Rajratan Global Wire Limited
Annual Report 2020-21

RAJRATAN
OUTPERFORM

OUTPERFORMANCE

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

OUTPERF ORMANCE

Contents

This one word captures the essence of our existence.

To do better than what we have ever done. To do better than the others.

This was visibly evident in our FY 2020-21 performance, acknowledged as possibly the most challenging year for global businesses in nearly nine decades.

We are happy to communicate that this challenging year was a record one for our company.

Emphasising our commitment to sustained outperformance.

How our commitment to 'Outperformance' was evident across three important performance realities in FY 2020-21.

Revenue growth

14%

Rajratan reported a growth in revenues in FY 2020-21.

Margins increase

274 bps

Rajratan reported an increase in EBITDA margin in FY 2020-21.

Net Profit / Earnings growth

61%

Rajratan reported an increase in profit after tax in FY 2020-21.

Note. These parameters outperformed in only ten months of effective operations in FY 2020-21.

AT A GLANCE

9 realities that make Rajratan a global bead wire outperformer

Vision

To become the leading and most preferred bead wire manufacturer & supplier to tyre companies in India and globally.

Mission

To manufacture and supply superior quality products at competitive prices and support them with excellent customer service.

To imbibe and constantly develop a culture of excellence and improvement in every aspect of the business we are in.

To ensure and enhance safe working conditions for all concerned.

Values

Ethical business built on mutual trust. Quality orientation and constant innovation. Continuous learning and personal growth. To care for and share with the society we live in.

Background

The company was originally formed as Rajratan Wires Pvt. Ltd. in 1989 by Mr. Sunil Chordia and family. Commercial production commenced in 1991 with the production of pre-stressed concrete wires and stands. The name of the company was changed to Rajratan Wires Ltd. following the IPO of equity shares in 1995 when the company commenced the production of bead wire.

Rajratan entered into a technical collaboration and joint venture with Gustav Wolf Group of Germany, following which the name of the company was changed to Rajratan Gustav Wolf Ltd. in 1998. Following the joint venture for five years, the Indian promoters bought back equity held by Gustav Wolf, after which the name of the company was changed to Rajratan Global Wire Ltd in 2004.

The company actualised its global vision through the launch of manufacturing operations in Thailand in 2006 through Rajratan Thai Wire Co. Ltd. The Thailand operations of the company commenced commercial production in 2008 through a new manufacturing facility.

Mr. Sunil Chordia and the promoter group account for 65% equity ownership in the company.

Research

The company manufactures bead wire conforming to the most stringent international standards. The company invested in Rajratan Technical Centre to engage in research and development. The company invested in the best Quality Management tools to enhance processes and product integrity, strengthening the company's position as one of the most preferred bead wire manufacturer by highly demanding domestic and global clients.

Products

The company is an attractive external upstream proxy of the prospects of the downstream tyre industry, manufacturing products addressing the value-added segment of the segment's pyramid.

Installed capacity

The company possessed an installed aggregate manufacturing capacity of 1,12,000 TPA across bead and black wire in its Indian and Thailand facilities. The company is among the largest bead wire manufacturers in India and the only bead wire manufacturer in Thailand.

	This is where we were in FY 2018-19	This is where we were in FY 2020-21
India	36,000 TPA, installed capacity	72,000 TPA, installed capacity
Thailand	26,000 TPA, installed capacity	40,000 TPA, installed capacity

Tyre bead wire: Used in all kinds of tyres for automobile, earth moving equipment, aircraft, cycles, passenger vehicles, two-wheelers, three-wheelers and truck bus radials. Its function is to hold the tyre to the rim and resist the action of inflated pressure, which constantly tries to force it off. Bead wire is the crucial link through which the vehicle load is transferred from rim to tyre, preventing vibration during driving. The product enhances tyre safety, strength and durability. The company specialises in the bead wire of customised tensile grades as per requirements.

High carbon steel wire: This is drawn steel wire (popularly known as black wire) manufactured from quality wire rods with high carbon content. The product plays a vital role in industries like automobile, construction and engineering. At Rajratan, we manufacture high carbon steel wire in our state-of-the-art plants.

Locations

The company's manufacturing operations are located in India and Thailand.

India: Located in Pithampur Industrial Area near Indore. The city is the commercial centre of Madhya Pradesh, India's second largest state. The city is centrally located in India, making it possible to reach pan-India customers with speed.

Thailand: Located in Ratchaburi, the facility is close to the port and customers.

Exports

Rajratan is a dependable global supplier of bead wire to renowned quality-demanding tyre manufacturing companies. In addition to marketing products within India and Thailand, where its manufacturing facilities are based, Rajratan also services customers in Italy, USA, The Czech Republic, Malaysia, Indonesia, Philippines, Vietnam, Sri Lanka, Bangladesh and other countries. Exports from Thailand, accounted for around 43% of revenues from that company.

Certifications (India)

IATF 16949:2009
ISO 14001:2004
OHSAS 18001:2007

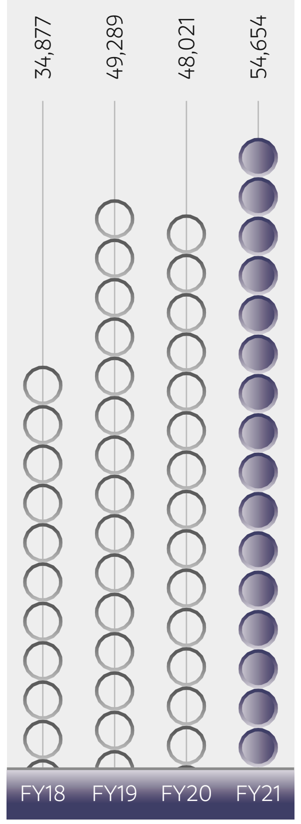
Certifications (Thailand)

IATF 16949:2016
MS ISO 16650:2009 (P) (SIRIM)
IS 4824:2006 (BIS)

How Rajratan has enhanced value across the years

Higher revenues

+ 6,633 (Rs. in lakhs)



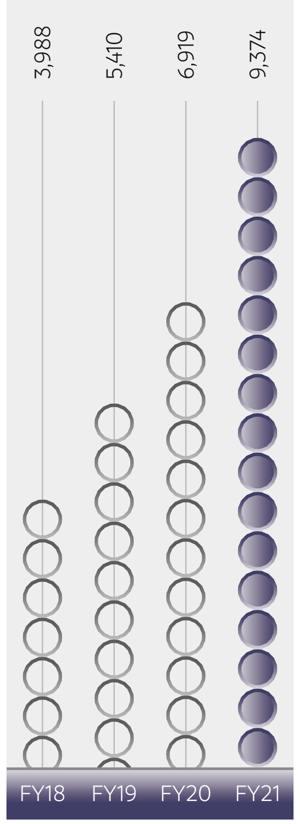
Definition
Sales growth net of taxes.

Why we measure
This measure reflects the result of our ability to understand market trends and service customers in a timely manner with corresponding products marked by superior quality.

Performance
Our aggregate sales increased 14% to Rs. 54,654 lakhs in FY 2020-21, which compared favourably with the growth of the sector and economy.

Growing EBITDA

+ 2,455 (Rs. in lakhs)



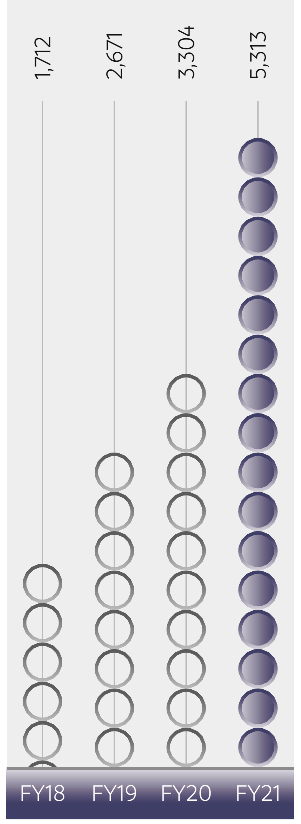
Definition
Earnings before Depreciation, Amortisation, Interest (Finance cost) and Tax.

Why we measure
It is an index that showcases the company's ability to optimise operating costs despite inflationary pressures, which can be easily compared with the retrospective average and sectorial peers.

Performance
The company reported its most substantial EBITDA increase during the year under review following an increase in revenues and ongoing cost management.

Net profit*

+ 2,009 (Rs. in lakhs)



Definition
Profit earned during the year after deducting all expenses and tax and before Other Comprehensive Income.

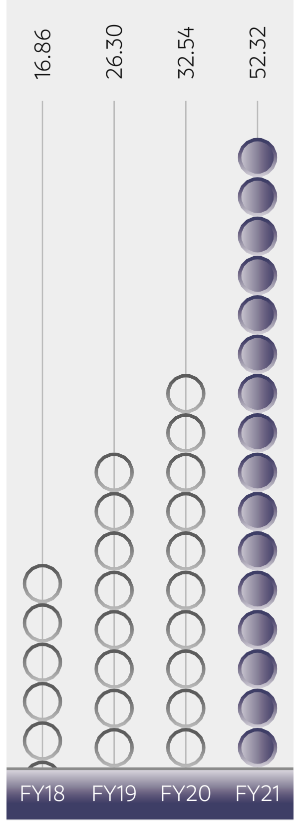
Why we measure
It highlights the strength of the company's business model in generating value for shareholders.

Performance
The company reported the sharpest increase in post-tax profit in its existence during the year under review following increased revenues and a superior amortisation of fixed costs.

* Before Other Comprehensive Income

Earnings per Share

+ 19.78 (Rs.)



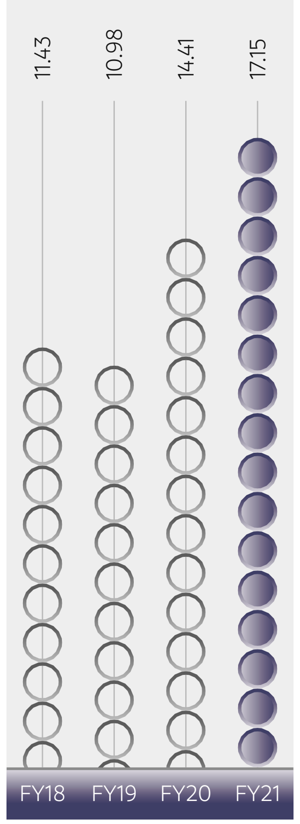
Definition
Earnings per share (EPS) is a measure of profit per share reported by the company.

Why we measure
It is a figure highlighting the proportion of net profit per outstanding share.

Performance
The company reported the sharpest increase in EPS during FY 2020-21 on account of increased revenues and no equity dilution.

EBITDA margin

+274 bps (%)



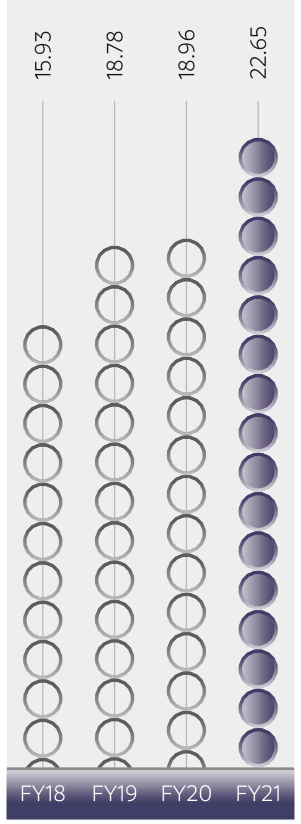
Definition
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency. The higher the operating margin, the better for the company.

Why we measure
The EBITDA margin gives an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

Performance
The company reported a strengthening of its EBITDA margin following superior amortisation of fixed expenses following an increase in revenues.

RoCE

+369 bps (%)



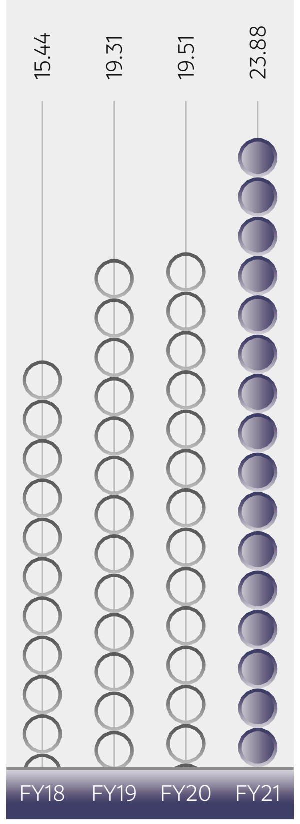
Definition
It is a financial ratio that measures a company's profitability and efficiency with the capital employed in the business.

Why we measure
RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use - especially in capital-intensive sectors.

Performance
The company reported a 369 bps increase in RoCE on account of an increase in revenues, asset utilisation and coverage of fixed expenses.

