays & Associates., Chartered Accountants, Ahmedabad as Internal Auditors of the Company for the financial year 2021-22.

### **d) Cost Auditors**

The provisions of the Cost Audit are not applicable to the Company and hence the Company is not required to appoint Cost Auditor. However, cost records as specified under Section 148 (1) read with Companies (Cost Records and Audit) Rules, 2014 are made and maintained by the Company.

## **RISK MANAGEMENT**

The provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Risk Management Committee are not applicable to the Company. However, the Company has developed and are implementing Risk Management Policy including identification of various risks, if any, which in the opinion of the Board may threaten the existence of the Company, the Company has risk assessment and mitigation procedures in place and the Board has been kept informed of such assessment.

## **MATERIAL CHANGES**

There have been no material changes and commitments affecting the financial position of the Company since the closure of the Financial Year i.e. since March 31, 2021. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

## ANNUAL RETURN

A copy of the Annual Return as required under Section 92(3) and Section 134(3)(a) of the Act has been placed on the Company's website. The web-link as required under the Act is as under:

[www.rapicutcarbides.com/finance.htm](http://www.rapicutcarbides.com/finance.htm).

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

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is as under:

### A. CONSERVATION OF ENERGY

a. Energy Conservation measures taken:

- Company has installed LED lighting systems throughout the Company premises as a measure of energy conservation.
- Close monitoring of consumption of electricity, diesel and water.
- Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required.
- Creating awareness among employees to conserve energy.

b. Impact of measures:

Due to measures taken as described above, visible drop in the overall power and fuel oil consumption has resulted.

c. Details of total energy consumption:

Sr No.	Particulars	2020-2021	2019-2020
1	Total Electricity Consumption in units (kwh)	13,42,824	17,23,747
2	Expenditure on Electricity per annum (Rs in Lakhs)	110.41	137.58
3	Rate of Electricity per unit (In. Rs)	8.22	8.14

### B. TECHNOLOGY ABSORPTION

The Company continues to optimize benefits accrued from technology inputs secured over the years.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Foreign exchange earnings and outgo are as under:

(Rs in Lakhs)

Sr No.	Particulars	2020 -2021	2019 -2020
1.	Foreign Exchange earnings	0.30	0.82
2.	Foreign Exchange expenditure	434.14	690.76

### Details of Unclaimed Suspense Account

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is as under:

Particulars	No. of Shareholders	No. of Shares
Aggregate outstanding shares lying in the suspense account as on April 1, 2020	333	89,119
Number of shareholders/legal heirs who approached the issuer/Registrar for transfer of shares from suspense account during the Financial Year 2020-21	Nil	Nil
Number of shareholders/legal heirs to whom shares were transferred from suspense account during the Financial Year 2020 -21	Nil	Nil
Aggregate outstanding shares lying in the suspense account as on March 31, 2021	333	89,119

The voting rights on the equity shares which are transferred to Unclaimed Suspense Account are frozen till the rightful owner of such equity shares claims the shares.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:  
Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

<b>Name of Directors</b>	<b>Ratio to Employees</b>
Shri. Jagdish Bhatia – Managing Director*	1:2.1223
Shri. Abhishek Gami- Managing Director	1:6.860
Shri. Dhananjay Kanitkar – Independent Director	1:0.0232
Shri. Lalit Bijlani – Non Executive Director*	1:0.01160
Shri. Chetan Cholera – Non Executive Director*	1:0.01160
Smt. Gayatri Parikh – Independent Director*	1:0.01160
Shri. Kishore Sharma- Independent Director	1:0.03480
Smt. Shruti Gami- Non Executive Director	1:0.03480

\* Resigned during the financial year 2020-21.

Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year::

<b>Name</b>	<b>Financial Year 2020-21</b>
Shri. Jagdish Bhatia – Managing Director	Nil
Shri. Abhishek Gami – Managing Director	Nil
Shri. Balaram Markad – Chief Operating Officer	Nil
Shri. Ashwin Master – Chief Financial Officer	Nil
Shri. Kamlesh Shinde – Company Secretary	Nil

Percentage increase in the median remuneration of employees in the financial year (10.05%)

Number of permanent employees on the rolls of company 64

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 (14.82%)  
(Non Managerial Personnel)

(8.15%)  
(Managerial Personnel)

We affirm that the remuneration paid to the Managerial and Non-Managerial Personnel is as per the Nomination and Remuneration policy of the Company.

Details of top ten employees in terms of gross remuneration drawn during the financial year 2020-21 :

Sr No	Name	Designation	Remuneration (In. Rs)	Nature of Employment	Qualifications	Experience (in completed years)	Date of Commencement of employment with Rapicut	Age in years	Last Employment	% Equity shares held in the Company
1	Abhishek V Gami	MD	42,00,000	Regular	B.Sc Chemistry), M.Sc (Organic)	11	01/07/2020	33	Navin Fluorine International Limited	30.62%
2	Ashwin R Master	CFO	16,60,293	Regular	B.Com, M. Com Diploma (Taxation), Inter CA	40	01/07/1996	62	Armour Chemicals Limited	Nil
3	Sanjay Kumar	Dy Gen Mgr (Marketing)	12,30,105	Regular	B.sc MBA (Marketing)	27	20/06/2005	51	Bipico Industries	0.00068 %
4	Anil C Gandhi	Dy Gen Mgr (Blanks Production)	11,73,786	Regular	Diploma in Mech. Engg	38	01/06/1984	59	Forshah Forgings Pvt Ltd	Nil
5	Ashok D Sanap	Asst. Area Sales Manager	9,32,416	Regular	BA	31	15/12/1992	52	Sai Employment Services	Nil
6	Kamlesh M Shinde	Company Secretary	9,12,858	Regular	B.Com, CS	19	10/08/2019	46	Edelweiss Broking Ltd	Nil
7	Alok K Yadav	Manager (Maintenance)	8,41,533	Regular	Diploma in Electrical Engg.	29	09/04/2007	51	Gujarat Organics Ltd	Nil
8	Paresh Bombaywala	Asst Manager (A/cs)	7,78,447	Regular	B.Com, Inter CA	16	01/08/2016	50	Steelco Gujarat Ltd	Nil
9	Vaibhav Shah	Manager (A/cs)	6,99,612	Regular	B.Com, CA	06	22/02/2021	26	Surti & Talati Chartered Accountants	Nil
10	C Arunachalam	Area Sales Officer	6,43,356	Regular	H.Sc	28	01/09/1993	50	Rapicut Carbides Limited	Nil

Details of every employee, who was employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore Two lakhs Rupees: Not applicable.

Details of every employee, who was employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight lakhs fifty thousand rupees per month: Not applicable.

Details of every employee, who was employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company : Not applicable.

#### **OTHER DISCLOSURES:**

1. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
2. In the opinion of the Board, the Independent Directors appointed/ re-appointed during the year are persons of integrity and possess expertise, experience and proficiency.
3. No significant or otherwise material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. No fraud has been reported by the Auditors to the Audit Committee or the Board.
5. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability confirms that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **ACKNOWLEDGEMENTS**

Your Directors would like to place on record their sincere appreciation of the support and assistance extended by the Company's Suppliers, Bankers and Business Associates. Your Directors also acknowledge support received from the employees and the esteemed Shareholders and the confidence reposed by them in the Company and its Management.

Date : August 14, 2021  
Place : Ankleshwar

Dhananjay D. Kaniitkar  
**Chairman**

Abhishek V. Gami  
**Managing Director**



## **ANNEXURE -A**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **TUNGSTEN CARBIDE INDUSTRY STRUCTURE, PERFORMANCE, DEVELOPMENT AND OVERVIEW**

As mentioned in the previous (2019-20) report, continuing impact of pandemic thwarted management efforts towards materialising and servicing orders going into F.Y. 2020-21. It is common knowledge that overall business atmosphere was shrouded in uncertainties and even as the authorities began gradual easing of restrictions in Gujarat, some other States continued to restrict movement. Sale of mining products which forms a significant part of our product portfolio was adversely affected due to non-availability of migrant workforce which forms the back bone of field activity.

#### **OUTLOOK**

The overall demand in F.Y. 2021-22 has gradually but certainly picked up momentum and this augurs well going forward. Your Directors are pleased to report that Company has this year received order from Neyveli Lignite Corporation of close to Rs. 4 Crores. This order is being executed as per stipulated schedule. Additionally, Company has bagged a prestigious order of the approx. value of Rs. 4 Crores from a Defense Establishment. The execution process of this order has also started, However, considering the somewhat extended cycle of stage wise compliance as stipulated in the order, it is difficult to predict the value of execution which will reflect in F.Y. 2021-22. Successful completion of this order holds promise of larger orders in future from the said establishment in the event of successful bidding.

#### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS**

The product-wise performance of the Company is mentioned below:-

<b>Sr. No.</b>	<b>Particulars of Products Manufactured</b>	<b>12 Months ended 31/03/2021</b>	<b>12 Months ended 31/03/2020</b>
1.	Metal Cutting	<b>2,30,597 Nos.</b>	2,25,014 Nos.
2.	Mining	<b>4,98,648 Nos.</b>	7,96,145 Nos.
3.	Wear Parts	<b>34,355 Nos.</b>	39,408 Nos.
4.	Intermediates	<b>31,988.70 Kgs.</b>	26,867 Kgs.
5.	TC Tool Room Products	<b>26,220 Nos.</b>	24,971 Nos.

In all products with the exception of Mining, Company succeeded in securing fairly reasonable volumes. Mining activity was most impacted by pandemic conditions, hence the numbers were restricted to about 70% compared with the previous year.

#### **OPPORTUNITIES**

Company's Marketing team at works and other locations is proactively exploring ways and means to tap new customers. Their efforts do yield positive results from time to time.

#### **RISKS AND CONCERNS**

The Company evaluates and monitors all risks associated with various areas of operations such as production, sales, inventory management, debtor's management with a view to counter the adverse impact of the risk factors, to the extent feasible. However, the element of risks and concerns remains as under:-

- Price Volatility in key raw materials;
- Uncertainty in sustained stability of Rupee Dollar equation;
- Natural Calamities, accidents, pandemic etc.

#### **SAFETY, HEALTH AND ENVIRONMENT (SHE) MANAGEMENT**

Your Company continues to adopt best safety practices which have helped avoiding serious accidents. Regular safety inspection of plant and machinery is carried out to prevent accidents.

## HUMAN RESOURCES / INDUSTRIAL RELATIONS

Our people related policies span the entire spectrum of hiring the right talent as best as possible, up-skilling them and motivating them. This enables them in putting their best foot forward for fulfilling set targets. We do our best to provide our people healthy work environment that encourages sharing of knowledge, concerns and where the cross-pollination of ideas can always bloom. This reflects in their day to day performance at the ground level.

The details of employees are as under:

Number of Employees at the beginning of the year	92
Number of Employees recruited during the year	05
Number of Employees resigned during the year	05
Number of Employees retired during the year	08
Number of Employees at the end of the year	84

## SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS DURING THE FINANCIAL YEAR 2020-2021

The key financial ratios during FY 2020-21 vis a vis FY 2019-20 are as below:

Sr No.	Key Financial Ratios	FY 2020 - 21	FY 2019 - 20
1	Debtors Turnover Ratio	4.06	4.27
2	Inventory Turnover Ratio	1.67	1.43
3	Interest Coverage Ratio	(7.92)	(0.187)
4	Current Ratio	3.76	3.84
5	Debt Equity Ratio	0.002	0.067
6	Operating Profit Margin %	(3.84%)	(0.20%)
7	Net Profit Margin %	(2.892%)	(0.25%)
8	Return on Net worth %	(3.447%)	(0.35%)

Explanation on Significant changes in the above ratios:-

- 1) **Debtor's Turnover Ratio** : There is change in the said ratio due to low Sales Figure.
- 2) **Inventory Turnover Ratio** : There is change in the said ratio due to low Sales Figure.
- 3) **Interest Coverage Ratio** : There is significant change in the said ratio due to loss in the Financial Year under review.
- 4) **Debt Equity Ratio** : There is significant change in the ratio due to repayment of term loan and non - utilisation of Cash credit.
- 5) **Current Ratio** : There is no significant change in the said ratio.
- 6) **Operating Profit Margin %** : There is significant change in the ratio due to loss in the Financial Year under review.
- 7) **Net Profit Margin%** : There is significant change in the ratio due to loss in the Financial Year under review.
- 8) **Return on Net worth%** : There is significant change in the ratio due to loss in the Financial Year under review.

## CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations are "forward looking" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

The Management is confident that your Company with its Quality products and Brand Equity and enduring relations with its customers and commitment of its staff, is on the road to overcoming disturbing impact of pandemic and work towards achieving growth in time to come.

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**ANNEXURE - B**

**FORM AOC-2 – RELATED PARTY TRANSACTIONS**

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 there to. Following are the transactions at Arm's Length and in the Ordinary Course of Business. There is no transaction which can be defined as the transaction not being at Arm's Length and not in the ordinary course of business.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Sr. No.	Particulars	Details of contracts or arrangements or transactions not at arm's length basis	Details of material contracts or arrangement or transactions at arm's length basis
1.	Name(s) of the related party and nature of relationship	None	M/s United Wolfram. Shri. Abhishek Gami is a partner in M/s United Wolfram and Managing Director of Rapicut Carbides Limited.
2.	Nature of contracts/ arrangements/ transactions	None	1) Purchase of Raw Material viz Tungsten Trioxide, Sodium Tungstate etc from M/s United Wolfram. 2) Sale of Finished Products viz Inserts, Buttons and Intermediates viz, Tungsten Metal Powder, Fused Tungsten Carbide Powder, Tungsten Carbide Powder and other Products to M/s United Wolfram.
3.	Duration of the contracts	None	All the Related Party Transactions were as open Arrangement/ Contract to be executed from time to time during the Financial Year ending March 31, 2021.
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	None	1) Credit period of 45 days available to Rapicut Carbides Limited for making payment for purchase of Raw Material from M/s United Wolfram. Total Value of purchase of Raw Material from M/s United Wolfram is Rs 9.98 crores for Financial Year ended March 31, 2021. 2) Credit period of 45 days provided to M/s United Wolfram for making payment for sale of Finished Products and Intermediates by Rapicut Carbides Limited. Total Value of Sale of such Products to M/s United Wolfram is Rs 2.84 crores for Financial Year ended March 31, 2021.
5.	Justification for entering into such contracts or arrangements or transactions	None	Not Applicable
6.	Date(s) of approval by the Board	None	1)30/06/2020                      3) 09/11/2020 2)25/08/2020                    4) 13/02/2021
7.	Amount paid as advances, if any:	None	Not Applicable
8.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	None	Not Applicable

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

Date : August 14, 2021  
Place : Ankleshwar

Dhananjay D. Kaniitkar  
**Chairman**

Abhishek V. Gami  
**Managing Director**



## **ANNEXURE – C**

### **Secretarial Audit Report**

For the Financial Year ended March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

The Members,

#### **RAPICUT CARBIDES LIMITED**

119, GIDC Industrial Area,  
Ankleshwar – 393 002,  
Gujarat.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rapicut Carbides Limited (“Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2021 (“period under review”), 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 period under review, according to the provisions of:

- i. Companies Act, 2013 (“Act”) and the rules made thereunder;
- ii. Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- iii. Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India (SEBI) Act, 1992:-
  - a. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - c. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - d. SEBI (Depositories and Participants) Regulations, 2018.
  - e. SEBI (Share Based Employee Benefits) Regulations, 2014, however, the same were not applicable;
  - f. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, however, the same were not applicable;
  - g. SEBI (Issue and Listing of Debt Securities) Regulations, 2008, however, the same were not applicable;
  - h. SEBI (Delisting of Equity Shares) Regulations, 2009, however, the same were not applicable;
  - i. SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, however, the same were not applicable;
  - j. SEBI (Buy-back of Securities) Regulations, 2018, however, the same were not applicable;

We have also examined compliance with the applicable Clauses / Regulations of the following:-

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; and

- ii. Listing Agreements entered into by the Company with BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance or at shorter notice with the consent of majority of Directors including Independent Director(s) and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- C. 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;
- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;
- E. During the period under review, there were no specific instances / actions in pursuance of the above referred Laws, Rules, Regulations, Guidelines etc., having major bearing on the Company's affairs.

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

PR#: 1079/2021

FCS No. 3677; CP No. 2863

**UDIN:** F003677C000517861

Place: Vadodara

Date: June 28, 2021

This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.



## Appendix A

The Members,  
**RAPICUT CARBIDES LIMITED**  
119, GIDC Industrial Area,  
Ankleshwar – 393 002,  
Gujarat.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

- i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. We have conducted the Secretarial Audit for the period under review, through virtual verification of documents, records, etc., as made available to us by the Company, due to the Covid-19 pandemic situation.
- iv. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations, happening of events, etc.
- v. 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.

**S. Samdani**  
Partner  
**Samdani Shah & Kabra**  
Company Secretaries  
PR#: 1079/2021  
FCS No. 3677; CP No. 2863  
**UDIN: F003677C000517861**

Place: Vadodara  
Date: June 28, 2021



## **MD/CFO CERTIFICATION**

To,  
The Board of Directors  
**Rapicut Carbides Limited.**

1. We have reviewed the financial statements and the Cash Flow Statement of Rapicut Carbides Limited for the period ended March 31, 2021 and to the best of our knowledge and belief:
  - These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the period ended March 31, 2021 are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - Significant changes, if any, in the Company's internal control over financial reporting during the period;
  - Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - Instances of significant fraud, if any, of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

Date: June 28, 2021  
Place : Ankleshwar

**Aswhin R. Master**  
Chief Financial Officer

**Abhishek V. Gami**  
Managing Director

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## **DECLARATION**

I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed the Compliance with the Code of Conduct for the year ended March 31, 2021.

Date: June 28, 2021  
Place : Ankleshwar.

**Abhishek V. Gami**  
Managing Director



## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of  
Rapicut Carbides Limited  
Report on the Ind AS financial statements**

### **Opinion**

We have audited the financial statements of Rapicut Carbides Limited, which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (The Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, total 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key audit matter to communicate in our report.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

We have been provided the aforesaid reports and based on the work we have performed, we did not observe any material misstatement of this other information and accordingly, we have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements and for Internal Financial control over Financial Reporting**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and

financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards (Ind AS) specified under section 133 of the Act read with relevant rules issued thereunder.

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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The Company's Management is responsible for establishing and maintaining internal financial controls based on essential components of the 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. 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.

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

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

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

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

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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the 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.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Report on Other Legal and Regulatory Requirements**

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.



- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) In our opinion considering nature of business, size of the operation and organizational structure of the entity, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021 based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer item 9 of Note 29 to Financial Statements.
  - ii. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Maloo Bhatt & Co.**  
Chartered Accountants  
(F.R.No.129572W)

Place: Vadodara  
Date: 28th June, 2021

**CA. Yash Bhatt**  
Partner  
M No. 117745  
UDIN :21117745AAAADE1089

## ANNEXURE-A

### TO THE INDEPENDENT AUDITOR'S REPORT

(referred to paragraph 1 under "report on other legal and regulatory requirements" of our report of even date on the accounts for the year ended on 31st march, 2021 of Rapicut Carbides Limited)

1. In respect of its fixed assets:
  - (a) The Company has maintained records showing particulars, including quantitative details and general location of fixed assets.
  - (b) During the year, part of the fixed assets has been physically verified by the management in accordance with a phased programme of verification which, in our opinion is reasonable and to cover all the items of fixed assets over a period of three years having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, there was no material discrepancies noticed on such verification.
  - (c) The title deeds of immovable properties are held in the name of the company.
2. As explained to us, all the inventory of the Company has been physically verified by the management at reasonable intervals and at the year-end. In our opinion, the frequency of the verification is reasonable. According to the information and explanations given to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
5. According to information and explanations given to us, the Company has not accepted any deposits during the year.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. However, we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us in respect of statutory and other dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident fund, Employees' state Insurance, Income Tax, Goods & Services Tax, duty of customs, cess and other statutory dues to the appropriate authorities during the year. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of statutory dues which has remained outstanding as at 31st March, 2021 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and on the basis the records produced before us by the Company, there are no undisputed amounts payable in respect of income tax / sales tax / Service tax / customs duty / wealth tax / excise duty / cess, which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government. The Company has not obtained any borrowings by way of debentures.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
10. According to the information and explanations given to us, we have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year.
11. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.



12. This clause of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company as the company is not a Nidhi Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with.
16. This clause of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company as the company is not a required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Maloo Bhatt & Co.**  
Chartered Accountants  
(F.R.No.129572W)

Place: Vadodara

Date: 28th June, 2021

**CA. Yash Bhatt**  
Partner  
M No. 117745  
UDIN :21117745AAAADE1089

**BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2021**

(Amount in Rs.)

SR. NO.	PARTICULARS	NOTE NO.	Year Ended 31/03/2021	Year Ended 31/03/2020
	<b>ASSETS</b>			
1	Non-current Assets			
a.	Property, plant and equipment	3	4,44,75,033	5,01,90,811
b.	Other intangible assets	4	3,47,051	8,34,414
c.	Financial assets			
	(i) Investments	5	8,38,594	6,52,305
	(ii) Other financial assets	7	29,45,526	40,46,157
f.	Deferred tax assets (net)		77,65,395	25,43,188
g.	Other non-current assets	8	19,36,000	3,52,000
	<b>Total non-current assets</b>		<b>5,83,07,599</b>	<b>5,86,18,875</b>
2	<b>Current assets</b>			
a.	Inventories	9	14,65,04,717	18,87,10,913
b.	Financial assets			
	(i) Trade receivables	6	7,06,91,112	6,73,42,447
	(ii) Cash and cash equivalents	10	3,04,58,208	14,86,908
	(iii) Bank balances other than (ii) above	11	28,56,980	33,00,348
	(iv) Other financial assets	7	5,85,000	60,000
c.	Current Tax Assets (Net)	19	29,00,440	35,59,504
d.	Other current assets	8	26,72,776	37,04,351
	<b>Total Current Assets</b>		<b>25,66,69,233</b>	<b>26,81,64,471</b>
	<b>Total Assets</b>		<b>31,49,76,832</b>	<b>32,67,83,346</b>
	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
a.	Equity & Share Capital	12	5,37,12,450	5,37,12,450
b.	Other equity	13	18,13,32,329	19,09,85,730
	<b>Total Equity</b>		<b>23,50,44,779</b>	<b>24,46,98,180</b>
2	<b>LIABILITIES</b>			
(1)	<b>Non-current liabilities</b>			
a.	Financial liabilities			
	(i) Borrowings	14	4,86,438	14,51,270
b.	Provisions	17	1,11,39,417	1,00,94,922
c.	Deferred tax liabilities(Net)		-	-
d.	Other non-current liabilities	20	6,833	6,25,000
	<b>Total non-current liabilities</b>		<b>1,16,32,688</b>	<b>1,21,71,192</b>
(2)	<b>Current liabilities</b>			
a.	Financial liabilities			
	(i) Borrowings	18	-	1,26,82,106
	(ii) Trade payables	15	-	-
	-Due to Micro & Small Enterprises		4,10,32,301	2,33,245
	-Others		1,44,86,031	3,86,25,343
	(iii) Other financial liabilities	16	25,27,693	52,15,460
b.	Provisions	17	71,16,765	96,31,855
d.	Other current liabilities	20	31,36,575	35,25,965
	<b>Total current liabilities</b>		<b>6,82,99,365</b>	<b>6,99,13,974</b>
	<b>Total Liabilities</b>		<b>7,99,32,053</b>	<b>8,20,85,166</b>
	<b>Total equity and liabilities</b>		<b>31,49,76,832</b>	<b>32,67,83,346</b>
	Basis of preparation, measurement and significant accounting policies	1,2		
	Notes to Accounts	29		

**Auditor's Report Signed in terms of our separate report of even date**

**For Maloo Bhatt & Co.**  
 Chartered Accountants  
**Yash Bhatt**  
 Partner  
 M. No. 117745  
 FR No. 1259572W  
 Place : Vadodara  
 Date : 28th June, 2021.