RoE

+437 bps (%)



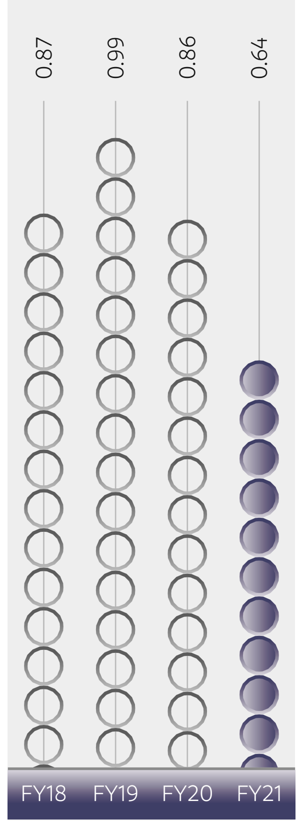
Definition
It is a financial ratio that measures the rate of return that the owners of common stock of a company receive on their shareholding.

Why we measure
RoE signifies the success of the company in generating returns on net worth

Performance
The company reported a 437 bps increase in RoE following an increase in revenues.

Debt-Equity Ratio

-22 bps (x)

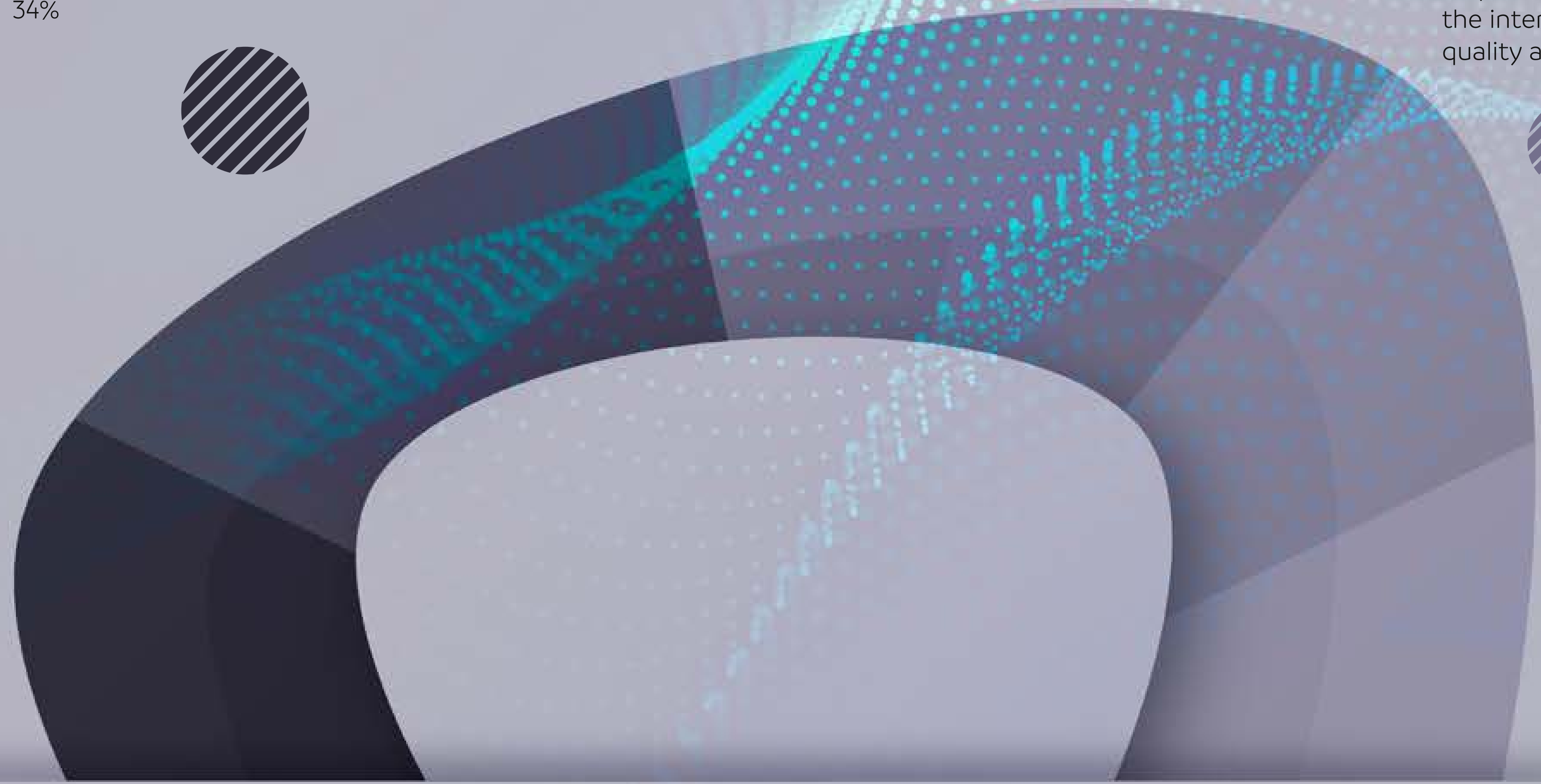


Definition
This is derived through the ratio of debt to net worth (excluding revaluation reserves).

Why we measure
This is one of the defining measures of a company's financial health, indicating the ability of the company to remunerate shareholders over debt providers (the lower the gearing the better).

Performance
The company's gearing improved (reduced) from 2.39 in FY15 to 0.86 in FY 2019-20 and stood at 0.64 in FY 2020-21.

5 big messages that we wish to communicate to our stakeholders



1

Record

Rajratan reported a record performance across all financial parameters in what was by far the most challenging year for the bead wire sector in decades

2

Resilience

Rajratan validated the resilience of its business model, reporting a profit even when sales declined 50% in the first quarter and capacity utilisation declined to a low of 34%

3

Responsiveness

Rajratan demonstrated its capacity to capitalise on improved demand realities with speed, abbreviating the impact of the lockdown to only one quarter

4

Price-setter

Rajratan reinforced its competitiveness, graduating from a cost-taker's position to that of a responsible price-setter through the interplay of superior product quality and timely service

5

Critical mass

Rajratan has created a critical mass and robust Balance Sheet that could facilitate long-term value-creation

Where Rajratan is today

The company enjoys a high customer wallet share; 83% customer relationships have been serviced for more than five years

The company possessed an installed capacity of 1,12,000 TPA across both plants

The company reported consistent annual growth in volumes (production and sales)

How Rajratan has selectively allocated its surplus

The company allocated Rs. 2,648 lakhs, which is 39% from its FY 2020-21 accruals towards capacity expansion

The company allocated Rs. 3,263 lakhs, which is 49% from its FY 2020-21 accruals towards working capital

The company allocated Rs. 812 lakhs, which is 12% from its FY 2020-21 accruals towards dividend

Where Rajratan expects to be three years from now

The company intends to enhance customer wallet share

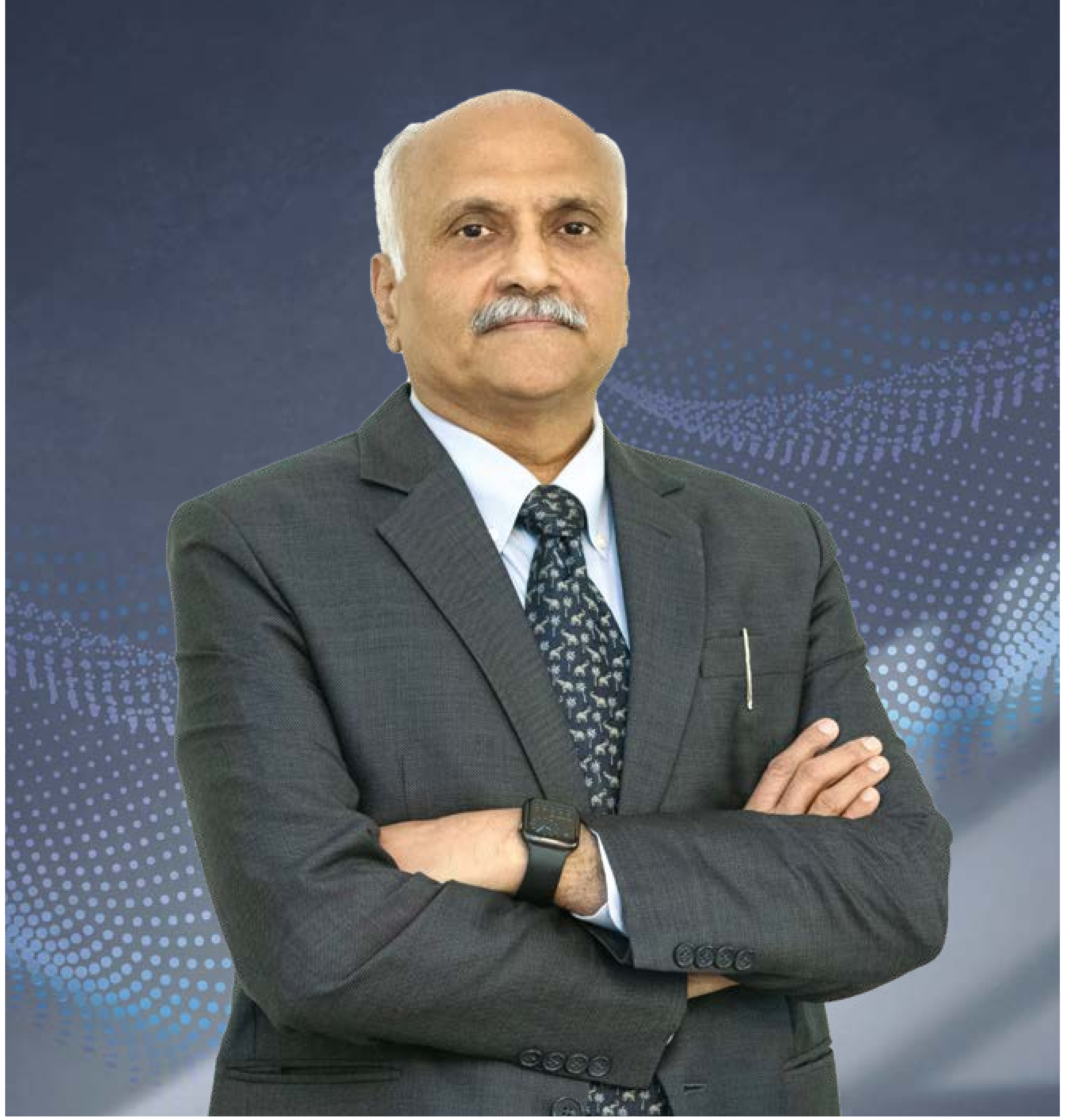
The company intends to possess a consolidated bead wire capacity of 1,80,000 TPA

The company intends to become completely free of long-term debt

The company intends to report larger increases in annual production and sales – growing faster even as it gets larger

CHAIRMAN'S OVERVIEW

Rajratan is attractively placed to capitalise on three structural shifts in its industry



The result is that the company ended the last financial year with 7% higher tonnage sales, 14% higher revenues, 35% higher EBITDA and 61% higher profit after tax.

Overview

I am pleased to present our performance for FY 2020-21.

Never before in our existence of more than two-and-a-half decades did we experience a financial year marked by extreme realities as we did in FY 2020-21.

The company's performance was affected by the pandemic-induced lockdown during the first quarter of FY 2020-21. During this quarter, revenues declined 50% when compared with the corresponding revenues of the previous financial year, while profit after tax declined 83%.

The following quarter proved completely different as the phased lifting of the lockdown inspired a higher offtake of automobiles and pan-India logistic activities (which accelerated tyre replacement) that generated a cascading impact on the offtake of tyres and bead wire. In this dramatic second quarter, Rajratan reported 15% growth in revenues and 40% increase in profit after tax. These numbers were the highest for any single quarter in our existence at that point.

The performance of the company during the third and fourth quarters followed an increasing trend that had been established in the second quarter. Our revenues and profits in each of these quarters were higher than the corresponding quarters of FY 2019-20, validating the sustainability of the underlying trend and the capacity to capitalise on them.

The result is that the company ended the last financial year with 7% higher tonnage sales, 14% higher revenues, 35% higher EBITDA and 61% higher profit after tax. Besides, the company reported higher average realisations by 3%; EBITDA margin strengthened 274 bps to 17.15% and the company ended the last financial year with virtually no finished products inventory.

Three structural shifts

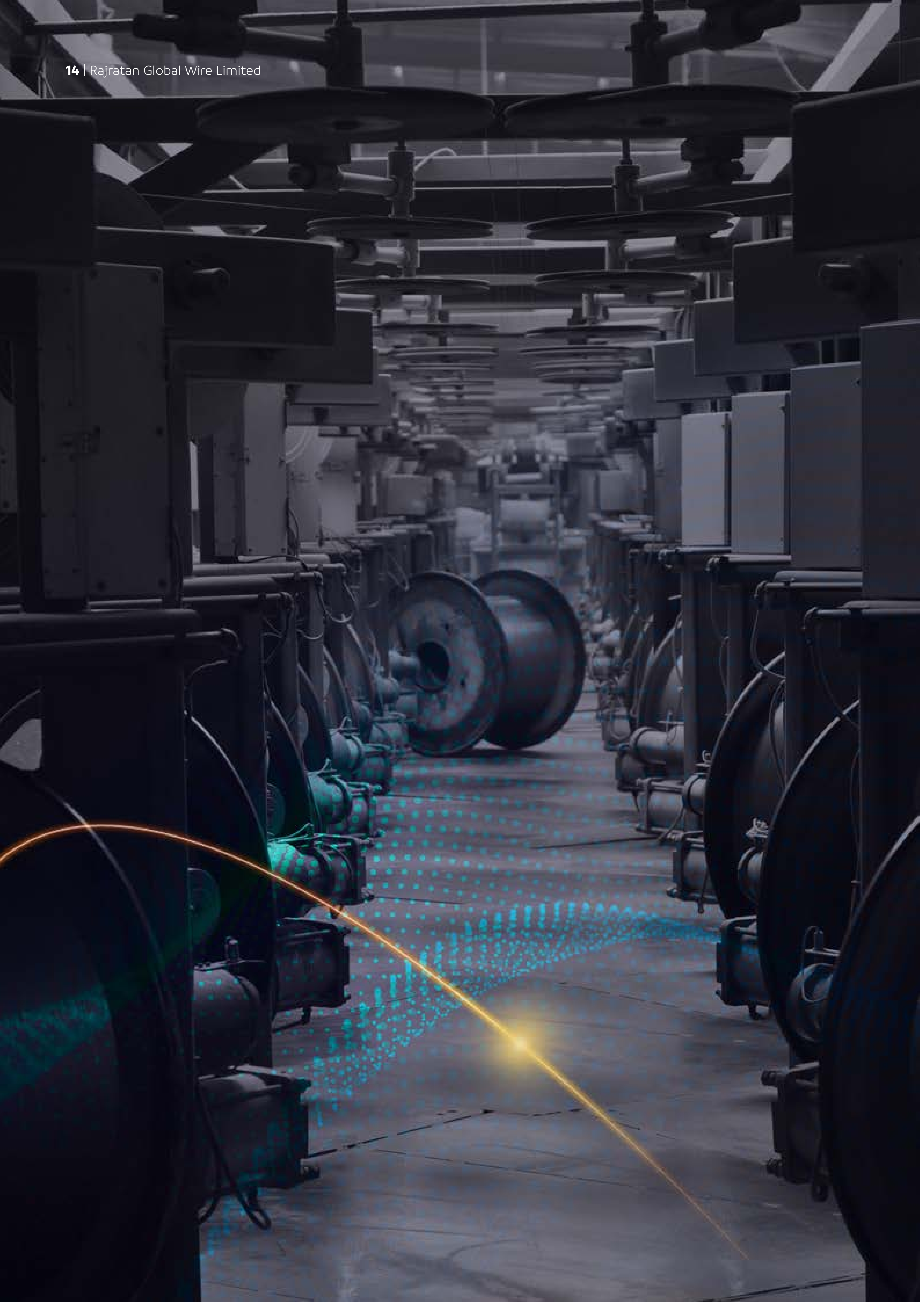
The sharp improvement in the health of the Indian tyre (and automobile) sector, starting from the second quarter, was the outcome of three structural shifts.

One, the pandemic brought home the priority for social distancing on the one hand and the need for protected mobility on the other. The result is that a large number of Indians selected to purchase their private means of transportation – two- and four-wheelers – and this trend generated a substantial increase in the offtake of vehicles starting from the second quarter of the last financial year. We believe that this preference for personal mobility is not fleeting; it represents an inflection point in India's automobile sector that could translate into an increased sustainability in volumes.

Two, the pandemic has highlighted a need for proximate supply chains. There is a growing consensus that countries which insource a large proportion of their needs not only enhance national livelihoods and value; they enhance their resilience in the midst of global shocks, protecting their economic journeys.

Three, the pandemic has emphasised the need for secure supply chains. The word 'secure' is becoming increasingly relevant in a world where demand patterns can change with speed, warranting vendor agility. There is a premium on the need for vendors to deliver quality products on time and in full, resulting in a complete peace of mind. The result is that customers no longer need suppliers; they need long-term partners who will integrate their business strategy with their own and invest ahead of the curve.

Interestingly, these are not just ground-level realities transpiring within the India of today; they are backed by national policy. The announcement of Atmanirbhar Bharat by the Indian government has sent out an unmistakable message that it will encourage domestic manufacturing with an objective to service domestic needs on the one hand and service global appetite on the other. The result is a policy that does not just encourage India to make for India but for India to make for the world. We



believe this comes at the right time when the world is seeking alternative supplier options away from China with the objective to de-risk a single country risk and enhance business sustainability.

Competitive positioning

Rajratan is attractively placed to capitalise on these realities.

From a macro perspective, bead wire imports could remain unviable following the weakening of the Indian currency. The competitive pressure has also declined in the domestic and international markets.

The company manufactures a niche product marked by a technological and financial moat.

It is backed by a rich 25-year experience of having grown through market cycles.

It is present in two attractive tyre manufacturing destinations (India and Thailand).

It possesses one of the most competitive cost structures (capital cost per tonne) in the world.

It services the growing needs of virtually every marquee tyre brand in India and Thailand.

It invested adequate manufacturing capacity ahead of the curve to service their growing needs.

It is a value-added player focused on the manufacture of quality-intensive bead wire addressing the needs of select customers willing to pay a premium.

It kick-started a multi-year quality journey towards TPM and TQM.

It possesses adequate people and infrastructure to make this growth sustainable.

It possesses a robust, liquid and under-borrowed Balance Sheet to sustain this growth across the foreseeable future.

Its weighted average debt cost of less than 8% for the Indian business and less than 5% for the Thailand operations provides adequate comfort.

This platform provides Rajratan with the optimism of not merely sustaining growth from this point onwards but accelerating it.

The future

The big question: Where is Rajratan headed?

Rajratan intends to commission a new manufacturing facility in South India that makes it possible to service customers in that region with a higher assurance of product availability, quicker delivery and lower logistic costs. Besides, the plant will capitalise on its port proximity to address a growing global need for bead wire. The plant is expected to be financed largely through internal accruals, strengthening the prospects of shareholder value accretion.

By the end of FY 2022-23, Rajratan expects to possess a bead wire capacity of 120,000 TPA, a 20% growth from its installed capacity at the close of FY 2020-21.

By the end of FY 2022-23, Rajratan expects to possess a bead wire capacity of 1,20,000 TPA, a 20% growth from its installed capacity at the close of FY 2020-21.

The company expects its bead wire consolidated production capacity to be equally shared between India (60,000 TPA) and Thailand (60,000 TPA).

It intends to build on its existing market presence, strengthening its capacity to service customers better.

It intends to build this capacity with substantial accruals and moderate debt.

It will ensure that the capex will be executed with minimal impact on the debt-equity ratio of the Company.

This financial model will enable Rajratan to enhance organisational value in a substantial and sustainable manner across the foreseeable future.

A bright future lies ahead.

Sunil Chordia
Chairman and Managing Director

STRATEGIC OVERVIEW

How we are wired to counter risks and enhance business sustainability

"If I had to identify a theme at the outset of the new decade it would be increasing uncertainty."

Kristalina Georgieva, Managing Director of the IMF, Peterson Institute for International Economics, 17th January 2020

The Covid-19 pandemic

The year 2020-21 was seminal in the modern existence of humankind.

More than anything, the pandemic shook the world's confidence in the predictability of everyday reality, putting a premium on stability, security and sustainability.

If there is one thing that the pandemic put a premium on, it is the need for protection.

Interestingly, this perspective is something that has been relevant at our company since we went into business. Over the years, our principal recall has been that of a conservatively aggressive company, which reconciles the best of growth-seeking at one end and protection at the other. The bottomline is that our business at any point has weighed various risks and prepared for them with the objective to generate sustainable growth.

The recent pandemic represented a validation of our conservative aggression. Even as we recognised that one could never quite be completely de-risked, we could build on a consistent state of preparedness and nimbleness to adapt to unforeseen realities with speed and decisiveness. It would be fair to state that even as our organisational de-risking had factored various options, permutations and combinations, it could have never foreseen an event like the pandemic for its scale, speed and scope. In such a scenario, the company turned to its deep organisational springs to absorb the full impact of the unexpected downside.

This brought to the centre stage an organisational feature often overlooked for attention in the pursuit of numerical growth: quality of business.

God lies in the details

We are not just one of the largest in the markets of our presence; we enjoy a substantial cost leadership (manufacturing, logistical and financial) as well in the markets of our presence that makes us viable across market cycles.

We enjoy a relatively under-borrowed Balance Sheet that makes it possible for us to absorb the impact of a sales slowdown and mobilise additional debt at low costs.

We expand only when nearly 80% of the long-term debt related to a previous expansion has been covered.

We prefer to grow out of our existing infrastructure, making it possible to commission successive rounds of manufacturing capacity at outlays considerably lower than the prevailing greenfield cost average, making it possible to build a large company with the lowest capital cost per tonne in our business.

We obsess about technology and quality; we are perpetually engaged in experimenting with an improved application, process of treatment that enhances our product integrity. The result is that we commissioned the world's single largest bead wire coating line in 2019; we invested in cutting-edge technologies to moderate breakages to among the lowest global standards within our sector, strengthening our capacity utilisation on the one hand and quality benchmarks on the other.

We run an organisation marked by low overheads, reflected in an increase in per person productivity. The result has been an ability to amortise our fixed costs more efficiently over the sectorial average, enhancing our any-market viability.

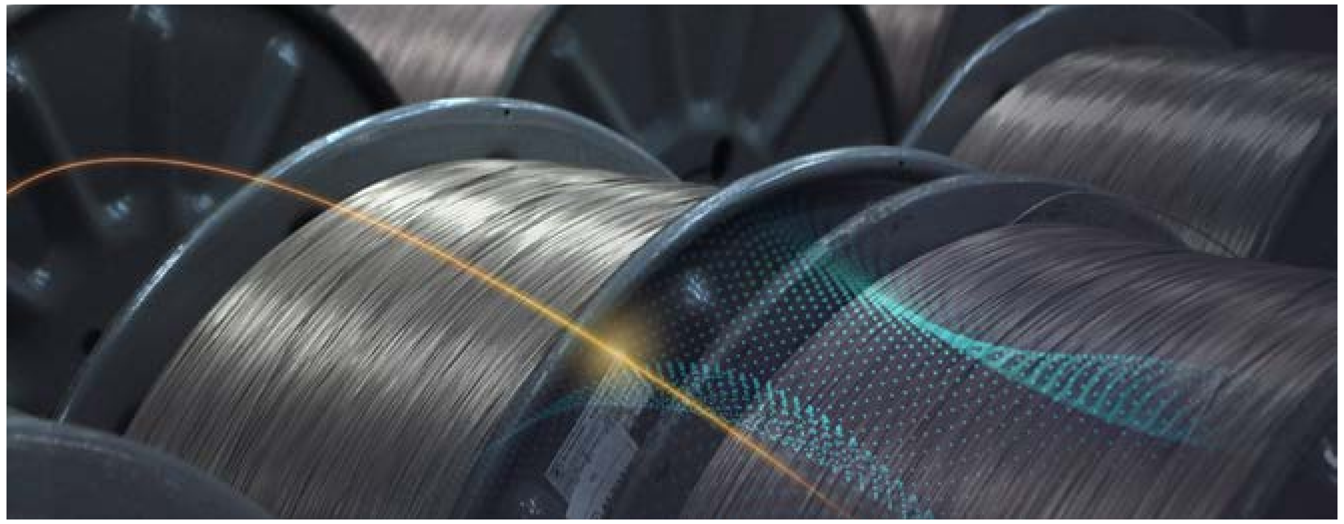
We sell to make, which makes it possible to customise our B2B product to the complete needs of our customers while also liberating us from the need to nurse inventory.

We run an organisation marked by low overheads, reflected in an increase in per person productivity. The result has been an ability to amortise our fixed costs more efficiently.

Managing various risks

At Rajratan, we believe that business sustainability is derived through the identification of probable downsides and their proactive de-risking. This aspect is gaining increased relevance in a world where businesses and realities are marked by a larger number of uncertainties (Black Swans). The more competently we manage these risks, the stronger our capability to weather market cycles and unforeseen events.

At our company, we have extended an understanding of risks from the strategic and the macro to the micro – right down to the transaction level. In doing so, the company has widened its risks understanding from the Board to the individual employee level, strengthening preparedness and mitigation. These risks have been addressed through an institutionalised approach based on our longstanding experience, engagements with stakeholders and the insights of our Board of Directors. Our risks are reviewed and adjusted in real-time – as and when the need arises within established guidelines. The responsibility of highlighting risks has been vested with every employee based on a circle of competence while the responsibility to design counter-risk initiatives has been vested with the senior management and discussed within the Board.