**A. R. Master**  
 Chief Financial Officer  
  
**Kamlesh M. Shinde**  
 Company Secretary  
 M No. : 35836

**D.D. Kanitkar**  
 Chairman  
 DIN: 03523774  
  
**K.D. Sharma**  
 Independent Director  
 DIN: 08763613

**For and on behalf of the Board**  
**A.V. Gami**  
 Managing Director  
 DIN: 07570948  
  
**Shruti A. Gami**  
 Non-Executive Director  
 DIN: 08764442

**PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

(Amount in Rs.)

SR. NO.	PARTICULARS	NOTE NO.	Year Ended 31/03/2021	Year Ended 31/03/2020
I	Revenue from operations	21	28,01,08,624	33,57,17,821
II	Other income	22	1,71,195	2,99,567
III	<b>Total Income</b>		<b>28,02,79,819</b>	<b>33,60,17,388</b>
IV	Expenses			
a.	Cost of materials consumed	23	15,65,25,138	21,59,97,856
b.	Purchase of stock-in-trade		-	-
c.	Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	3,17,30,037	1,45,29,413
d.	Employee benefits expense	25	4,74,28,183	5,25,01,832
e.	Finance costs	26	13,54,320	35,75,584
f.	Depreciation and amortisation expense	27	79,05,696	83,98,801
g.	Other expenses	28	4,74,44,388	4,52,58,154
	<b>Total expenses</b>		<b>29,23,87,762</b>	<b>34,02,61,640</b>
V	<b>Profit before tax</b>		<b>(1,21,07,943)</b>	<b>(42,44,252)</b>
VI	Tax expense			
	(1) Current tax		-	-
	(2) Deferred tax		(46,86,459)	(33,95,627)
	(3) Prior Period tax adjustment		7,44,354	-
VII	<b>Profit for the year</b>		<b>(81,65,838)</b>	<b>(8,48,625)</b>
VIII	<b>Other Comprehensive Income</b>			
a.	Items that will not be reclassified to Profit & Loss A/c			
	1. Fair value of gain on investment		1,86,289	1,24,898
	2. Remeasurement of employee benefit plan		(22,09,600)	(2,78,526)
	3. Income tax relating to item that will not be reclassified to profit or loss		5,35,748	46,438
b.	Items that will be reclassified to Profit & Loss a/c		-	-
IX	<b>Total comprehensive Income for the year</b>		<b>(96,53,401)</b>	<b>(9,55,816)</b>
	<b>Earnings per Equity Share</b>			
	Basic		(1.80)	(0.18)
	Diluted		(1.80)	(0.18)
	Basis of preparation, measurement and significant accounting policies	1,2		
	Notes to Accounts	29		

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 Managing Director  
 DIN: 07570948  
**Shruti A. Gami**  
 Non-Executive Director  
 DIN: 08764442

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

(Amount in Rs.)

Sr. No.	Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit (Loss) before tax	(1,21,07,943)	(42,44,253)
	<b>Adjustment for</b>		
	Depreciation	79,05,696	83,98,801
	Interest paid	13,54,320	32,66,914
	Dividend Income	(3,953)	-
	Interest received	(1,67,242)	(1,57,828)
	Operating profit before change in working capital	(30,19,122)	72,63,634
	<b>Adjustments for (Increase)/Decrease in Operating Assets:</b>		
	Inventories	4,22,06,196	1,78,70,722
	Trade Receivables	(33,48,665)	2,17,25,733
	Other Financial Assets	5,75,631	(15,450)
	Other Current Assets	10,31,575	1,53,202
	<b>Adjustments for (Increase)/Decrease in Operating Liabilities:</b>		
	Trade Payable	1,66,59,744	(36,83,160)
	Current and Non Current Provisions	(36,80,195)	9,19,695
	Other Current /Non Current Liabilities	(10,07,557)	4,01,905
	Other Current and Non Current Financial Liabilities	(2,344)	2,04,750
	<b>Cash generated from operations</b>	<b>4,94,15,263</b>	<b>4,48,41,031</b>
	Income Tax (paid) / refunds	(85,290)	(28,15,150)
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>4,93,29,973</b>	<b>4,20,25,881</b>
<b>B</b>	<b>Cash Flow from Investment Activities</b>		
	Purchase of Fixed Assets	(17,02,554)	(1,12,13,150)
	Advance for Purchase of Fixed Assets	(15,84,000)	-
	Sale of Fixed Assets	-	30,901
	Interest Received	1,67,242	1,57,828
	Dividend Received	3,953	-
	<b>Net Cash Flow from Investment Activities (B)</b>	<b>(31,15,359)</b>	<b>(1,10,24,421)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Net Proceeds (Repayment) from Long term Borrowings	(29,51,095)	22,37,836
	Net Proceeds (Repayment) from Short term Borrowings	(1,26,82,106)	(1,96,40,095)
	Interest Paid	(13,54,321)	(32,66,914)
	Dividend paid including dividend distribution tax	(6,99,160)	(1,00,51,664)
	<b>Net Cash Flow from Financing Activities (C)</b>	<b>(1,76,86,682)</b>	<b>(3,07,20,837)</b>
	<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>2,85,27,932</b>	<b>2,80,623</b>
	Cash & Cash equivalents as at the beginning of the Year	47,87,256	45,06,633
	Cash & Cash equivalents as at the end of the Year	3,33,15,188	47,87,256

**Notes :**

- Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 notified under Companies (Indian Accounting Standards) Rules, 2015.
- Purchase of fixed assets includes movements of capital work-in-progress between the beginning and the end of the year.
- Previous year figure regrouped/recasted wherever necessary.

**Auditor's Report Signed in terms of our separate report of even date**

**For Maloo Bhatt & Co.**  
 Chartered Accountants  
**Yash Bhatt**  
 Partner  
 M. No. 117745  
 FR No. 1259572W  
 Place : Vadodara  
 Date : 28th June, 2021.

**A. R. Master**  
 Chief Financial Officer  
  
**Kamlesh M. Shinde**  
 Company Secretary  
 M No. : 35836

**D.D. Kanitkar**  
 Chairman  
 DIN: 03523774  
  
**K.D. Sharma**  
 Independent Director  
 DIN: 08763613

**For and on behalf of the Board**

**A.V. Gami**  
 Managing Director  
 DIN: 07570948  
  
**Shruti A. Gami**  
 Non-Executive Director  
 DIN: 08764442

## Statement of Changes in Equity for the year ended March 31, 2021

### A. Equity Share Capital

(Amount in Rs.)

	Balance as at 31/03/2020	Changes in Equity Share Capital during 2020-21	Balance as at 31/03/2021
Equity Share Capital	5,37,12,450	-	5,37,12,450

### A. Other Equity

(Amount in Rs.)

Particulars	Reserves & Surplus				Other items of other compre- hensive income	Total
	Capital Reserve	Securities Premium Reserve	Other Reserves( General Reserve)	Retained Earnings		
Closing balance as at 31st March 2020	29,06,317	1,27,15,948	5,30,00,000	12,94,03,215	(70,39,750)	19,09,85,730
Net Profit for the year				(81,65,838)	-	(81,65,838)
Total comprehensive income for the year	-	-	-	-	-	-
Re-measurements of post employment benefit obligation (net of tax)	-	-	-	-	-	-
Other Comprehensive income for the year	-	-	-	-	(14,87,563)	(14,87,563)
Dividend & dividend tax paid	-	-	-	-	-	-
Closing balance as at 31st March 2021	29,06,317	1,27,15,948	5,30,00,000	12,12,37,377	(85,27,313)	18,13,32,329

#### Auditor's Report Signed in terms of our separate report of even date

**For Maloo Bhatt & Co.**  
Chartered Accountants  
**Yash Bhatt**  
Partner  
M. No. 117745  
FR No. 1259572W  
Place : Vadodara  
Date : 28th June, 2021.

**A. R. Master**  
Chief Financial Officer

**Kamlesh M. Shinde**  
Company Secretary  
M No. : 35836

**D.D. Kanitkar**  
Chairman  
DIN: 03523774

**K.D. Sharma**  
Independent Director  
DIN: 08763613

#### For and on behalf of the Board

**A.V. Gami**  
Managing Director  
DIN: 07570948

**Shruti A. Gami**  
Non-Executive Director  
DIN: 08764442

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

### Note No. 1.

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

##### 1. Company Overview

Rapicut Carbides Limited (RCL) was incorporated as a Public Limited Company in April 1977, and an integrated unit was set up at Ankleshwar, Gujarat for manufacturing of Tungsten Carbide Tips, Inserts and other Carbide products from ore stage. Commercial Production Commenced in October 1979.

Gujarat Drillwell Pvt. Ltd was merged with the Company in the year 1993.

The Company has listed its equity shares with Bombay Stock Exchange in the year 1979.

##### 2. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements of the Company for the year ended 31st March, 2021 were approved for issue in accordance with the resolution of the Board of Directors on 28th June 2021.

##### a. Statement of Compliance

The Comparative Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March, 2021, have been prepared in accordance with the Ind AS notified above. For all periods up to and including the year ended 31st March, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

##### b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost incurred to sale;
- Defined benefit plans – plan assets measured at fair value. All assets and liabilities has been classified as current or non current as per the Company's normal operating cycle and other Criteria set out in the Schedule III to the Companies Act, 2013.

##### c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company. The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

##### d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as

made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known /materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

**Estimates and assumptions are required in particular for:**

**(i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized.**

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

**(ii) Recognition and measurement of defined benefit obligations:**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

**(iii) Recognition of deferred tax assets:**

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

**(iv) Recognition and measurement of other provisions:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

**(v) Discounting of long-term financial liabilities :**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

**(vi) Determining whether an arrangement contains a lease:**

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

**3. Current versus Non Current Classification:**

(I) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset is current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non - current.

(II) A liability is current when it is:

1. Expected to be settled in normal operating cycle,
2. Held primarily for the purpose of trading,
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non - current. Deferred tax assets and liabilities are classified as non – current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

## **Note no 2**

### **2.1 Significant Accounting Policies**

#### **A. Plant, Property & Equipment :**

All the property, plant and equipment have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS, i.e. 1st April 2016 as permitted under Ind AS 101. Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence. Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are Changed to the statement of profit and loss for the period during which such expenses are incurred. The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

#### **B. Depreciation & Amortization:**

Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion. Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets. b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if

#### **C. Intangible Assets:**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The useful lives of intangible assets are assessed as either finite or infinite. The

amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired. Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

**D) Impairment of Non-Current Assets:**

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

**Recoverable amount is determined:**

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less cost disposal, recent market transactions are taken in to account. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**E) Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk.

**F) Inventories and WIP:**

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

**a. Raw materials and packing materials:**

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

**b. Work-in-progress and finished goods:**

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

**c. Traded goods:**

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**d. Waste and scrap are not separately valued being insignificant in value.**

**e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of**

## **G) Retirement benefits:**

### **a) Short Term Employee Benefits:**

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **b) Post-Employment Benefits:**

#### **i) Defined Contribution Plans:**

Retirement benefit in the form of Provident Fund and Super annuation, a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities and super annuation fund.

#### **ii) Defined Contribution Plans:**

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method. The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity LIC scheme. Re measurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

### **c) Other Long-Term Employee Benefits:**

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

## **H) Foreign Currency: Functional and Presentation Currency**

Consolidated financial statements have been presented in Indian Rupees, which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

### **Transactions and Balances:**

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the

Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

**I) 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.

**J) Financial Assets:**

**(i) Classification**

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

**(ii) Initial recognition measurement:**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

**(iii) Subsequent Recognition**

**a) Financial Assets measured at amortized cost**

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

**Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counter party is in default under the terms of the agreement. Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision account and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognised in provision for impairment and changes in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income.

**b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

**c) Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

**(iv) De-recognition of Financial Assets:**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**2.2) Financial Liabilities:**

**(i) Initial recognition and measurement :**

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

**(ii) Subsequent measurement:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

**(iii) Loans and Borrowings:**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

**(iv) Trade and Other Payables :**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

**(v) Derecognition of Financial Liabilities:**

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

**K) Leases:**

**i) Company as a lessee**

Right-of-use assets and Lease Liabilities for leases where the lease term ends within 12 months of the lease commencement date i.e. Short Term Leases are not recognized in Balance Sheet. The company has elected to recognise the lease payments associated with Short Term Leases as an expense on straight-line-basis.

**ii) 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.

Lease income from operating lease is recognised in the statement of profit and loss on straight line basis over the Lease term.

### iii) Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases Which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The company has opted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases prospectively. The adoption of the standard did not have any material impact on the financial results.

### L) Borrowing Costs:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are charged to the Statement of Profit and Loss.

### M) Taxes:

#### (a) Current Income Tax:

- (i) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

has a legally enforceable right to set off the recognised amounts; and

intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred Tax:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

**Sales / value added taxes / Goods and service Tax:**

Expenses and assets are recognised net of the amount of sales/ value added taxes paid/ Goods and service Tax, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included in the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**Minimum Alternate Tax:**

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**N) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

**(a) Sale of products:**

As stated in Ind AS 18, Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) and Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

**(b) Other Income: Interest Income**

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

**Dividend Income**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

**O) Dividend / Distribution:**

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

**P) Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**Q) Segment Reporting:**

**Identification of segments**

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

**R) Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

- (a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
- (i) the Company has a present obligation as a result of past event,
  - (ii) a probable outflow of resources is expected to settle the obligation; and
  - (iii) the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

- (b) Contingent liabilities are disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- (ii) a present obligation arising from past events, when no reliable estimate is possible,
- (iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

- (c) Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

**Note No.3**

(Amount in Rs.)

A	Property Plant & Equipment	Leasehold Land	Buildings	Plant & Machinery and Electrical	Data Process Equipment	Furniture Fixture & Office	Vehicles	Total
	<b>Gross Block</b>							
	Balance at March 31, 2020	3,52,174	3,06,46,306	9,45,03,932	37,94,919	36,45,479	57,70,261	13,87,13,071
	Additions	-	-	7,43,020	1,47,082	8,12,452	-	17,02,554
	Disposals	-	-	-	-	-	-	-
	<b>Balance at March 31, 2021</b>	<b>3,52,174</b>	<b>3,06,46,306</b>	<b>9,52,46,952</b>	<b>39,42,001</b>	<b>44,57,931</b>	<b>57,70,261</b>	<b>14,04,15,625</b>

(Amount in Rs.)

	Accumulated depreciation	Leasehold Land	Buildings	Plant & Machinery and Electrical	Data Process Equipment	Furniture Fixture & Office	Vehicles	Total
	Balance at March 31, 2020	1,50,835	1,28,43,243	6,90,04,975	27,79,596	17,32,225	20,11,386	8,85,22,260
	Additions	3,557	7,40,692	54,20,390	3,22,024	2,78,456	6,53,213	74,18,332
	Disposals	-	-	-	-	-	-	-
	<b>Balance at March 31, 2021</b>	<b>1,54,392</b>	<b>1,35,83,935</b>	<b>7,44,25,365</b>	<b>31,01,620</b>	<b>20,10,681</b>	<b>26,64,599</b>	<b>9,59,40,592</b>

(Amount in Rs.)

	Net Block	Leasehold Land	Buildings	Plant & Machinery and Electrical	Data Process Equipment	Furniture Fixture & Office	Vehicles	Total
	Balance at March 31, 2020	2,01,339	1,78,03,063	2,54,98,957	10,15,323	19,13,254	37,58,875	5,01,90,811
	<b>Balance at March 31, 2021</b>	<b>1,97,782</b>	<b>1,70,62,371</b>	<b>2,08,21,587</b>	<b>8,40,381</b>	<b>24,47,250</b>	<b>31,05,662</b>	<b>4,44,75,033</b>

**Note No.4**

(Amount in Rs.)

Other Intangible Assets	Technical Know-how	Software	Total
<b>Gross Block</b>			
Balance at March 31, 2020	6,05,681	30,98,038	37,03,719
Additions	-	-	-
Disposals	6,05,681	-	6,05,681
<b>Balance at March 31, 2021</b>	<b>-</b>	<b>30,98,038</b>	<b>30,98,038</b>

(Amount in Rs.)

Accumulated amortisation	Technical Know-how	Software	Total
Balance at March 31, 2020	6,05,681	22,63,623	28,69,305
Additions	-	4,87,364	4,87,364
Disposals	6,05,681	-	6,05,682
<b>Balance at March 31, 2021</b>	<b>-</b>	<b>27,50,987</b>	<b>27,50,987</b>

(Amount in Rs.)

Net Block	Technical Know-how	Software	Total
Balance at March 31, 2020	-	8,34,415	8,34,415
Balance at March 31, 2021	-	3,47,051	3,47,051

**Note No.5**

(Amount in Rs.)

Investment	As at 31/03/2021		As at 31/03/2020	
	Quantity	Amount	Quantity	Amount
Note for accounting Policy on investments Refer No.24 (i)				
<b>Non-current</b>				
Un-Quoted investments				
a) Investments in Equity Instruments at FVTOCI				
- BEIL Infrastructure Ltd. (Formerly known as Bharuch Enviro Infrastructure Ltd.)	1,581	8,38,594	1,581	6,40,305
b) Investments in Govt. Security				
- National Saving Certificate	-	-	-	12,000
<b>TOTAL</b>		<b>8,38,594</b>		<b>6,52,305</b>

(Amount in Rs.)

	Quantity	Amount	Quantity	Amount
Aggregate amount of quoted investments	-	-	-	-
Market value of quoted investments	-	-	-	-
Aggregate amount of unquoted investments	1,581	8,38,594	1,581	6,52,305
Aggregate amount of impairment in value	-	-	-	-
<b>TOTAL</b>	<b>1,581</b>	<b>8,38,594</b>	<b>1,581</b>	<b>6,52,305</b>

**Note No.6**

(Amount in Rs.)

Trade receivables	As at 31/03/2021	As at 31/03/2020
<b>Current</b>		
Trade receivables Unsecured, considered good	7,07,91,112	6,74,42,447
Trade receivables Unsecured, considered doubtful	1,00,000	1,00,000
Allowance for doubtful debts (expected credit loss allowance)	1,00,000	1,00,000
<b>TOTAL</b>	<b>7,06,91,112</b>	<b>6,73,42,447</b>

**Note No.6.1 Ageing of Trade Receivables**

(Amount in Rs.)

Particulars	Ageing			Total
	Upto 6 months	6-12 months	Above 12 months	
Unsecured considered good				
<b>As at 31/03/2021</b>	<b>7,02,78,142</b>	<b>31,009</b>	<b>4,81,961</b>	<b>7,07,91,112</b>
<b>As at 31/03/2020</b>	<b>6,68,46,050</b>	<b>5,37,745</b>	<b>58,652</b>	<b>6,74,42,447</b>

**Note 6.2 All trade receivable are non interest bearing and receivable are settled within normal credit period approved by the Company.**

**Note No. 7**

(Amount in Rs.)

Other financial Assets	As at 31/03/2021	As at 31/03/2020
<b>Non-current</b>		
Security deposits Advances	29,45,526	40,46,157
Advances	-	-
Operating lease receivable	-	-
<b>TOTAL</b>	<b>29,45,526</b>	<b>40,46,157</b>
<b>Current</b>		
Security deposits	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
Tender Deposit	5,85,000	60,000
<b>TOTAL</b>	<b>5,85,000</b>	<b>60,000</b>

**Note No.8**

(Amount in Rs.)

Other Assets	As at 31/03/2021	As at 31/03/2020
<b>Non-current</b>		
Capital Advances	19,36,000	3,52,000
<b>TOTAL</b>	<b>19,36,000</b>	<b>3,52,000</b>
<b>Current</b>		
Advance to parties	5,85,986	20,08,825
Advances to employees	55,138	37,920
Prepaid expenses	3,97,112	1,58,803
Interest accrued but not received	1,56,477	1,41,678
Insurance claim receivable	1,82,048	1,35,726
Receivable / Recoverable from others	11,059	17,801
Revenue Authority	12,84,956	12,03,599
<b>TOTAL</b>	<b>26,72,776</b>	<b>37,04,352</b>

**Note:- Interest accrued but not received includes interest accrued on various fixed deposit with bank held as margin money.**

(Amount in Rs.)

Receivable / Recoverable from Revenue Authority includes	As at 31/03/2021	As at 31/03/2020
Balance with TDS Authorities	3,275	3,275
Balance with VAT Authorities	-	3,68,648
Balance with GST Authorities	12,81,681	8,31,676
<b>TOTAL</b>	<b>12,84,956</b>	<b>12,03,599</b>

**Note No.9**

(Amount in Rs.)