Country risk: A presence in the wrong country could result in low demand that could make us depend on other countries for sales increasing logistic costs.

Mitigation: We are present in two of the most exciting countries – India and Thailand. India enjoys a large captive and growing demand of our downstream product (tyres) at a time when automobile penetration is lower than the global average. Thailand has emerged as the global hub for tyre manufacture. The overall demand for tyres in India is estimated at around 177 million units compared with the global demand of 3378.96 million units, which indicates years of growth headroom.

Market risk: The markets of our presence may not grow attractively for various reasons, affecting the demand for our products.

Mitigation: We believe that temporary aberrations notwithstanding, both markets (India and Thailand) should report a growing demand for bead wire (our principal product). While our India operations have largely serviced in-country demand, our Thailand operations are servicing the demand of more than 10 countries. The Indian government has placed a greater emphasis on Atmanirbhar Bharat, encouraging domestic manufacture over imports, which is favourable for our business. The Thailand government has encouraged tyre industry growth through a business-facilitating environment and tax breaks. The company outperformed growth of the bead wire and tyre markets in both markets in FY 2020-21.

Product risk: The bead wire product may become irrelevant.

Mitigation: We believe that the bead wire is core to the safety of tyre use; it holds the tyre to the rim, enhancing product safety. The product is mature and its application has been unchanged for more than five decades. While technologies and customer needs have evolved over time, the core function of the product has remained unchanged. Bead wire accounted for 89% of the company's consolidated manufacturing capacity and 91% of consolidated revenues in FY 2020-21.

Location risk: The company's location may prove to be a disadvantage, given the dispersed nature of tyre manufacturers.

Mitigation: The company's location in a central Indian location (Pithampur) is logistically prudent, making it possible to service the needs of tyre manufacturers pan-India. Besides, the aggregation of manufacturing facilities in a single location has helped the company leverage economies of scale, moderate manufacturing costs and still remain competitive for pan-India deliveries. Nearly 99.57% of the company's Thailand deliveries were made within 300 kms of its manufacturing facility; no zonal region in India accounted for more than 30% of revenues, which indicates that the Company's business was broadbased.

Customer attrition risk: The company could suffer customer attrition, affecting revenues, margins and brand.

Mitigation: The company provides a compelling price-value proposition – adequate capacity, technologically-rich product, consistently high quality and timely service - that has translated into increased customer approvals. Customers of five years or more accounted for 83% of the company's revenues in FY 2020-21.

Competition risk: The company's operations could become uncompetitive following a high cost of expansion.

Mitigation: In the last number of years, the company leveraged its technology understanding to commission successive rounds of capacity growth without compromising its asset cost competitiveness. The result is that with each expansion, the company has not only emerged larger but has reduced (or at worst maintained) its capital cost and variable cost per tonne of installed capacity. The result is that each successive expansion has not been linear but has strengthened the company's competitiveness. During the year under review, the company's capital cost per tonne was an attractive 60% below the prevailing benchmark for a greenfield manufacturing facility.

Technology risk: The company may find it difficult to address changes in technology, affecting its competitiveness.

Mitigation: The company drew its technology moorings from its erstwhile joint venture with Gustav Wolf Group of Germany that lasted five years. During this period, the company absorbed technology standards and developed an insight based on which it raised the technology quotient of its product thereafter. The company now possesses the technology competence to manufacture a contemporary product while occasionally engaging with global consultants.

Inventory risk: The company's profits could be affected in the event of a swing in raw material or end prices.

Mitigation: The company manufactures bead wire based on committed orders from tyre companies. The company does not build speculative raw material positions, selecting to keep a stock for 15-20 days. The company hedges this inventory position through quarterwise pricing contracts with vendors and customers.

Application risk: The construct of tyres may change (radial or tubeless), affecting the offtake of bead wire.

Mitigation: The bead wire has survived the impact of tyre technology changes without a perceptible demand impact. The tyre has proved to be a mature product (the only part of a vehicle that interfaces with the ground) and its relevance is expected to sustain.

Balance Sheet risk: The company's growth ambition may be restricted by the size of its Balance Sheet.

Mitigation: The company possesses an under-borrowed Balance Sheet where its gearing (based on long-term debt) was 0.31, average blended debt cost of 6.5% (across India and Thailand debt) well below peer levels, average debt tenure of 6 years indicating repayment ease and a positive interest cover of 1.67 in the first quarter of FY 2020-21 when operations were affected).

Demand destruction risk: The operations of the company could be affected in the face of general lockdowns or severe economic slowdowns.

Mitigation: This is a risk that affects virtually all sectors and companies. However, if the downside is reasonably limited, the company possesses the capacity to withstand the impact. For instance, during the weak first quarter of the last financial year when sales declined 50% compared with the corresponding quarter of FY 2019-20, the company reported a profit after tax of Rs. 165 lakhs.

Ownership risk: The company's growth could be limited by a low promoter stake in the company's equity or the promoter's equity holding being pledged to lenders.

Mitigation: The company's promoters owned a 65% stake in the company as on 31st March 2021. Besides, all the shares belonging to the promoter were unencumbered and not pledged to any external lender as on 31st March 2021. The promoter had no other business interest except Rajratan, ensuring complete involvement.

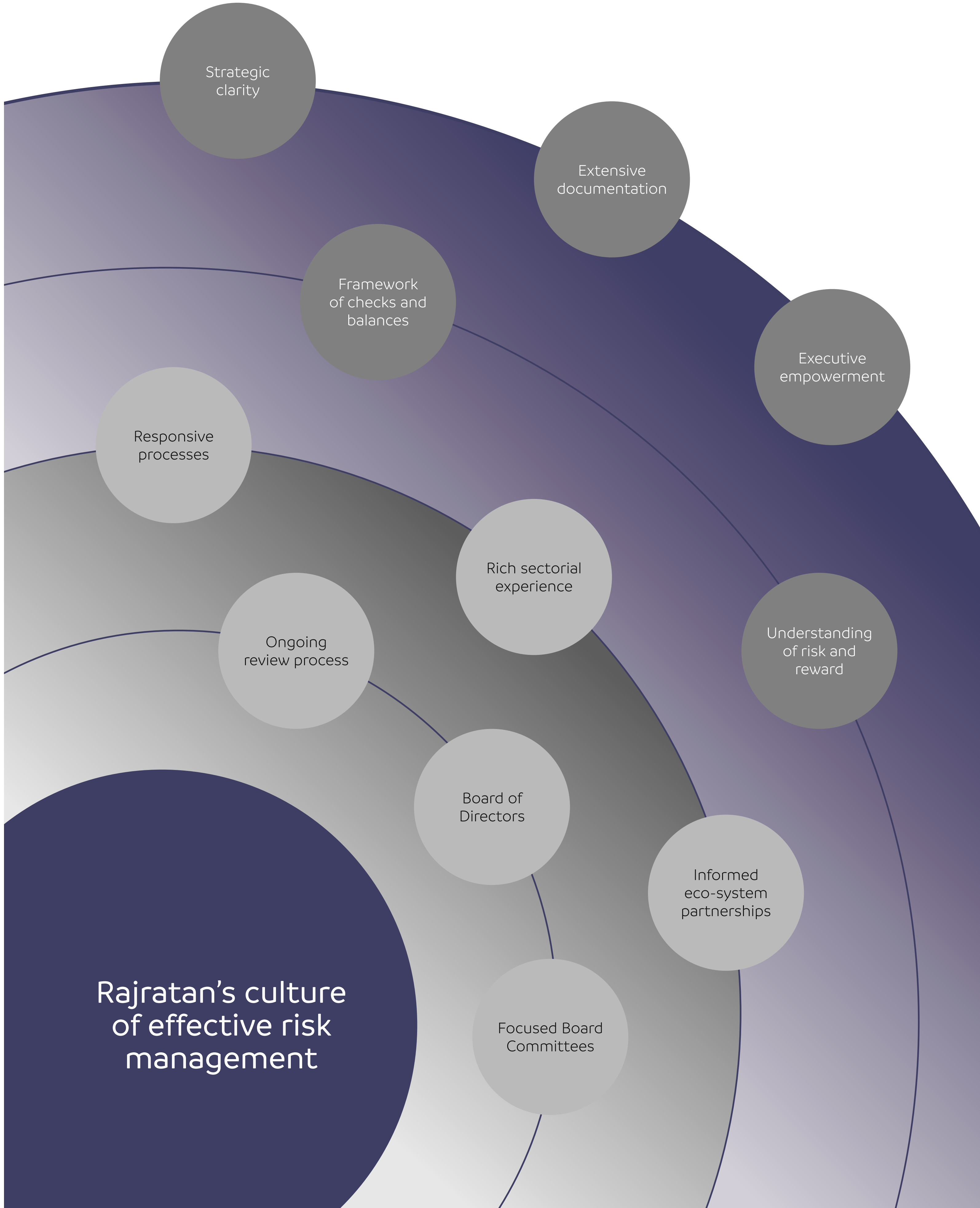
Desired outcomes

The result of these priorities is that we have stayed competitive across market cycles, we have continued to outperform the broad sectorial average year-on-year and we have successfully transformed challenges into opportunities.

In a world where goalposts keep shifting all the time, this strategic blue-print has remained our true north.

We not only expect to remain liquid, profitable and sustainable through the ongoing slowdown but enduringly profitable for years to come.

Sunil Chordia, Chairman & Managing Director



Our valuable asset: Our customer universe

Our customers

Our customers comprise respect-enhancing brands in the markets of their presence

Our customers are growing brands, marked by periodic investments in tyre manufacturing capacities

Our customers profess high technology standards, enhancing their appetite for quality raw materials

Our customers are spread across 17 countries

Our customer relationships

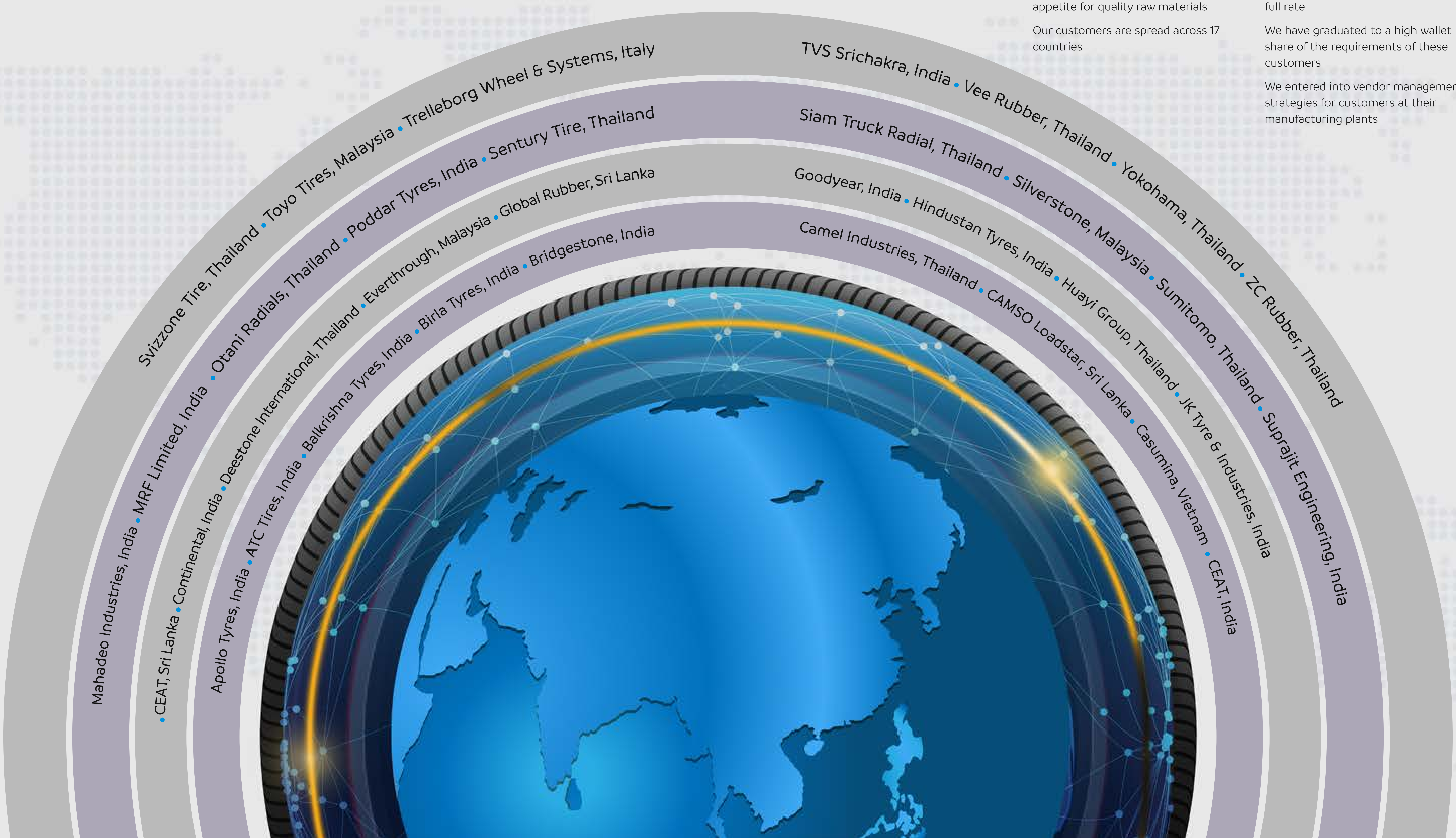
Customers of five years or more accounted for 83% of our revenues in FY 2020-21

We enjoy product and process approvals from these customers, a high entry barrier for industry entrants

We service these customers with a high on-time delivery and high order-full rate

We have graduated to a high wallet share of the requirements of these customers

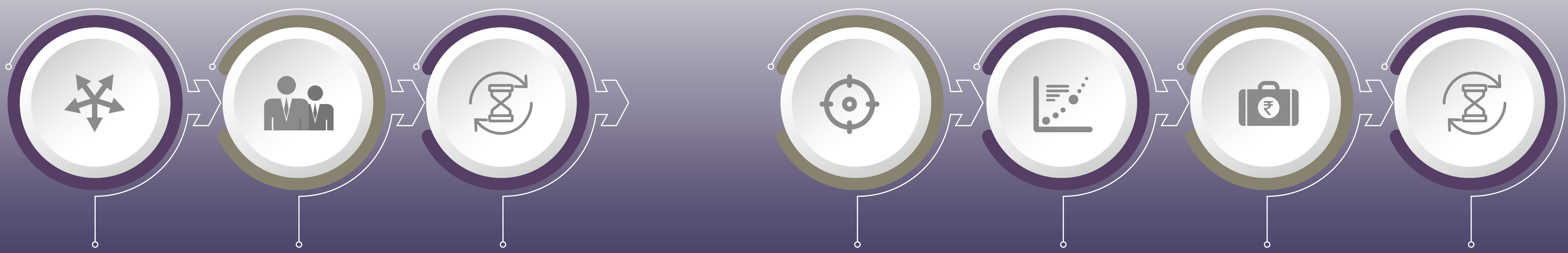
We entered into vendor management strategies for customers at their manufacturing plants



OUR DNA

Our governance commitment

In an uncertain world, the shock absorber is superior governance.
At Rajratan, governance comprises a stable and correct way of doing things.



Integrity

At Rajratan, we stand for integrity. More than 25 years ago when we went into business, we believed that if we could inspire a recall around credibility and integrity, it would, in turn, attract a credible eco-system of longstanding customers, enduring employees and stable investors. We are pleased that when we are discussed in public domain, one of the first reactions we evoke is one associated with the highest ethical standard.

Board of Directors

At Rajratan, the success of our governance commitment is influenced by our Board of Directors. We have placed a premium on our Board composition, comprising achievers of standing. These individuals have enriched our values, bandwidth, business understanding and strategic direction. The Board comprises a good proportion of Independent Directors, who can speak their mind and influence the Board.

Long-term

At Rajratan, we have invested in our business with the conviction that the company will exist perpetually. The result is that we are not inspired by short-term arbitrage but by sustainable long-term value-creation. This is visible in the locations, infrastructure and technologies we have invested in, strengthening our endurance.

Singular focus

At Rajratan, we have largely selected to focus on the manufacture of bead wire, strengthening our recall, economies and competitiveness. The result is that we not only provide the largest material quantities in the geographies of our presence but possess the widest range of enduring customers.

Controlled growth

At Rajratan, we believe in the power of controlled growth over one-off profitability spikes. To make this a reality, the company has judiciously allocated accruals into its business with adequate safety buffers. The result is that despite engaging in the largest single expansion programme in the last few years, the company has remained relatively under-borrowed, liquid and profitable.

Process-driven

At Rajratan, we have deepened our investment in processes and systems. This approach represents a scalable foundation, making it possible for the company to grow profitably without a proportionate increase in expenses. An ongoing framework of checks and balances serves to de-risk our business. We strengthened an audit-driven and compliance-driven discipline.

Stakeholder value

At Rajratan, we exist for the benefit of all stakeholders: the customer must experience enhanced competitiveness arising out of our business solution; the employee must derive pride, remuneration, career advancement and engagement stability; the investor must generate a superior return on employed capital over competing investment opportunities; the community must benefit from our presence; the government must benefit through taxes and livelihoods creation; our vendors must benefit through the consistent outsourcing of products and services.

Review of Rajratan's India operations, FY 2020-21

A conversation with the management

Overview on the company's performance.

The year under review represented a litmus test of the resilience of our business model. The conventional understanding was that if the Indian economy weakened, our performance would be adversely affected; if the economy revived, our operations would correspondingly improve. Perhaps never in our existence have we experienced terminal realities within the same financial year and definitely never before have we experienced this within the space of two successive quarters.

The resilience of our business model was validated in no uncertain manner: during the most challenging quarter in our existence when our capacity utilisation declined to 34%, we continued to report a net profit. In the following quarter, as demand improved following the partial lifting of the lockdown, there was a sharp rebound towards record revenues and profits (until that point in our existence). This validated an important reality: the company's ability to maximise operating and financial parameters with even a moderate improvement in external realities.

The result is that even as the Indian automobile sector reported sales de-growth of 24.29% in FY 2020-21, Rajratan reported a 7% growth in volumes, 14% increase in revenues and a 61% jump in profit after tax. Rajratan's India operations outperformed the growth of the economy, tyre and automotive sectors and, in doing so, reported profitable growth for the last three successive years, the last one based on, only ten months of working.

14%

Rajratan reported a growth in revenues in FY 2020-21.

The highlights of Rajratan's India operations in FY 2020-21.

A couple of years ago, Rajratan India had embarked on a courageous game-changing decision to double its capacity to 72,000 TPA (60,000 TPA of bead wire and 12,000 TPA of black wire) for an investment of Rs. 9,600 lakhs. A number of industry observers had questioned the company on this bold decision: they indicated that perhaps the business would have been de-risked if we had made a moderate debottlenecking-driven increase in capacity, raised less debt and preferred to fund our expansion through accruals.

At Rajratan, we selected to be decisively bold, effectively adding in the space of two years a capacity equivalent to what we had built across nearly 25 years. The company responded with speed and responsiveness in line with the rapidly evolving nature of market demand. Besides, an increasing number of marquee tyre customers were selecting vendors on the basis of supply chain security derived from adequate capacity; a number of our customers were expanding their tyre manufacturing capacities; India had imposed an anti-dumping duty on specific tyre varieties; the company could support a substantial capacity expansion; the Company's expansion cost was considerably lower than the capital cost per tonne for a similar greenfield project; the resulting economies of scale following the expansion were intended to enhance the company's competitiveness.

I am pleased to communicate that even as the company commissioned this doubled capacity by FY 2019-20, the full benefits were visible only during the last financial year. As customers only began to place orders for larger bead wire quantities during the last financial year, the company faced repeated month-on-month stock outs based on its expanded capacity. The result is that the company's sales forecasts were preponed by nearly a year and there was a focused effort on generating rated capacity production on the one hand and servicing growing customer needs with on-time and in-full deliveries on the other.

REVIEW OF RAJRATAN'S
INDIA OPERATIONS, FY 2020-21

Q How did the company strengthen its competitive position?

In the business of bead wire, sustainable competitiveness is derived from the capacity to 'own' the customer. This ability is no longer driven by the capacity to offer the lowest product price; it is derived from the ability to provide a holistically superior package: highest product quality, timely delivery, ability to service the complete requirement of the client and the assurance that Rajratan possesses adequate capacity to service the growing needs of customers across the foreseeable future. We believe that this holistic proposition represents the core of our competitiveness: the ability to enter large customers, grow with them, carve away a large wallet share and enter into joint product development. The big message: we are not just in business to service today's needs of customers; we are in the business to evoke the confidence that we are an extension of our customers. When one sees things in this context, it becomes necessary to recognise that it wasn't necessary to grow our production capacity in a moderate way but to grow it substantially.

Q How did the expansion strengthen the company's customer relationships in FY 2020-21?

The company reported 7% higher tonnage during the year under review. If one factors out the first quarter of the last financial year on account of the lockdown-induced slowdown, then the company reported an annualised 16% increase in tonnage.

The company generated 83% of revenues from customers of five years or more, which indicates relationship stability and revenue visibility.

Nearly 58% of our customers reported a growth in offtake during the last financial year, indicating that the improvement was not skewed.

Q A number of shareholders will be keen to know whether this translated into improved financial hygiene.

The one point that I wish to communicate is that we did not 'buy' sales based on extensive discounting or product dumping. This is visible in our credit rating, which improved from A- to A during the year under review.

The result is that the company did not seek additional loans or a moratorium on loan repayment during the last financial year; it negotiated an attractively low rate of interest on working capital finance by 30 bps to an average 7.7% for its Indian operations and 4.5% for its Thailand operations.

The index of our superior profitability was showcased in our improved interest cover (despite losing nearly a quarter): from 4.26 in FY 2019-20 to 5.95 in FY 2020-21. As an extension, our EBITDA margin climbed 274 bps to 17.15% in FY 2020-21.

Outlook of Rajratan's Indian operations for FY 2021-22.

Rajratan's outlook is optimistic as the effects of a debottlenecked capacity would be available through the entire year; customers are likely to place larger orders and this is likely to translate into another record year. Besides, credible growth has been planned by major tyre manufacturers, which should ensure that the company's expanded Indian operations could achieve complete capacity utilisation by FY 2021-22.

Our Business Excellence programme

1

Re-negotiated solar power agreements

The Company replaced the legacy approach of seeking a discount over the discom tariff with re-negotiation around a fixed price, enhancing savings.

2

ERP implementation

The Company is implementing new ERP across the entire organisation which will result in access to real-time data and process inter-linking, leading to enhanced efficiency.

3

Digital transformation

The company is progressing towards digitalisation, making it possible for every operational aspect to be viewed on a digital platform (computer screen or smartphone), leading to timely informed decision-making related to quality or preventive maintenance for today and aiming towards the coveted goal of Total Productive Maintenance (TPM) Excellence Award from the Japan Institute of Plant Maintenance across the foreseeable future.

Review of Rajratan Thailand operations, FY 2020-21

A conversation with Yashovardhan Chordia, Director, Rajratan Thai Wire Co., Ltd.

Overview on the company's performance.

Rajratan Thailand operations were creditable during the year under review. Even as the prevailing sectorial environment was challenged initially in terms of offtake and realisations (marked by a 25-day closure of our operations in May 2020), the company reported record volumes, revenues and profits. The result is that the company protected its brand, which represents a robust foundation for its next round of growth.

The creditable feature of the company's working.

Rajratan Thailand performance was marked by a sharp rebound in operations between the first and subsequent quarters. Even during the challenged first quarter, we addressed the urgent needs of a large customer by reopening our closed premises and delivering with speed. We provide a considerably stronger logistical proposition to Thailand customers by the virtue of our presence in that geography. The message that we were never more than a few hundred kms and a couple of days of delivery away was reinforced during the year. The upside was that a number of customers' approvals that had been pending for a couple of years were successfully concluded in early FY 2020-21. Besides, a BIS certification enhanced our product acceptability.

Yashovardhn Chordia
Director, Rajratan Thailand

Q What were the reasons for the sharp demand rebound in the quarters after the first?

There are a number of reasons being highlighted for the sharp demand recovery. One, there was a premium on personal vehicle ownership following the outbreak of the pandemic. Two, a number of tyre companies that had prudently destocked their bead wire inventory returned to not just replenish their inventory but to build it further. Three, prominent tyre brands strengthened their sales focus, which increased offtake. Four, the feared imposition of anti-dumping duty on tyres manufactured in Thailand from next year helped prepone exports to the US. The result is that there was a premium on manufacturing as much as we could through the year, which explains that even in an initially-challenging year we posted a 4.37% tonnage growth to around 29,045 tonnes in FY 2020-21.

Q Was the improvement only on the sales side?

There was a focus on not just producing more but producing more in a profitable way. The result was that we focused on enhanced operating efficiency, equipment availability, quality consistency and people retention. We strengthened our daily work management, which comprised process monitoring, checks and balances discipline and root cause analyses, and that was translated into lower process deviations. Costs moderated. Absenteeism declined. Work-life balance improved. Processes were strengthened to enhance responsiveness to customer needs. Utilities were strengthened. The 5S system was deepened to enhance workplace hygiene. The result was an all-round strengthening of our manufacturing operations, the benefits of which should sustain.

Q What is the basis of the company's optimism?