Inventories	As at 31/03/2021	As at 31/03/2020
<b>a) Inventories (lower of cost and net realisable value) (As taken, valued &amp; certified by the management)</b>		
- Raw Materials	3,21,94,347	2,13,95,731
- Work-in-progress	6,20,78,727	7,66,81,112
- Finished Goods	2,13,90,397	3,85,18,049
- Stores, Spares	3,08,41,246	3,43,29,012
- Goods in-transit Raw Material	-	1,77,87,009
<b>TOTAL</b>	<b>14,65,04,717</b>	<b>18,87,10,913</b>

The cost of Inventories recognised and devalued at realisable value for non moving / obsolete stock during the year was Rs. 28,52,885/- (P.Y.23,42,466/-)

**Note No. 10**
**(Amount in Rs.)**

<b>Cash and Cash Equivalents</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
Balance with Banks	2,53,70,661	11,23,747
Cash on Hand	87,547	3,63,161
Fixed Deposit with Bank	50,00,000	-
<b>Total Cash and Cash Equivalent as per Balance Sheet</b>	<b>3,04,58,208</b>	<b>14,86,908</b>

**Note No. 11**
**(Amount in Rs.)**

<b>Bank balances other than (Note No.10) above</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
Margin Money	7,03,961	4,48,169
(Earmark balances maturity less than 12 months)	-	-
Dividend Accounts	21,48,019	28,47,179
Others	5,000	5,000
<b>TOTAL</b>	<b>28,56,980</b>	<b>33,00,348</b>

Note:- Fixed deposit are kept as margin against various letter of credit / guarantee

**Note No. 12**
**(Amount in Rs.)**

<b>Equity Share Capital</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>		
<b>Share Capital</b>				
<b>(a) Authorised</b>				
80,00,000 (Last Year 80,00,000) Equity Shares of Rs.10/each	8,00,00,000	8,00,00,000		
<b>TOTAL</b>	<b>8,00,00,000</b>	<b>8,00,00,000</b>		
<b>(b) Issued, Subscribed &amp; Paid-up</b>				
Shares at the end of the accounting period 53,71,245 (L.Y/ 53,71,245) Equity Shares of Rs.10/each (include 35,17,747/- Equity Shares issued as Bonus Shares & 60,384 Equity Shares allotted as fully paid of shares to shareholders of erstwhile Gujarat Drillwell Pvt. Ltd. For consideration other than cash)	5,37,12,450	5,37,12,450		
<b>TOTAL</b>	<b>5,37,12,450</b>	<b>5,37,12,450</b>		
<b>(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.</b>				
At the beginning of the period	53,71,245	53,71,245		
Add: Shares issued during the year	-	-		
Less: Shares bought back during the year	-	-		
<b>Outstanding at the end of the period</b>	<b>53,71,245</b>	<b>53,71,245</b>		
<b>(d) Terms/rights attached to equity shares</b>				
The Company has only once class of equity shares having a face value of Rs.10 Per share.				
<b>(e) Details of shareholders holding more than 5% shares in the Company - Equity share of Rs.10 each fully paid up.</b>	<b>No. of shares holding 31/03/2021</b>	<b>%</b>	<b>No. of shares holding 31/03/2020</b>	<b>%</b>
Abhishek Vipinchandra Gami	16,44,673	30.62	15,86,986	29.546
<b>(f) The Company has not issued any right shares &amp; Bonus shares nor there has been buy back of shares during period of five years immediately preceding the reporting date.</b>	NIL	NIL	NIL	NIL

**Note No. 13**
**(Amount in Rs.)**

Particulars	Reserves & Surplus					Total
	Capital Reserve	Securities Premium	Other Reserves (General Reserves)	Retained Earnings	Other items of Comprehensive income	
Closing balance as at 31 Mar, 2020	29,06,317	1,27,15,948	5,30,00,000	12,94,03,215	(70,39,750)	19,09,85,730
Net Profit for the year	-	-	-	(81,65,838)	-	(81,65,838)
Re-measurement of post employment benefit obligation (net of tax)	-	-	-	-	-	-
Other Comprehensive income for the year	-	-	-	-	(14,87,563)	(14,87,563)
Dividend & Dividend Tax Paid	-	-	-	-	-	-
<b>Closing Balance as at 31 Mar, 2021</b>	<b>29,06,317</b>	<b>1,27,15,948</b>	<b>5,30,00,000</b>	<b>12,12,37,377</b>	<b>(85,27,313)</b>	<b>18,13,32,329</b>

**Nature of Reserves**

**13.1 Capital Reserve** : represents the amount due to remission of capital liability on one time settlement from financial institution during the year 2001-2002

**13.2 Securities Premium** : represents the amount received in excess of par value of securities i.e equity shares. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

**13.3 General Reserve** : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

**13.4 Retained Earnings** : represent the undistributed profits of the Company

**13.5 Other Comprehensive Income Reserve** : represent the balance in equity for items to be accounted in Other Comprehensive Income. Other Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

**Note No.14**
**(Amount in Rs.)**

Non-current borrowings	As at 31/03/2021	As at 31/03/2020
<b>Unsecured -at amortised cost</b>		
(i) Term Loans		
- State Bank of India - Car Loan	-	8,04,779
(ii) Term Loans		
- HDFC Bank - Car Loan	4,86,438	6,46,491
	<b>4,86,438</b>	14,51,270
<b>Secured-at amortised cost</b>		
(i) Term Loans		
- State Bank of India - Car Loan	-	-
<b>Total Non-current borrowings</b>	<b>4,86,438</b>	14,51,270

**Note:-**
**Un-Secured Loan**

Term loan facilities availed from HDFC Bank is secured against hypothecation of vehicle.

**Maturity Profile of Term Loans are as set out below:**

**(Amount in Rs.)**

Sr. No.	Financial Years	Secured Term Loans from Banks/Car Loan
(a)	2020-21	21,46,316
	<b>Sub-Total</b>	21,46,316
(b)	2021-22	4,57,386
(c)	2022-23	5,02,712
(d)	2023-24	3,71,273
(e)	2024 & above.	1,19,892
	<b>Sub-Total</b>	14,51,263
	<b>TOTAL</b>	<b>35,97,579</b>

**Note No.15**
**Trade Payable**
**(Amount in Rs.)**

<b>Non-Current</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
<b>Sundry Creditors</b>		
(i) Due to Micro & Small Enterprises	-	-
(ii) Others	-	-
<b>TOTAL</b>	-	-
<b>Current</b>		
<b>Sundry Creditors</b>		
(i) Due to Micro & Small Enterprises	<b>4,10,32,301</b>	2,33,245
(ii) Others	<b>1,44,86,031</b>	3,86,25,343
<b>TOTAL</b>	<b>5,55,18,332</b>	3,88,58,588

**Note :-15.1**

There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

**Note :-15.2**

All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

**Note No.16**
**(Amount in Rs.)**

<b>Other Financial Liabilities</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
<b>Non-Current</b>		
a) Interest accrued		
b) Unpaid Dividends	-	-
<b>TOTAL</b>	-	-
<b>Current</b>		
a) Current maturities of Long-term debt	<b>1,60,046</b>	21,46,309
b) Current maturities of Finance lease obligations	-	-
c) Unpaid Dividends	<b>21,47,441</b>	28,46,601
d) Staff Payable	-	-
e) Other payable	<b>2,20,206</b>	2,22,550
<b>TOTAL</b>	<b>25,27,693</b>	52,15,460

**Note - 16.1**

Unclaimed dividend does not include any amount, due & outstanding, to be credited to Investors, Education and Protection Fund.

**Note - 16.2**

Current maturities of long term debt to the extent of Rs. 1,60,046 are secured by way of charge by hypothecation of vehicle.

**Note No.17**
**Provisions**
**(Amount in Rs.)**

<b>Non-Current</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
Employee benefit - leave encashment	<b>20,49,890</b>	23,36,306
Employee benefit - Gratuity	<b>90,89,527</b>	77,58,616
<b>TOTAL</b>	<b>1,11,39,417</b>	1,00,94,922
<b>Current</b>		
Employee benefit - leave encashment	<b>10,44,743</b>	10,43,521
Employee benefit - Other provision	<b>37,89,491</b>	58,93,146
Employee benefit - Gratuity	<b>13,36,718</b>	11,43,468
Provision for expenses	<b>9,45,813</b>	15,51,720
<b>TOTAL</b>	<b>71,16,765</b>	96,31,855

**Note No.18**
**(Amount in Rs.)**

<b>Current borrowings</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
<b>Unsecured - at amortised cost</b>		
a) Loans repayable on demand		
- from Banks - State Bank of India - Cash Credit	-	-
- from Others	-	-
b) Loans from related parties	-	-
c) Loans from other parties	-	-
d) Deposits	-	-
e) Other Loans	-	-
<b>TOTAL</b>	-	-
<b>Secured - at amortised cost</b>		
a) Loans repayable on demand	-	-
- from Banks - State Bank of India - Cash Credit	-	1,26,82,106
b) Loans from related parties	-	-
<b>c) Loans from Bank</b>	-	-
d) Loans from other parties	-	-
e) Deposits	-	-
f) Other Loans	-	-
<b>TOTAL</b>	-	1,26,82,106

**Secured Loan**

Cash Credit from State Bank of India is secured against Hypothecation of Inventories & book debts. Company's Immovable properties form part of the Collateral security and the Directors have given their Personal Guarantee for the same. Loan is repayable on demand.

**Note No.19**

(Amount in Rs.)

<b>Current Tax Assets &amp; Liabilities</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
<b>Current Tax Assets</b>		
Benefit of tax losses to be carried back to recover taxes paid in prior periods	-	-
Tax refund receivable	29,00,440	35,59,504
Others (describe)	-	-
<b>TOTAL</b>	<b>29,00,440</b>	<b>35,59,504</b>
<b>Current Tax Liabilities</b>		
Tax refund receivable	-	-
Others (describe)	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**Note No.20**

(Amount in Rs.)

<b>Other Current Liabilities</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
<b>Non-Current</b>		
Security deposit	6,833	6,25,000
<b>TOTAL</b>	<b>6,833</b>	<b>6,25,000</b>

(Amount in Rs.)

<b>Current</b>	<b>As at 31/03/2021</b>	<b>As at 31/03/2020</b>
Advances / Credit from customers	7,77,306	19,64,534
Statutory Dues payable	23,59,269	15,61,431
<b>TOTAL</b>	<b>31,36,575</b>	<b>35,25,965</b>

**Note No. 20.1**

Statutory dues includes indirect taxes , tax deducted at sources, ESIC, provident fund, profesion tax and other local authority taxes.

**NOTES TO AND FORMING PART OF PROFIT AND LOSS**  
(Notes 21 TO 25)

(Amount in Rs.)

Particulars	Note No.	Year Ended 31/03/2021	Year Ended 31/03/2020
<b>Revenue from operations</b>	<b>21</b>		
Sales of Products		28,01,08,624	33,57,17,821
Less: Returns, Discount etc.		-	-
Net Sales		28,01,08,624	33,57,17,821
Other Operating Revenues		-	-
<b>Total</b>		<b>28,01,08,624</b>	<b>33,57,17,821</b>
<b>Other Income</b>	<b>22</b>		
Interest Income		1,67,242	1,57,828
Misc Income/Claim Received			1,01,841
Dividend Income		3,953	-
Sundry Balance Written off		-	37,936
Incentive on Export		-	1,961
<b>Total</b>		<b>1,71,195</b>	<b>2,99,567</b>
<b>Cost Of Materials Consumed</b>	<b>23</b>		
Purchase Raw-Materials		14,95,36,745	21,11,11,311
Add: Opening Balance of Stock		3,91,82,740	4,40,69,285
		18,87,19,485	25,51,80,596
Less: Closing Balance of Stock		3,21,94,347	3,91,82,740
Consumption of Materials		15,65,25,138	21,59,97,856
<b>Total</b>		<b>15,65,25,138</b>	<b>21,59,97,856</b>
<b>Changes In Inventories</b>	<b>24</b>		
Finished Goods			
At the beginning of the Accounting Period		3,85,18,049	3,29,21,115
At the end of the Accounting Period		2,13,90,397	3,85,18,049
		1,71,27,652	(55,96,934)
Work-In-Progress			
At the beginning of the Accounting Period		7,66,81,112	9,68,07,459
At the end of the Accounting Period		6,20,78,727	7,66,81,112
		1,46,02,385	2,01,26,347
<b>Total</b>		<b>3,17,30,037</b>	<b>1,45,29,413</b>
<b>Employee Benefits Expense</b>	<b>25</b>		
<b>Salary and Wages</b>			
Factory Wages		1,83,65,360	2,06,55,806
Office Staff Salary		1,36,37,629	1,62,51,054
Marketing Staff Salary & Incentives		30,26,438	23,84,721
Directors Remuneration		27,66,941	26,04,939
<b>Contribution to Provident &amp; Other Funds</b>			
Contribution to Provident Fund		32,86,805	31,20,038
Contribution to Employees State Ins. Fund		1,27,509	1,57,263
Contribution to Other Funds		1,968	2,121
Contribution to Gratuity Fund		16,64,115	16,46,103
Contribution to Super Annuation Fund		15,91,039	14,31,188
<b>Other Expenses</b>			
Worker & Staff Welfare		21,57,570	18,09,895
Bonus & Exgratia		1,04,501	16,29,195
Leave with Wages		(22,629)	3,40,119
Perquisites to Employee		7,20,937	4,69,390
<b>Total</b>		<b>4,74,28,183</b>	<b>5,25,01,832</b>