Even in the challenging first quarter, our sales did not decline more than 50%, which represents an endorsement of our customer relationships. Thailand is the undisputed tyre export hub of Asia. Some of the largest Chinese tyre brands have commissioned larger and more sophisticated manufacturing facilities in Thailand than even within their own country. Continental commissioned a large greenfield facility; the existing players are stretching their existing facilities to produce more. In view of this, the macro reality of Thailand remains unchanged: the country will continue to remain a large tyre producing centre, indicating that we are located in the right market.

Q How does the company intend to capitalise on this?

We intend to double our manufacturing capacity in Thailand to an estimated 60,000 TPA by the last quarter of FY 2021-22. This is the largest expansion attempted by us in that country; it can potentially transform our game by graduating us to a production capacity that is substantially larger than the nearest. This doubling will enhance the confidence of our customers to deliver any quantity at any time.

There are some other features of this proposed capacity expansion: it will, reinforce our brand as that of a Thai company that is committed to local growth; it will come with relatively no load on the parent company's Balance Sheet; the larger capacity will only make us a keener market-facing company; our new customer relationships have been secured with approvals that should take care of the additional production.

Q Shareholders are likely to ask whether this sharp growth represents a risk.

We have de-risked ourselves at various levels. One, we believe that the Thailand bead wire market of 90,000 TPA could grow around 5% a year (at worst) or 10% a year (at best). By this calculation, the bead wire market in Thailand could grow to 1,10,000 to 1,20,000 TPA over the next three years. In FY 2020-21, we marketed half our production within Thailand and exported the rest. Following our capacity doubling, even if we do not increase exports out of Thailand, we will increase our local market share to completely allocate our production.

Besides, our increased production is not all expected to come in one shot: we will grow in phases, generate accruals and plough that into the next round of capacity expansion. As a result, we are not likely to nurse idle capacity at any point, strengthening our RoCE. The result is that we are likely to become more profitable even as we get larger. As things stand, we do not foresee a challenge in marketing the additional production. The only challenge that we see is how fast we can commission our expansion.

Q How will this expansion take the company into the next orbit?

There is a simple math to this. At today's cost of greenfield capacity commissioning, a new 30,000 TPA plant is likely to cost Rs. 180-200 crores. Our capacity is being doubled at a cost not exceeding Rs. 70 crores. Our low breakeven point will make us more competitive in the market; besides, our expansion will come into play in late FY 2021-22, which is quick by prevailing project management standards; there will be no gestation in customer approvals, which is usually the longest hump in the business. Besides, we expect to commission this expansion with a complement of automation and the same number of people. The result is that we expect to become more competitive at a larger scale.

Q What can shareholders expect across the foreseeable future?

We reported a record year in terms of tonnage and revenues in FY 2020-21. The benefits of the debottlenecking that we implemented during the last financial year should translate into increased revenues in FY 2021-22. The expansion in FY 2021-22 should generate an attractive upside in FY 2022-23 and FY 2022-23. In view of this, we foresee three straight years of growth from this point onwards.

There was a focus on not just producing more but producing more in a profitable way. The result was that we focused on enhanced operating efficiency, equipment availability, quality consistency and people retention.

8%
Rajratan Thailand reported a growth in revenues in FY 2020-21.

Our Thailand operations are at the cusp of attractive growth

Eight-year tax shield for the subsidiary

Rajratan Thai Wire Co. Ltd enjoys a tax benefit on the profits reported on all the production in excess of 22,000 TPA – for a period of eight years subject to a ceiling of the amount invested by the company above 22,000 TPA.

Overview

Until 2006, Rajratan's manufacturing operations were located only in India. At that point, the company selected to enter Thailand, a market with growing potential and at least five years ahead of the Indian market in terms of technology sophistication and new product development. This represented a decisive step, graduating the company from a relatively narrow presence in the domestic Indian market towards a global presence and perspective.

Rajratan commissioned a 3,000 TPA bead wire manufacturing facility in Thailand; at a time when the market of that country was around 5,000 to 6,000 TPA. The timing was challenging in view of the global economic slowdown when demand for automobiles and tyres declined, affecting the growth of the bead wire sector.

What compensated for the short-term pain was that the company was the first bead wire manufacturer to commission a manufacturing facility in Thailand; a market already existed for the product and there was a growing visibility that not only would existing tyre manufacturers grow their capacities in that country but would be favourably inclined in buying bead wire from local manufacturers if they commissioned capacities.

Challenges

Even though no bead wire manufacturing capacities existed in Thailand, there were a number of challenges to be addressed. The principal challenge lay in the aggregation of a managerial and operations team. There was a premium in managing the Thailand facility for a management team based in India. Even though the parent company was profitable, surplus cash flows were scarce. There was a premium in comprehending the local culture and the global market. The result is that the Thailand operations reported a loss for the first seven years, drawing down the strength of the parent's Balance Sheet.

Turnaround

Rajratan responded to the challenging market realities in the first few years with patience and perseverance. The management was convinced that a structural shift – relocation of large tyre manufacturing capacities from China to Thailand – would only accelerate, strengthening the demand for bead wire.

Gradually, the company began to turn around: an active linkage with the Indian operations strengthened a cross-flow of capabilities; decisions began to be taken quicker and closer to ground realities; targets were prioritised and cross-functional teams began to deliver results. The Thailand operations reported lower losses in FY 2013-14 and FY 2014-15; the business turned around with a sizable swing back in FY 2015-16. From that year onwards, the company's Thailand operations reported an increase in manufactured and sold volumes every single year, more than doubling from around 12,000 MT in FY 2014-15 to 29,000 MT in FY 2020-21.

Positives

A number of positives emerged following more than a decade's operations in Thailand. Manufacturing capacity in Thailand grew to virtually match the installed pre-expansion Indian capacity in a considerably shorter time. The Thailand operations survived one entire market cycle, while protecting profitability; it sweated capabilities and capacity to enhance efficiencies; it reinforced its position as one of the most competitive bead wire manufacturers in the ASEAN. By the close of FY 2020-21, nearly half the revenues generated out of Thailand were from customers of five years or more.

Positioning

Rajratan's operations in Thailand are attractively placed for a number of reasons.

The company has provided adequate comfort to downstream tyre customers based in Thailand by being present in the same country. This local presence has assured customers of delivery turnaround times of less than five hours anywhere in Thailand, making it possible for them to work with low inventories and moderated working capital outlay. As an extension of this service, the company stocks a sizable inventory on behalf of its Thailand-based customers without billing.

Rajratan's presence in Thailand has helped moderate logistic costs compared with imports. The company's capital cost per tonne, considerably lower than the cost of setting up greenfield capacity, represents an effective entry barrier against emerging competition. There is a greater alignment of promoter and managerial capabilities, in addition to a balance between entrepreneurial promoter interests and professional managerial talent.

Besides, the growing sophistication of tyre manufacturing facilities and requirements in Thailand have helped Rajratan raise quality benchmarks, strengthening its global respect and positioning.

Rajratan Thailand is the only large bead wire manufacturer in Thailand, one of Asia's fastest growing tyre markets

Rajratan Thailand generated half its revenues from within Thailand and exported the rest across India, Sri Lanka, Malaysia, Indonesia, Philippines, Vietnam and Europe.

The Thailand market for bead wire

- Thailand's downstream tyre market is growing annually at 7-10%
- A number of Thai-based global tyre manufacturers have either announced or implemented expansions
- Industry Thailand 4.0 has announced benefits for investing companies
- Bridgestone announced the creation of aviation tyre capacity; Continental completed the construction of a factory; Goodyear intends to expand tyre capacity
- Chinese tyre companies in Thailand announced expansion plans

How we have re-energised our business

Investing in positive change while building a stronger company

Thailand

Earlier: The company's operations would generate off-grade material, considered a dead stock on the company's books.

Present: The company enhanced operating discipline, moderating the generation of off-grade material.

Result: The company has enhanced sales and cash flows.

Earlier: The free mixing of scrap material would result in a lower realisation.

Present: The company began to inventorise and segregate every scrap item.

Result: Responsible scrap disposal has enhanced realisations; scrap segregation has enhanced workplace hygiene.

Earlier: The company took months to get the empty spools and steel cages from customers after they had consumed the bead wire.

Present: The company implemented stronger controls to accelerate the return of steel cages and spools.

Result: The decline in inventory has helped reduce the total capital employed in the spools.

India

Earlier: The departments within the company pursued separate improvement and innovation opportunities.

Present: The company introduced a Business Excellence function, bridging the gap between the company's response to existing and emerging technologies.

Result: This overarching approach made it possible to question prevailing standards and achieve new benchmarks.

Earlier: The promoters were actively engaged in day-to-day decision-making.

Present: Organisational maturing is reflected in a segregation of role profiles: the promoters are now largely responsible for strategic direction-setting and monitoring progress while senior managers are responsible for day-to-day business management.

Result: The active empowerment and delegation has resulted in improved product quality and consistency, decline in losses arising out of wire breakages, increased customer wallet share, increased product availability and stronger brand as a company that customers desire to work with.

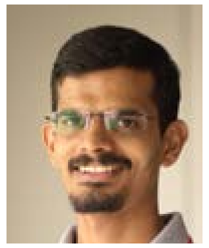
Earlier: The Company manufactured a large proportion of commodity grades.

Present: The Company has focused on niche value-added grades.

Result: This approach has enhanced realisations and strengthened the company's brand as a focused quality-driven player.

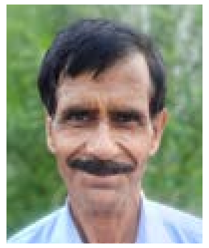
The culture of Rajratan

The company's employees provide a ground-level insight of what makes Rajratan different



"Rajratan was my first job; having initially joined the Company as an intern in 2012, I became a full-time employee in 2014. After joining, I was supposed to look after the execution of the Annual Report. Two days before it was supposed to be published, I figured that I would not be able to carry it out on my own; I went to CMD sir's office and told him about this goof-up. Instead of criticising me, he told me calmly, 'Fresher *ho, koi baat nahi. Aur chaar log bula lo aur khatam karo.'* The Company is like a family and always looks out for employees."

Shubham Jain
Company Secretary



"In July 2005, I suffered a road accident with my family. I had to undergo 36 operations and was bed-ridden for two years. During this period of time, Sunil Sir and the management looked after my needs. On Sunil Sir's recommendation, I was admitted to a reputed hospital in Indore. Unhone saaf keh diya tha ki paisa karoro lage, lekin mujhe aadmi sahi chaahiye. Isse bada taufa kuch ho hi nahi sakta."

I.P. Singh
Workman

"I am one of the oldest employees at Rajratan Thailand and what I like about working here is that there is a feeling of ownership among the employees, flexibility in timings (becomes possible to attend to family commitments) and only 20 minutes from where I live. I joined Rajratan as an assistant accountant, promoted thereafter to Senior Supervisor of Accounts. The management motivated me to enrol for the CPD course, which resulted in a better accounts understanding."

Wararat Wongyara
Senior officer, Accounts

"There is a pride in working with Rajratan in Thailand as this is an international company, we are number one in terms of quality in Thailand and there is pride that a Ratchaburi (where I also come from) company has achieved global standards."

Tawich Duangchan
Production manager

"It is a relief to work in a responsible organised company like Rajratan in Ratchaburi or one would have to relocate to a place like Bangkok, away from one's parents. What has made a difference to me is that the people at Rajratan are good, professional and friendly, which has enhanced workplace satisfaction."

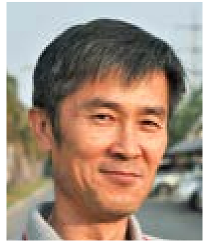
Raweewan Pipat
Purchase Supervisor

"I trained in marketing, sales analysis and customer service at Rajratan, a better learning opportunity than most automotive companies in Thailand. I am always provided with challenges to solve, which makes it possible to plan for tomorrow in this business. As a result, one is learning every day on the job!"

Ornubol Pranburee
Marketing Manager

"I have been in Thailand five years and the upside is that I am addressing challenges and learning new things every day. People are friendly on the shopfloor so that makes it a friendly place. Language differences are just a small barrier if you really wish to engage with people."

Purshottam Reddy
Operations Manager



"Rajratan Thailand comprises active young people, who are good for problem-solving. I get space to implement my ideas and projects related to improvement. Even though we have made big improvements at Rajratan Thailand, I am optimistic that because of our deep engagement with the workers – where we explain the logic of what we are doing – a large improvement head room exists."

Kwang Won Hong
Technical Director

"One incident engraved in my memory is how the employees set up a charity to aid my daughter's operation, suffering from a kidney disorder. *Aisa help sirf family hi kar sakti hain."*

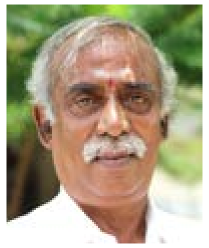
Chandrashekhar Ratneria
Senior officer - Marketing

"In 2010, we had an issue regarding plant equipment. The company hired an external agency to resolve this problem. I got the opportunity to directly work with them, deriving a better understanding of the problem. *Do-teen saal tak unke saath kaam kiya aur bahut kuch seekhne ko mila.* The company also gives me the liberty to shift across different operating sections, enabling me to grow individually and professionally. Mere interests and strengths *ko samajhne ka chance mila"*

Brijesh Mishra
Production Head, Indore

"Around six years ago, we ran into a problem with the Chennai court regarding the filing of export documents. I was asked to travel to Chennai to resolve the matter, which was rare. *Kisi ko yeh mauka milta hi nahi.* It proved to be a new experience for me that enhanced my confidence ten-fold.