**NOTES TO AND FORMING PART OF PROFIT AND LOSS**
**(Amount in Rs.)**

S.No.	Particulars	Note No.	Year Ended 31/03/2021	Year Ended 31/03/2020	
A.	<b>Financial Costs</b>	26			
	<b>Interest Expense</b>				
	Interest to Bank		5,50,356	29,61,203	
	Interest to Bank On Vehicle Loan		1,45,376	1,47,316	
	Interest to Bank On Term Loan		96,741	1,48,862	
	Interest on TDS & Other Taxes		45,207	9,533	
	Bank Charges		5,16,640	3,08,670	
	<b>Total</b>		<b>13,54,320</b>	<b>35,75,584</b>	
	<b>Depreciation and Amortization Expense</b>	27			
	Depreciation		79,05,696	83,98,801	
	<b>Total</b>		<b>79,05,696</b>	<b>83,98,801</b>	
	A.	<b>Other Expenses</b>	28		
		<b>Manufacturing Expense</b>			
		Consumption Of Stores And Spare Parts			
Opening Stock		3,43,29,012		3,27,83,776	
Add: Purchases		1,25,42,097		89,44,103	
		<b>4,68,71,109</b>		<b>4,17,27,879</b>	
Less: Closing Stock		<b>3,08,41,246</b>		<b>3,43,29,012</b>	
		<b>1,60,29,863</b>		<b>73,98,867</b>	
Freight Inward		1,59,281		1,51,632	
Power & Fuel		1,13,07,585		1,42,96,103	
Water Charges		3,17,079		5,02,248	
Repair to Machinery	19,92,900	19,61,070			
Rectification charges/Sample Testing Charges	1,99,200	1,16,711			
<b>Total</b>		<b>3,00,05,908</b>	<b>2,44,26,631</b>		
B	<b>Adminstrative Expense</b>				
	Car Hire Expenses	56,436	2,79,290		
	Festival Celebration Expenses	1,69,206	1,86,126		
	Donation	1,500	801		
	Subscription/Membership Fees	4,21,500	3,45,000		
	Electricity Expenses	15,993	19,063		
	Rates & Taxes	3,66,609	5,21,555		
	General Expenses	1,51,304	2,50,273		
	Garden Expenses	1,700	57,886		
	Rent	7,63,819	9,86,331		
	Insurance	5,12,719	3,81,342		
	Legal Expenses	65,715	49,846		
	Service Tax/Vat	11,10,412	6,39,662		
	News Paper & Periodicals	59,942	69,276		
Payment to the Auditors	1,34,325	1,10,713			

(Amount in Rs.)

S.No.	Particulars	Note No.	Year Ended 31/03/2021	Year Ended 31/03/2020
	Postage Telephone & Courier Exp		3,31,305	4,95,379
	Professional Charges		52,52,095	62,07,172
	Printing & Stationery		4,31,591	7,45,918
	Repair to Buildings		2,48,758	52,246
	Repair & Maintenance(General)		12,73,482	15,34,242
	Security Guard Exp.		20,55,302	19,70,619
	Vehicle Running Expenses(conveyance)		66,528	1,39,183
	Share Transfer Exps (Sharex)		27,591	21,565
	Statutory filling Fees		9,000	21,599
	Directors Sitting Fees		40,000	1,30,000
	<b>SUB Total</b>		<b>1,35,66,832</b>	<b>1,52,15,087</b>
<b>C</b>	<b>Selling &amp; Distribution Expense</b>			
	Advertisement Expenses		2,13,189	3,62,222
	Freight & Cartage (Outward)		11,87,725	15,49,580
	Dr./Cr. Balance W/OFF		55,455	-
	Sales Commission & Incentives		39,593	1,20,903
	Turn Over / Cash Discount		7,57,254	11,27,844
	Sales Tax / Gvat Tax Expenses/Entry Tax Kolkata		-	95,639
	Packing Material		12,67,308	16,53,686
	Sales Promotion/ Conference Exp		1,65,808	13,233
	Travelling Expenses		1,69,055	4,27,305
	Travelling Expenses (Marketing)		3,033	1,66,023
	Bad Debts including provision for doubtful Debts		-	1,00,000
	Commercial Claims Paid		13,228	-
	<b>SUB Total</b>		<b>38,71,648</b>	<b>56,16,436</b>
	<b>Total(A+B+C)</b>		<b>4,74,44,388</b>	<b>4,52,58,154</b>

**Note No. 29**

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2021**

1. As per opinion of the Board of Directors the Current Assets, Loans and Advances and Current Liabilities as reflected in the Balance Sheet represent the value they would realize to become payable as the case may be in the ordinary course of business.
2. We have relied on the management representation in respect of determining reuse / sale of T.C. scrap, worn out Cylpebs and acceptance of rejection claims.
3. Exchange difference amounting to Rs. 5,28,046(P.Y. Rs. 4,619/-)relating to import has been adjusted in the cost of corresponding raw materials/consumables, Rs.828/- (P.Y. Rs.- NIL-) relating to export has been shown in Note no. 28(B) under head Other Expenses.
4. Micro Small and Medium Enterprise Development Act,2006

As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act,2006 following information disclosed to the extent identifiable:

(Amount in Rs.)

	<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year	<b>4,10,32,301</b>	2,33,245
	(ii) The interest due on above	-	-
	<b>Total of (i) &amp; (ii)</b>	<b>4,10,32,301</b>	2,33,245
b)	The amount of interest paid by the buyer in terms of Section 16 of the Act along with the amount of the payment made to suppliers beyond the appointed day during each accounting year.	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 Act.	-	-

5. Provision for taxation has been made during the year as per completed Income Tax Assessment of the Company.
6. Segment Reporting. The Company has only one business segment "Tungsten and Tungsten Carbide Products" as primary segment as required by Ind AS 108 "Operating Segment" under the companies (Indian accounting standard) Rules 2015. The secondary segment is geographical which is given as under:

(Amount in Rs.)

<b>Sr. No.</b>	<b>Sales &amp; Services</b>	<b>2020-21</b>	<b>2019-20</b>
a)	Within India	<b>28,00,78,560</b>	33,56,35,893
	Outside India	<b>30,064</b>	81,928
	<b>TOTAL</b>	<b>28,01,08,624</b>	33,57,17,821

<b>Sr. No.</b>	<b>Other Income</b>	<b>2020-21</b>	<b>2019-20</b>
b)	Within India	<b>1,71,195</b>	2,99,566
	Outside India	-	-
	<b>TOTAL</b>	<b>1,71,195</b>	2,99,566

7. Related Party Disclosure as per IndAS24 issued by Institute of Chartered Accountant of India.

**Part. A – Details of related parties.**

Sr. No.	Nature of relationships		
1	Key Management Personnel	Mr. A.V. Gami	Managing Director
		Mr. D.D. Kanitkar	Chairman
		Mr. K.D. Sharma	Director
		Mrs. Shruti A. Gami	Director
		Mr. J. C. Bhatia*	Managing Director
		Mr. A. R. Master	Chief Financial Officer
		Mr. K. M. Shinde	Company Secretary
		Mr. B. D. Markad	Chief Operating Officer
		Mr. C. J. Bhatia**	Son of Managing Director
		2	Related Party
M/s. United Wolfram	Concern in which Managing Director is Partner		

\*Shri. J.C. Bhatia resigned with effect from July 31, 2020.

\*\* Shri C.J. Bhatia resigned with effect from September 14, 2018.

**Part. B – Disclosure of Transactions between the Company and Related Parties.**

(Amount in Rs.)

Sr. No.	Nature of Service	Name	Year Ended 31/03/2021	Year Ended 31/03/2020
1	Remuneration	Mr. J. C. Bhatia*	7,39,292	32,87,813
2	Rent	Mrs. D.J. Bhatia*	3,20,000	9,60,000
3	Rent	Mr. C. J. Bhatia*	1,00,000	5,11,355
4	Remuneration	Mr. A.V Gami	29,57,074	-
5	Salary	Mr. B D Markad	17,03,429	22,85,388
6	Salary	Mr. A. R. Master	12,30,527	15,85,857
7	Salary	Mr. K. M. Shinde	6,74,162	8,29,024
8	Sitting Fees	Mr. L. M. Bijlani*	5,000	15,000
9	Commission	Mr. L. M. Bijlani	-	-
10	Sitting Fees	Mr. C. G. Cholera*	5,000	25,000
11	Commission	Mr. C. G. Cholera	-	-
12	Sitting Fees	Mr. D. D. Kanitkar	10,000	30,000
13	Reimbursement for maintaining Chairman's Office	Mr. D. D. Kanitkar	60,000	-
14	Sitting Fees	Mr. B. V. Dholakia	-	35,000
15	Commission	Mr. B. V. Dholakia	-	-
16	Sitting Fees	Mrs. Gayatri Parikh	5,000	25,000
17	Commission	Mrs. Gayatri Parikh	-	-
18	Sitting Fees	Mrs. Shruti Gami	15,000	-
19	Commission	Mrs. Shruti Gami	-	-
20	Sitting Fees	Mr. K.D Sharma	15,000	-
21	Commission	Mr. K.D Sharma	-	-
22	Sales	United Wolfram	3,36,23,177	-
23	Purchase	United Wolfram	11,79,44,078	-

\* Related Parties for only part of the Financial year 2020-21.

8. Deferred Tax Assets/(Liabilities):

(Amount in Rs.)

Sr. No.	Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
1	Deferred Tax Liability		
	Remeasurement of Investments	(1,64,924)	(1,23,679)
2	Deferred Tax Assets		
	Related to Fixed Assets (Including unabsorbed depreciation)	43,88,891	(5,52,429)
	Disallowance U/s 43-B of Income Tax Act (Leave encashment)	8,04,604	8,78,755
	Provision for Doubtful Debts	26,000	26,000
	Re-measurement of Gratuity	27,10,824	23,14,541
	<b>Total – Net Deferred Tax Assets/Liabilities</b>	<b>77,65,395</b>	<b>25,43,188</b>

9. Contingent Liabilities and Commitment :- (To the extent not provided only)

- Company's Income Tax Assessments have been completed up to the Assessment year 2019-20. In the opinion of the management, provision made in books is sufficient to cover liabilities in respect of pending assessments.
- Company's Vat Assessments have been completed up to 30/06/2017.
- Presently, there are no pending litigation/Demand from VAT/GST/Income tax/Service Tax/Excise.
- Contingent Liabilities

(Amount in Rs.)

Sr. No.	Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
a)	Claim against the company not acknowledged as debts	NIL	NIL
b)	Guarantees / Letters of Credit	64,38,801	47,45,214
c)	Other money for which the Company's commitments / Liability Commitments	NIL	1,77,87,009
d)	Estimated amount of contract remaining to be executed on Capital account and not provided for	NIL	8,56,280
e)	Uncalled Liability on Shares and other Investment partly paid	NIL	NIL
f)	Other commitments / Counter Guarantee	NIL	NIL
g)	Issue of Securities for specific purpose	NIL	NIL
h)	Details of any assets other than Fixed Assets and Non-current Investments which do not have a value on realization on the Ordinary Course of Business at least Equal to the amount at which they are stated	NIL	NIL

10. Payment to The Auditors As :

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
For Statutory Fees	75,000	75,000
For Taxation Matters	NIL	NIL
For Management Services	NIL	NIL
For Other Services	25,000	25,000
For Reimbursement of Expenses	34,325	10,713
<b>TOTAL</b>	<b>1,34,325</b>	<b>1,10,713</b>

11. As per Ind AS 19 “Employee Benefits”, the disclosure of employee benefits as defined in the Indian Accounting Standard (IndAS) are given below:

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
<b>Expenses recognized for defined Contribution Plan</b>		
Company’s contribution to Provident Fund	<b>32,86,805</b>	31,20,038
Company’s contribution to ESIC	<b>1,27,509</b>	1,57,263
Company’s contribution to Super Annuation Fund	<b>15,91,039</b>	14,31,188
<b>TOTAL</b>	<b>50,05,353</b>	47,08,489

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund. The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

#### Defined Benefit Plan - Gratuity

All Employees who have completed five years or more of service are entitled to benefits of Gratuity.

The Company has the Employee’s Group Gratuity Scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is unfunded. Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as at 31st March, 2021 and 31st March, 2020 being the respective Measurement dates:

- A) Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation :

(Amount in Rs.)

Particulars	Gratuity	
	As at 31/03/2021	As at 31/03/2020
Present Value of Defined Benefit Obligation at the beginning of the year	<b>2,14,48,609</b>	1,96,27,859
Current Service Cost	<b>11,43,468</b>	10,65,629
Interest Cost	<b>11,15,001</b>	12,18,922
Components of Actuarial (gain) / loss		
Due to Change in financial assumptions	<b>2,84,823</b>	8,17,483
Due to Change in demographic assumption	-	46,734
Due to experience adjustments	<b>20,64,448</b>	(4,73,925)
Past service cost	-	-
Benefits paid	<b>(43,55,454)</b>	(8,54,093)
Present Value of Defined Benefit obligation at the end of the year	<b>2,17,00,895</b>	2,14,48,609

- B) Reconciliation of opening and closing balances of the Fair Value of the Plan Assets :

(Amount in Rs.)

Particulars	Gratuity	
	As at 31/03/2021	As at 31/03/2020
Fair Value of Plan Assets at the beginning of the year	<b>1,25,46,525</b>	1,08,61,360
Return on plan assets including interest Income	<b>7,34,025</b>	7,50,214
Contributions	<b>23,49,554</b>	17,89,044
Benefits paid	<b>(43,55,454)</b>	(8,54,093)
Actuarial gain / (loss)	<b>NIL</b>	NIL
Fair value of Plan Assets at the end of the year	<b>1,12,74,650</b>	1,25,46,525

C) Expenses recognized in Profit and Loss :

(Amount in Rs.)

Particulars	Gratuity	
	As at 31/03/2021	As at 31/03/2020
Current Service Cost	11,43,468	10,65,629
Past service cost and loss/(gain) on curtailments and settlement	-	-
Interest Cost	5,20,647	5,80,474
Opening service cost and interest cost	-	-
Net Cost recognized in Statement of Profit and Loss	16,64,115	16,46,103

D) Expenses recognized in Other Comprehensive Income :

(Amount in Rs.)

Particulars	Gratuity	
	As at 31/03/2021	As at 31/03/2020
<b>Components of actuarial gain / losses on obligations:</b>		
Due to change financial assumptions	2,84,823	8,17,483
Due to change in demographic assumptions	-	46,734
Due to experience adjustments	20,64,448	(4,73,925)
Return on Plan Assets excluding amounts included in Interest Income	(1,39,671)	(1,11,766)
Opening Provision to be made	-	-
Net Cost recognized in Other Comprehensive Income	22,09,600	2,78,526

E) Assumptions used to determine the Defined Benefit Obligations:

(Amount in Rs.)

Particulars	Gratuity	
	As at 31/03/2021	As at 31/03/2020
Mortality rate	0.09% to 1.12%	0.09% to 1.12%
Discount rate (per annum)	6.00%	6.25%
Expected rate of Return on Plan Assets (per annum)	-	-
Expected rate of increase in Salary (per annum)	8.00%	8.00%
Expected Average remaining working lives of Employees (Years)	5.00% at younger age and 1.00% at older age	5.00% at younger age and 1.00% at older age

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

F) Sensitivity Analysis :

Particulars	Change in Assumption	Effect on Gratuity obligation
For the year ended 31st March 2020		(Amount in Rs.)
Discount Rate	+ 0.5%	2,09,28,734
	- 0.5%	2,20,00,763
Salary Growth Rate	+ 0.5%	2,19,16,023
	- 0.5%	2,09,83,646
Withdrawal rate	W. R. x 110%	2,14,40,689
	W. R. x 90%	2,14,56,552
For the year ended 31st March 2021		
Discount Rate	+ 0.5%	2,11,39,703
	- 0.5%	2,22,97,456
Salary Growth Rate	+ 0.5%	2,22,15,526
	- 0.5%	2,12,08,668
Withdrawal rate	W. R. x 110%	2,16,86,824
	W. R. x 90%	2,17,09,481

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change if any parameter and the extent of the change if any.

G) History of Experience adjustments is as follows:

(Amount in Rs.)

Particulars	Gratuity
For the year ended 31st March 2020	
Plan Liabilities – (loss) / gain	2,14,48,609
Plan Assets – (loss) / gain	(1,25,46,525)
For the year ended 31st March 2021	
Plan Liabilities – (loss) / gain	2,17,00,895
Plan Assets – (loss) / gain	(1,12,74,650)

H) Estimate of Expected Benefit Payments:

(Amount in Rs.)

Particulars	Gratuity
1st April, 2021 to 31st March, 2022	59,94,900
1st April, 2022 to 31st March, 2023	24,99,838
1st April, 2023 to 31st March, 2024	24,53,794
1st April, 2024 to 31st March, 2025	11,81,382
1st April, 2025 to 31st March, 2026	8,07,638
1st April, 2026 to 31st March, 2027 and onwards	1,06,07,126

I)

Statement of Employee Benefit Provision:

(Amount in Rs.)

Particulars	Gratuity	
	As at 31/03/2021	As at 31/03/2020
Fair Value of Plan Assets	(1,12,74,650)	(1,25,46,525)
Present Value of Obligation	2,17,00,895	2,14,48,609
Opening Balance	-	-
Amount recognized in Balance Sheet	1,04,26,245	89,02,084

J) Current and Non – Current provision for Gratuity: (Amount in Rs.)

Particulars	Gratuity	
	As at 31/03/2021	As at 31/03/2020
Current	13,36,718	11,43,468
Non-Current	90,89,527	77,58,616
Opening Balance	-	-
Total	1,04,26,245	89,02,084

K) Reconciliation of net defined benefit liability: (Amount in Rs.)

Particulars	Gratuity	
	As at 31/03/2021	As at 31/03/2020
Opening provision in books of accounts	89,02,084	87,66,499
Employee Benefit Expense – Table C	16,64,115	16,46,103
Amounts recognized in other comprehensive income	22,09,600	2,78,526
Contributions to plan assets	(23,49,554)	(17,89,044)
Closing provision in books of accounts	1,04,26,245	89,02,084

L) Gratuity payable as per revised accounting Ind AS 19 & actuarial valuation submitted by independent actuaries difference of fair market value of defined plant & present value of defined plant has been provided in other comprehensive income amounting to Rs. 22,09,600/- including past service cost, interest cost and liability of earlier year and difference in actuarial liability including service cost and interest cost for the year 31.03.2021.

**Unfunded defined plan: leave encashment**

A) Reconciliation of opening and closing balances of the Present Value of the Defined Unfunded Benefit Obligation: (Amount in Rs.)

Particulars	Leave Encashment	
	As at 31/03/2021	As at 31/03/2020
Present Value of Unfunded Defined Benefit obligation at the beginning of the year	33,79,827	32,44,557
Current Service Cost	5,16,405	5,87,290
Interest Cost	1,78,629	2,05,831
Components of Actuarial (gain) / loss		
Due to Change in financial assumptionns	40,266	1,41,488
Due to Change in demographic assumption	-	325
Due to experience adjustments	(7,60,471)	(5,94,815)
Benefits paid	(2,60,023)	(2,04,849)
Present Value of Defined Benefit obligation at the end of the year	30,94,633	33,79,827

B) Expenses recognized in Profit and Loss: (Amount in Rs.)

Particulars	Leave Encashment	
	As at 31/03/2021	As at 31/03/2020
Current Service Cost	5,16,405	5,87,290
Interest Cost	1,78,629	2,05,831
Re-measurements of obligation	(7,20,205)	(4,53,002)
Benefit paid	-	-
Net Cost recognized in Statement of Profit and Loss	(25,171)	3,40,119

C) Components of actuarial gain/losses on obligation:

(Amount in Rs.)

Particulars	Leave Encashment	
	As at 31/03/2021	As at 31/03/2020
<b>Components of actuarial gain / losses on obligations:</b>		
Due to change in financial assumptions	40,266	1,41,488
Due to change in demographic assumptions	-	325
Due to experience adjustments	(7,60,471)	(5,94,815)
Net actuarial gain/loss	(7,20,205)	(4,53,002)

D) Assumptions used to determine the Defined Benefit Obligations:

Particulars	Leave Encashment	
	As at 31/03/2021	As at 31/03/2020
Mortality rate	0.09% to 1.12%	0.09% to 1.12%
Discount rate (per annum)	6.00%	6.25%
Expected rate of Return on Plan Assets (per annum)	-	-
Expected rate of increase in Salary (per annum)	8.00%	8.00%
Expected Average remaining working lives of Employees (Years)	5.00% at younger age and 1.00% at older age	5.00% at younger age and 1.00% at older age
Leave Availment Rate	1.00%	1.00%
Leave Encashment Rate	1.00%	1.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market..

The expected rate of return on plan assets in determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

E) Sensitivity Analysis :

(Amount in Rs.)

Particulars	Change in Assumption	Effect on Gratuity obligation
For the year ended 31st March 2020		
Discount Rate	+ 0.5%	32,89,719
	- 0.5%	34,76,001
Salary Growth Rate	+ 0.5%	34,73,938
	- 0.5%	32,90,740
Withdrawal rate	W. R. x 110%	33,73,061
	W. R. x 90%	33,86,864
For the year ended 31st March 2021		
Discount Rate	+ 0.5%	30,15,377
	- 0.5%	31,79,250
Salary Growth Rate	+ 0.5%	31,77,232
	- 0.5%	30,16,445
Withdrawal rate	W. R. x 110%	30,88,381
	W. R. x 90%	31,01,126

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

F) History of Experience adjustments is as follows:

(Amount in Rs.)

Particulars	Leave Encashment
For the year ended 31st March 2020	
Plan Liabilities – (loss) / gain	33,79,827
Plan Assets – (loss) / gain	-
<b>For the year ended 31st March 2021</b>	<b>30,94,633</b>
<b>Plan Liabilities – (loss) / gain</b>	<b>-</b>
<b>Plan Assets – (loss) / gain</b>	<b>-</b>

G) Estimate of Expected Benefit Payments:

(Amount in Rs.)

Particulars	Leave Encashment
1st April, 2021 to 31st March, 2022	10,44,743
1st April, 2022 to 31st March, 2023	2,46,784
1st April, 2023 to 31st March, 2024	3,08,989
1st April, 2024 to 31st March, 2025	1,79,805
1st April, 2025 to 31st March, 2026 and onwards	15,50,314

H) Statement of Employee Benefit Provision:

(Amount in Rs.)