Yogesh Kumrawat
Manager, Accounts and Finance



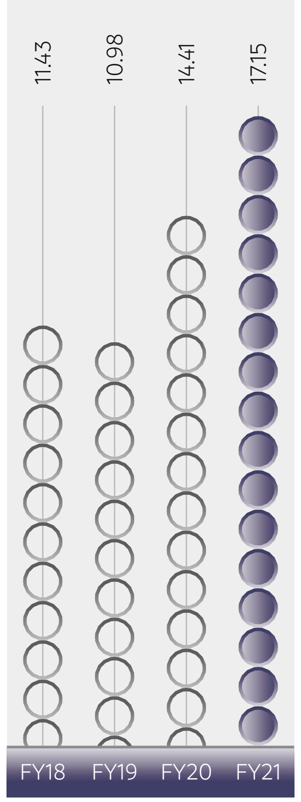
"I joined Rajratan in 1991 as a foreman. Around 18 years ago, my younger son's blood generation stopped and he was admitted to a renowned hospital owned by CMD sir's friend. When CMD sir returned to Indore, he came straight to the hospital from the airport. We had plans of taking my son to Mumbai and Vellore in case the problem was not resolved. *Do-do* tickets *kati hui thi har jagah ke liye, ek mere liye aur ek* CMD Sir *ke liye.* Thankfully, the problem was solved in Indore but the concern shown by CMD sir will be remembered."

Balkrishna Reddy
Project director

12 ways we intend to enhance shareholder value

Core competence

% of EBITDA

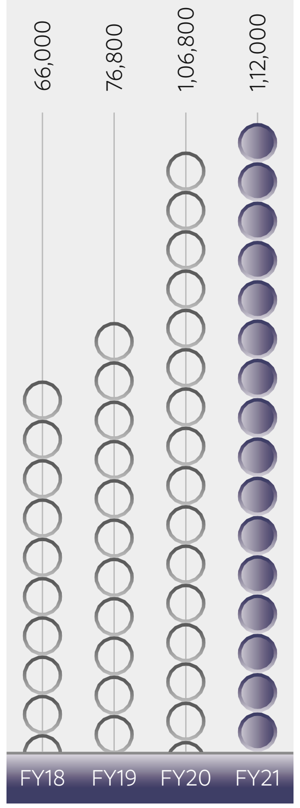


Initiative
The company is largely focused on the manufacture of bead wire (89% of total capacity and 91% of revenues, FY 2020-21), a decisive advantage over competitors for whom this is just one of various manufactured products.

Benefits
This strengthened the company's brand as a bead wire specialist, resulting in a stronger customer traction coupled with a 'sell-and-make' approach over 'make-to-stock'.

Capacity and growth

Aggregate installed capacity (TPA)

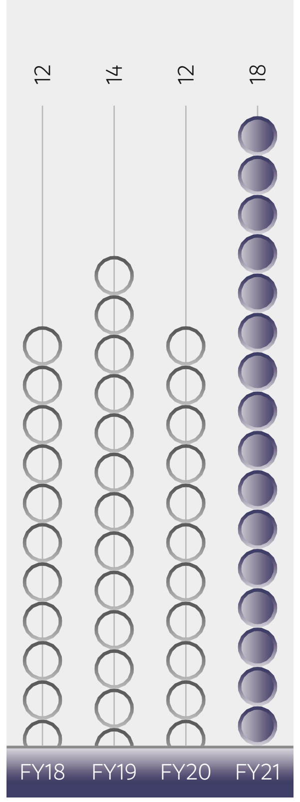


Initiative
Rajratan is the second largest bead wire manufacturer in Asia (excluding China), the largest manufacturer in India and the only manufacturer in Thailand. Rajratan doubled capacity in its Indian operations at a project cost that was 60% of the global benchmark for an equivalent greenfield capacity; the company re-invested accruals in capacity expansion, resulting in a relatively low capital cost per tonne.

Benefits
Greater assurance of sustainability in supplies to customers; greater room to leverage economies of scale.

Asset investment efficiency

Return on gross Block (%)

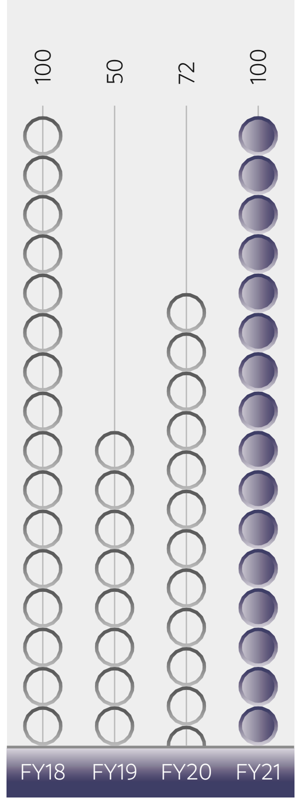


Initiative
The company possesses a credible track record in maximising the utilisation of invested assets through investments in balancing equipment and de-bottlenecking.

Benefits
The company has generally reported a high Return on Gross Block across the years.

Accruals investment

% of capacity addition investment drawn from net worth

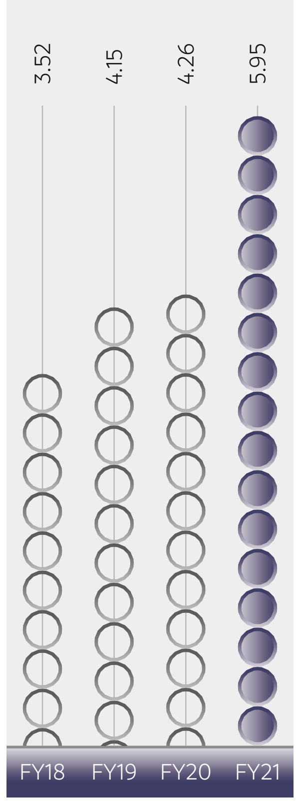


Initiative
The company has invested judiciously in capacity addition and working capital through its net worth.

Benefits
This is expected to help the company repay all its long-term debt in just three years.

Interest cover

Interest coverage ratio

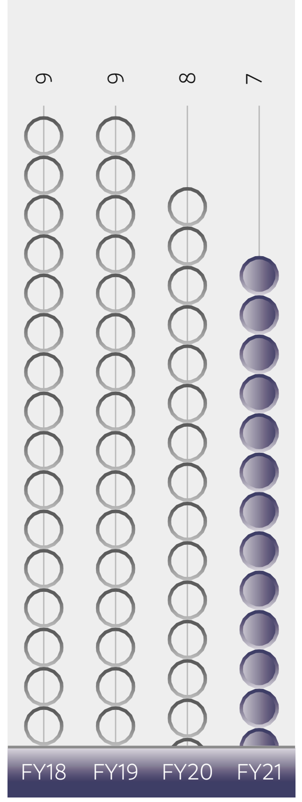


Initiative
The company has historically invested in capacity expansion only when 80% of the long-term debt mobilised from the previous expansion was repaid. The company had only Rs. 7,198 lakhs of long-term debt on its books as on 31st March 2021; working capital debt was Rs. 7,031 lakhs; overall gearing was 0.64.

Benefits
The company has reported an attractive interest cover (measure of liquidity) through the years.

Debt cost

Average cost of short-term loans (%)



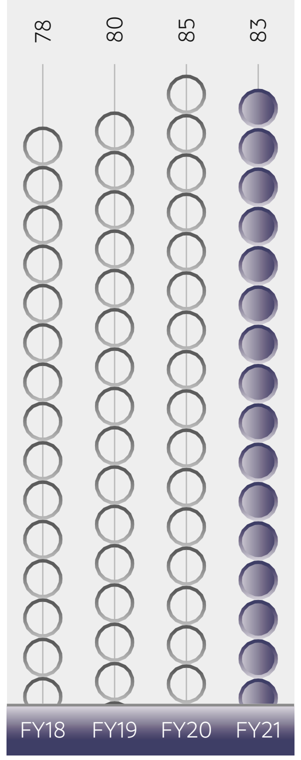
Initiative
The company leveraged its improving credit rating to negotiate a progressively lower cost of working capital mobilised from commercial banks.

Benefits
The company strengthened its viability that translated into a better coverage of the cost required to stay in business.

12 WAYS WE INTEND TO ENHANCE SHAREHOLDER VALUE

Customer relationships

% of revenues derived from customers associated for >5 years

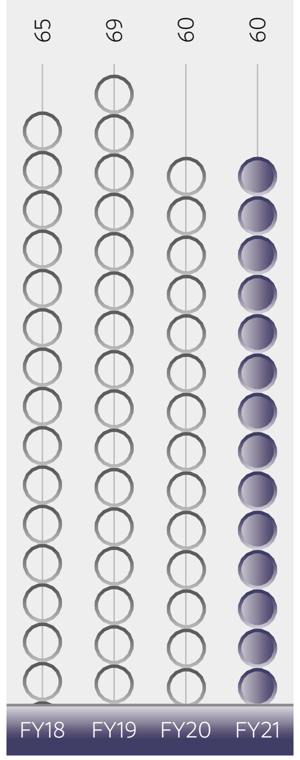


Initiative
The company intends to strengthen customer relationships through the interplay of the highest standards of best product quality-on time service-in full delivery. The company's revenue visibility has been reinforced by plants (India and Thailand) approved and audited by most large tyre manufacturers (Indian and multi-national).

Benefits
This is expected to enhance revenue visibility, providing the company with the platform to enhance manufacturing capacity and related economies of scale.

Cost leadership

Raw material cost as a % of revenues

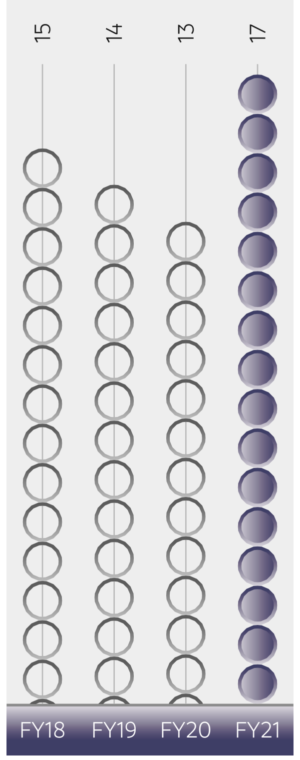


Initiative
The company expects to leverage its existing culture of austerity that reinforces its position as one of the most competitive bead wire manufacturers in the world.

Benefits
This is expected to widen spreads and accruals for onward reinvestment, strengthening the company's competitiveness across market cycles.

Widen market footprint

Number of countries of the Company's presence

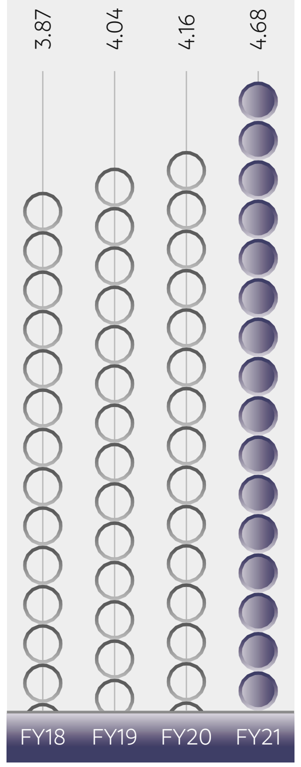


Initiative
The company intends to explore new continents to increase access to a larger number of customers.

Benefits
The higher volumes are expected to lead to increased capacities and economies of scale, strengthening overall competitiveness.

Knowledge capital

Revenue per employee (Rs.)

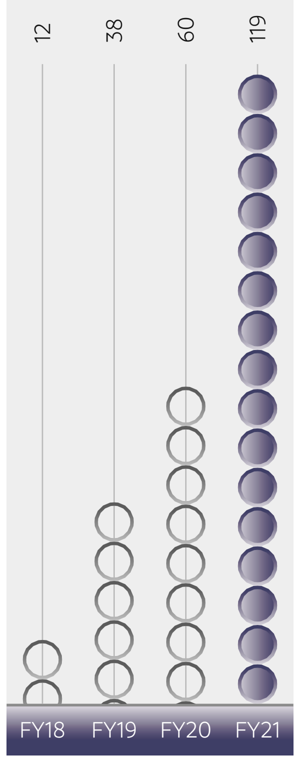


Initiative
The company will invest in professionals with specialised knowledge, enhance retention and strengthen its overall competitiveness. The company employed 600 people; nearly 70% had worked with the company for five years or more, indicating knowledge retention.