Particulars	Leave Encashment	
	As at 31/03/2021	As at 31/03/2020
Fair Value of Plan Assets	30,94,633	33,79,827
Present Value of Obligation	-	-
Amount recognized in Balance Sheet	30,94,633	33,79,827

I) Current and Non - Current provision for Gratuity:

(Amount in Rs.)

Particulars	Leave Encashment	
	As at 31/03/2021	As at 31/03/2020
Current	10,44,743	10,43,521
Non-Current	20,49,890	23,36,306
<b>Total</b>	<b>30,94,633</b>	<b>33,79,827</b>

J) Reconciliation of net defined benefit liability:

(Amount in Rs.)

Particulars	Leave Encashment	
	As at 31/03/2021	As at 31/03/2020
Opening provision in books of accounts	33,79,827	32,44,557
Employee Benefit Expense – Table B	(2,85,194)	1,35,270
Re-measurement of opening balance	-	-
Closing provision in books of accounts	30,94,633	33,79,827

12. Earnings per share (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share:		Number of Shares	
Sr. No.	Particulars	As at 31/03/2021	As at 31/03/2020
(i)	Issued Equity Shares	53,71,245	53,71,245
	Weighted Average Shares outstanding – Basic and Diluted	53,71,245	53,71,245

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in Rs.)

Sr. No.	Particulars	As at 31/03/2021	As at 31/03/2020
(i)	Profit and Loss after Tax for attributable to Equity Shareholders	(9653401)	(9,55,816)
(ii)	Basic Earning per Equity Share	(1.80)	(0.18)
(iii)	Face Value per Equity Share	10	10.00

13. Operating Lease Commitments (Company is a Lessee)

The Company does not have any operating leasing arrangement in respect of vehicles and there are no commitment with respect to lease rental payable.

14. Events Occurring after Balance Sheet:

- The financial statements were approved for issue by the board of directors on June 28, 2021.
- Dividend proposed to be distributed

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Dividend proposed for Equity Shareholders @ Rs. –NIL- (P.Y Nil) per share	-	-
<b>Total</b>	-	-

15. Value of Imports calculated of C.I.F. basis by the Company the financial year in respect of :

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Raw Materials	4,34,13,614	6,85,34,391
Components and Spare Parts	-	5,42,082
<b>Total</b>	4,34,13,614	6,90,76,473

16. Expenditure in Foreign Currency during the Financial year on account of:

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Books & Periodicals	NIL	NIL
Membership Fees	NIL	NIL
Foreign Travelling	NIL	NIL
Fees and Taxes	NIL	NIL
Repairs Plant & Machinery	NIL	NIL
<b>Total</b>	NIL	NIL

17. The amount remitted during the year in Foreign currency:

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
On account of dividends	NIL	NIL

18. Earning In Foreign Exchange:

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Exports of Goods on FOB Basis	30,064	81,928
Interest and Dividends	NIL	NIL
Other Income	NIL	NIL
<b>Total</b>	<b>30,064</b>	<b>81,928</b>

19. Break up of Consumption:

(Amount in Rs.)

	Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
a)	Raw Materials		
	Indigenous	4,94,02,381	12,52,37,106
	%	31.56	57.98
	Imported	10,71,22,757	9,07,60,750
	%	68.44	42.02
	<b>Total Consumption</b>	<b>15,65,25,138</b>	<b>21,59,97,856</b>

(Amount in Rs.)

	Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
b)	Spare Parts & Components		
	Indigenous	1,60,29,863	51,25,959
	%	100	69.28
	Imported	-	22,72,908
	%	-	30.72
	<b>Total Consumption</b>	<b>1,60,29,863</b>	<b>73,98,867</b>

20. Consumption of Raw Materials:

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Blue Tungsten Oxide	3,60,56,086	8,02,18,774
Oxide of Metal	10,12,69,010	10,13,46,000
Cobalt	1,16,66,990	2,35,24,036
Tungsten Carbide Powder	23,95,519	42,46,513
Tanbc	32,56,306	42,74,041
Others	18,81,227	23,88,485
<b>Total</b>	<b>15,65,25,138</b>	<b>21,59,97,856</b>

21. Opening / Closing Stock of Raw Material:

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Blue Tungsten Oxide	1,54,06,633	1,83,47,009
Oxide of Metal	98,32,246	1,29,29,000
Cobalt	28,03,598	35,35,889
Tungsten Carbide Powder	3,77,089	12,56,982
Tanbc	20,14,115	23,33,869
Others	17,60,666	7,79,991
<b>Total</b>	<b>3,21,94,347</b>	<b>3,91,82,740</b>

22. Turnover

Tungsten & Tungsten Carbide Products

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
a) Manufactured		
i) Sintered	19,10,02,138	25,84,97,275
ii) Intermediary Products	8,78,16,173	7,38,56,796
b) Purchased		
i) Resale of Raw Material	12,90,313	33,63,750
<b>Total</b>	<b>28,01,08,624</b>	<b>33,57,17,821</b>

23. Opening / Closing Stock – Finished Goods

Tungsten & Tungsten Carbide Product

(Amount in Rs.)

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
a) Manufactured	2,13,90,397	3,85,18,049
b) Purchased	-	-
<b>Total</b>	<b>2,13,90,397</b>	<b>3,85,18,049</b>

24. Financial Instruments

i) Fair value measurement hierarchy:

(Rs. In Lakhs)

Particulars	As at 31/03/2021			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
At Fair Value through Profit and Loss	-	-	-	-
Mutual Funds	-	-	-	-
<b>At FVTOCI</b>				
Investment in Equity instruments	8.38	-	8.38	-
Investment in Debt instruments	-	-	-	-
<b>At Amortised cost</b>				
Trade Receivables	706.91	-	-	-
Cash and cash equivalents	304.58	-	-	-
Bank balances other than above	28.57	-	-	-
Other asset	46.09	-	-	-
<b>Total</b>	<b>1094.53</b>	<b>-</b>	<b>8.38</b>	<b>-</b>

(Rs. In Lakhs)

Particulars	As at 31/03/2021			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial liabilities</b>				
Trade Payables	555.18	-	-	-
Borrowings	4.86	-	-	-
Other Financial liabilities	25.28	-	-	-
<b>Total</b>	<b>585.32</b>	<b>-</b>	<b>-</b>	<b>-</b>

(Rs. In Lakhs)

Particulars	As at 31/03/2020			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
At Fair Value through Profit and Loss	-	-	-	-
Mutual Funds	-	-	-	-
<b>At FVTOCI</b>				
Investment in Equity instruments	6.52	-	6.52	-
Investment in Debt instruments	-	-	-	-
<b>At Amortised cost</b>				
Trade Receivables	673.42	-	-	-
Cash and cash equivalents	14.87	-	-	-
Bank balances other than above	33.00	-	-	-
Other assets	40.39	-	-	-
<b>Total</b>	<b>761.68</b>	<b>-</b>	<b>6.52</b>	<b>-</b>
<b>Financial liabilities</b>				
Trade Payables	388.50	-	-	-
Borrowings	141.33	-	-	-
Other Financial liabilities	51.98	-	-	-
<b>Total</b>	<b>581.90</b>	<b>-</b>	<b>-</b>	<b>-</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

i) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of the remaining financial instruments is determined using NAV.
- Valuation of unquoted equity shares is done by external valuation agency.
- Changes in Level 2 fair value are analysed at the end of each reporting period.

## 25. Financial Risk management

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

- Credit risk.
- Liquidity risk, and
- Market risk

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

### i) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposit and other receivables. Credit risk is managed through continuous monitoring of receivables and follow up of overdue.

### Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter parties, and does not have any significant concentration of exposures to specific industry sector or specific country risks.

### Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customer, default risk of the industry and country in which the customer operates, Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

(Rs. In Lakhs)

	Particulars	As at 31/03/2021	As at 31/03/2020
A	Balance at the beginning of the year	707.91	674.42
b	Provision made during the year	1.00	1.00
c	Provision reversed during the year	-	-
d	Balance at the end of the year	706.91	673.42

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

### ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they fall due. The Company ensures that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition.

### Maturities of Financial Liabilities

The table herewith analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for:

The amount disclosed in the table are the contractual undiscounted cash flow, Balance dues within the 12 months equal there carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities:**

(Rs. In Lakhs)

Particulars	Less than 1 year	More than 1 year	Total
As at 31st March, 2021			
Non-derivatives			
Other Financial Liabilities	25.28	-	25.28
Borrowings	-	4.86	4.86
Trade payables	555.18	-	555.18
Total Non-derivative liabilities	580.46	4.86	585.32

Particulars	Less than 1 year	More than 1 year	Total
As at 31st March, 2020			
Non-derivatives			
Other Financial Liabilities	51.98	-	51.98
Borrowings	126.82	14.51	141.33
Trade payables	388.59	-	388.59
Total Non-derivative liabilities	567.39	14.51	581.90

**iii) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other price risk such as commodity risk, Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

**Price Risk**

The Company is mainly exposed to the price risk due its investment in equity instruments and equity & debt mutual fund. The price risk arises due to unascertainty about the future market value of these investments.

**Management Policy**

The Company maintains its portfolio in accordance with framework set by risk management policies duly monitored by competent professionals.

**26. Capital management**

The Company's capital management objectives are:

- To ensure the Company's ability to continue as going concern; and
- To provide an adequate return to shareholders through optimization of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

(Amount in Rs.)

For the year ended	As at 31/03/2021	As at 31/03/2020
Debt (includes non-current, current borrowings and current maturities of long term debt)	6,46,484	1,62,79,685
Less : Cash and cash equivalents	3,04,58,208	14,86,908
Net Debt	(2,98,11,724)	1,47,92,777
Total Equity	235,044,779	24,46,98,180
Net debt to total equity ratio	(0.127)	0.060



## 27. Use of Estimates and Judgments

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in these notes.

## 28. Details of Hypothecation of Assets

Inventory and Debtors are Hypothecated as security for working capital borrowings.

## 29. Commission to Non-Executive Director

Remuneration of NIL to the Non-Executive Director.

## 30. Figures of the previous year have been re-grouped/re-arranged wherever necessary to conform to this year's classification as per Schedule III of the companies Act, 2013.

### Auditor's Report Signed in terms of our separate report of even date

**For Maloo Bhatt & Co.**  
Chartered Accountants  
**Yash Bhatt**  
Partner  
M. No. 117745  
FR No. 1259572W  
Place : Vadodara  
Date : 28th June, 2021.

**A. R. Master**  
Chief Financial Officer

**Kamlesh M. Shinde**  
Company Secretary  
M No. : 35836

**D.D. Kanitkar**  
Chairman  
DIN: 03523774

**K.D. Sharma**  
Independent Director  
DIN: 08763613

### For and on behalf of the Board

**A.V. Gami**  
Managing Director  
DIN: 07570948

**Shruti A. Gami**  
Non-Executive Director  
DIN: 08764442

# CERTIFICATE

Management system as per  
**ISO 9001 : 2015**

In accordance with TÜV NORD CERT procedures, it is hereby certified that

**RAPICUT CARBIDES LIMITED**  
119, GIDC Industrial Estate,  
Ankleshwar - 393 002, Gujarat,  
India

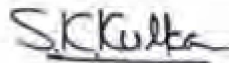


applies a management system in line with the above standard for the following scope

**Manufacture & Sale of Tungsten based Powders and Cemented  
Tungsten Carbide Products for Mining and Engineering Applications**

Certificate Registration No.04 100 990693  
Audit Report No.2.5-0062/1999

Valid from 05.08.2020  
Valid until 04.08.2023  
Initial certification 02.06.1999



Certification Body  
at TÜV NORD CERT GmbH

Mumbai, 12.07.2020

This certification was conducted in accordance with the TÜV NORD CERT auditing and certification procedures and is subject to regular surveillance audits.

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