Benefits
The company has demonstrated enhanced per person productivity, a trend likely to sustain. Besides, the deep technology understanding reflected in the lowest wire breakages.

Tax hedge

Quanturm of tax hedge available to the Company (Rs. in lakhs)

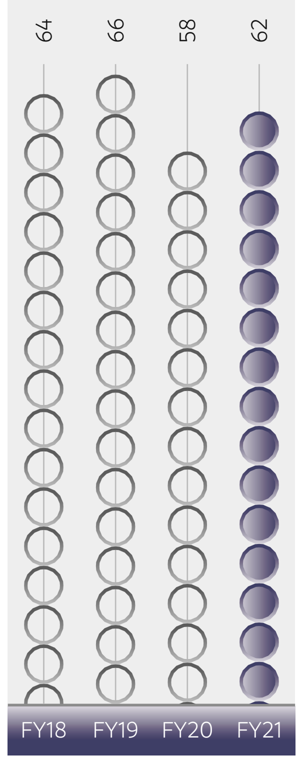


Initiative
The company capitalised on an investment incentive provided by the Thailand government.

Benefits
The company enjoys a tax hedge for eight years on its Thai operations for all production in excess of 22,000 TPA, which is expected to expire by 2025.

Revenue spread

Revenues from Indian operations as a % of the whole



Initiative
Rajratan's manufacturing operations are located in two countries (India and Thailand).

Benefits
India is one of the fastest growing major global economies; Thailand is Asia's largest tyre manufacturing hub.

How our strategy is playing out

- Larger capacity
- Increased capacity utilisation
- Increased customer confidence
- Stronger multi-year bead wire purchase commitment
- Higher volumes
- Stronger amortisation
- Superior margins

- Quality approval by prominent customers
- Increased customer wallet share
- Enhance revenue visibility
- Larger volumes commitment
- Superior coverage of fixed costs
- Enhanced profitability
- Stronger reinvestment in capacity

Our integrated value-creation report

This Integrated Value-Creation Report overcomes the shortcomings of the conventional communication approach through a comprehensive reporting framework that reconciles 'hard' and 'soft' initiatives into an integrated format.

Integrated reporting combines different reporting strands (financial, management commentary, governance and remuneration, and sustainability reporting) into a coherent whole that explains an organisation's holistic ability to create, enhance and sustain value.

The primary purpose of Integrated Reporting is to explain to providers of financial capital how an organisation enhances value over time. The impact of the integrated report extends beyond financial stakeholders; it enhances understanding across all stakeholders – employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organisation's ability to enhance value across time.

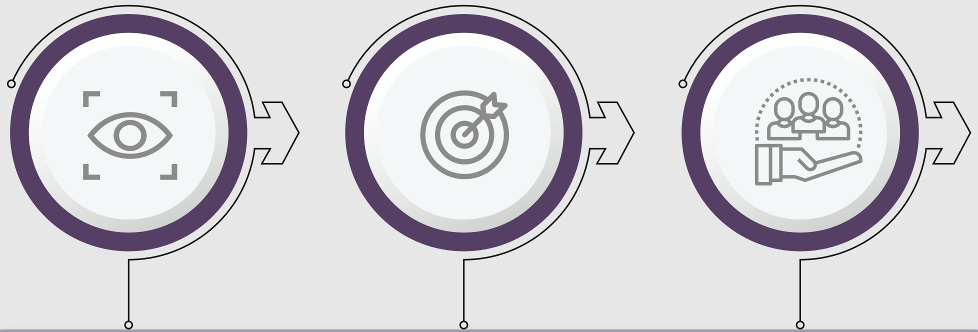
Integrated Reporting highlights how green and ethical values drive long-term growth. This shift from the 'hard' to 'soft' (non-financial data) helps screen a company more comprehensively, addressing the needs of the investor fraternity/ government agencies.

Our value-creation strategy

Strategic focus	Innovate and excel	Cost leadership	Supplier of choice	Robust people practices	Responsible corporate citizenship	Value-creation
Key enablers	Nurturing a culture of process innovation and product excellence, reflected in the launch of customised products, reducing wire breakages and enhancing the performance of our bead wire on the customer's end product	Driving a focus on operational excellence and cost leadership. Rajratan also commissioned manufacturing capacities in India within its existing Indore facility, drawing on existing infrastructure that helped reduce capital cost per tonne of the end product to well below greenfield commissioning costs	Rajratan reinforced its customer engagement through adequate capacity, timely product delivery and high product quality. The result is that 83% of its FY 2020-21 revenues were derived from customers of five years or more	Rajratan is an employer of more than 600 people (full time and contractual) across its Indian and Thai facilities. The company's people engagement has been marked by delegation, empowerment, responsibility and accountability. The result is that Rajratan's invigorating workplace is marked by training, engagement, appraisal transparency, attractive reward and outperformance	Rajratan is a responsible corporate citizen engaged in various community development activities in the hinterland of its manufacturing facilities. Rajratan invested Rs. 47 lakhs across CSR activities in FY 2020-21	Rajratan enhances value through the manufacture of a quality-intensive product (bead wire) addressing the critical needs of tyre manufacturers. The company enhances value to wires that are processed using superior technologies within narrow quality tolerance limits and delivered in a consistent way
Material issues /addressed	Superior use of cutting-edge technology leading to product differentiation	Creating the basis of long-term viability through an any-market cost competitiveness	Enhancing revenue visibility through multi-year customer agreements; focusing on a sell-and-make approach	Creating a professional culture seeking overarching excellence in everything the company does	Community engagement, widening prosperity	Stakeholder needs for a truly sustainable organisation
Capitals impacted	Manufactured, intellectual, financial	Financial, intellectual, natural, social and relationship	Intellectual, manufactured, social and relationship	Intellectual, human	Social and relationship, natural	Intellectual, manufactured, social and relationship

The value we generated: Outcomes

Our resources		Value created		Value shared with	
Financial capital	The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.	54,654 Rs. lakhs, Turnover 52.32 Rs., Earnings per share	22.65 %, RoCE	Investors	The company enriched investors through dividends and capital appreciation
Manufactured capital	Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.	71,706 MT, Quantum of tonnage produced	71,046 MT, Quantum of tonnage sold	Suppliers	The company sourced Rs. 36,576 lakhs of materials from suppliers
Human capital	Our management, employees and contract workers form a part of our workforce, their experience and competence, enhancing value.	Direct and indirect employees 600 Number of employees	2810 Rs. lakhs, Total remuneration, FY 2020-21	Employees	The company provided remuneration worth Rs. 2,810 lakhs and stable employment
Intellectual capital	Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge, account for our intellectual resources.	21 years, Cumulative senior management experience	Largest Coating line for bead wire	Customers	The company provided bead wire and black wire across grades, generating Rs. 54,654 lakhs in revenues from customers
Natural capital	We depend on raw materials sourced from steel (which is derived from iron ore), indicating a moderate impact on the natural environment.	11,700 Water recycled (cubic metres), Thailand	1,836 Number of trees/saplings planted, India	Government and regulations	The company paid Rs. 3,073 lakhs to the exchequer; the employment catalyzed the local community through downstream economic benefits
Social and relationship capital	Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.	140 Number of customers	858 Number of vendors	Transporters	The company enhanced value for transporters through sustained resource offtake.



Sustainability at Rajratan

Overview on sustainability

A growing number of global manufacturers are recognising financial and environmental upsides to be gained from sustainable practices, helping reduce resource depletion, water scarcity, pollution, harmful impacts and carbon footprint. Besides, such operations also enhance the safety of employees, community and products. The result is that the manufacture of products through environment-friendly and economically-sound processes has become the primary goal of responsible organisations.

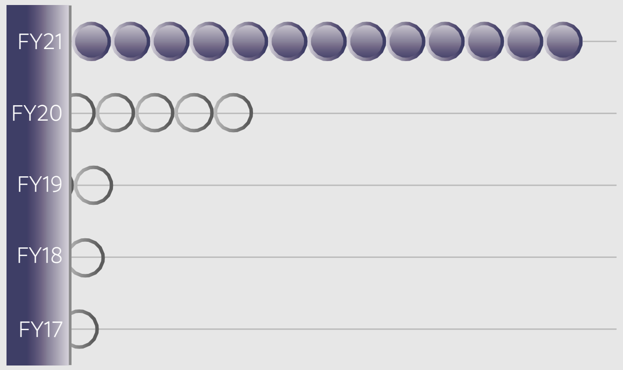
Water recycled by us (cubic metres) (Thailand)

9,000
FY 2018-19

10,800
FY 2019-20

11,700
FY 2020-21

Number of trees/saplings planted (India)



Rajratan's sustainability focus

Rajratan's long-term goal is business sustainability – environmental and economical – directed at a reduction of its environmental footprint, planet preservation and moderated resource consumption. In line with this objective, the company invested in modern tools, practices, methodologies and standards.

Rajratan commenced its bead wire operations at its Pithampur facility in 1995. The 6,000 TPA plant was progressively expanded to 72,000 TPA, making it one of the largest such facilities at a single location in India and one of the most modern facilities in India. The other plant of the company is located in Ratchaburi in Thailand, which is also a showpiece manufacturing facility in that country.

Both plants are audited yearly to ensure that equipment has been contemporarised and environment-friendly. The Company completed capacity expansion in both plants with sustainability being the focus.

Our primary goal

At Rajratan, we intend to create a sustainable operating system, comprising superior technology, high operating performance, cost optimisation, environment sustainability and responsible employment generation.

Our engagement

At Rajratan, we believe that the interplay of superior technology, knowledge, resource moderation and energy conservation has reinforced our position as a responsible bead wire manufacturer. During the last few years, the company made proactive investments in these areas with the objective to moderate its carbon footprint and cost structure, strengthening long-term sustainability.

Rajratan's integrated environment management

India

Rajratan modified its effluent and sewage treatment plant to moderate effluents. In the Indian plant, the Company made adequate investment in an ETP in addition to making prudent recruitments to supervise environment management. The waste discharged by the plant is transported to the Madhya Pradesh Waste Management Project, a government unit, authorised for disposing industrial waste. The maintained and monitored records are presented to EMS auditors during the annual audit.

Besides, the Indian plant is ISO 14001:2015-certified and cleared by the Madhya Pollution Control Board. The Company emphasises employee safety through the prescribed use of protective gear during shop floor operations in addition to the investment in scrubbers to control chemical fumes.

The recycling initiatives undertaken covered the copper recovery from waste bronze bath solution, use of reverse osmosis waste water in the quench bath and reuse of effluent-treated water following the RO process.

Thailand

Rajratan invested in sludge drying bed tops to reduce sludge weight. The annual environmental audits ensured that the plant remained benchmarked with contemporary environmental standards. The Company employed professionals to ensure responsible waste disposal. The plant kickstarted a no-plastic campaign and commenced the segregation of recyclable materials (plastic, glass and paper, among others), reducing the carbon footprint.

Outcomes

The results of the company's various initiatives have been a steady decline in the consumption of finite natural resources. This has helped validate the company's manufacturing technology on the one hand and the seriousness of the company's HSE commitment on the other.

Corporate social responsibility

Rajratan believes that it is the responsibility of every organisation to fulfil its social obligations. Since inception, the Company has been actively engaged in corporate social responsibility, well before it became mandatory to donate a portion of the surplus towards such activities. During the year under review, the Company invested Rs. 47 lakhs in CSR initiatives.

Healthcare and sanitation

Plantation

Rural prosperity

Education

Healthcare and sanitation

Provided free dialysis treatment to the underprivileged in the area around the plant

Provided free chemotherapy to underprivileged patients

In collaboration with Inga Foundation, provided treatment to children born with facial deformities

Distributed free medicine and food to government hospitals through the Sahayta Foundation

Distributed sanitary napkins to >5,000 underprivileged women in areas in and around Pithampur

Helped a number of people through different NGOs during the pandemic

Plantation

Took over the responsibility of planting trees and their maintenance on a prominent road in Indore

Rural prosperity

Provided financial assistance to teachers to enable them to run stitching classes in the vicinity of the factory's premises

Education

Provided scholarships to deserving students to help them pursue higher education

Through Literacy India, the Company pledged to provide financial assistance for the education of underprivileged children

Took over the responsibility of five schools in collaboration with Friends of Tribal Society

Management discussion and analysis

Review of the global economy

The global economy encountered one of its biggest challenges in 2020. Even as the global economy had been weakening for the previous two years, it was severely impacted by the outbreak of the Covid-19 pandemic starting from December 2019 and extending to a full-fledged global impact within the space of a couple months, the fastest such spread in recorded history.

As countries entered into various stages of lockdown, global trade and commerce declined and consumer sentiment was at a premium. The result is that the global economy de-grew at a rate of 3.5% compared to 2.9% growth recorded in 2019.

United States
The US economy de-grew 4.3% in 2020

Eurozone
Eurozone de-growth stood at 6.8% in 2020

United Kingdom
UK economic de-growth was estimated at around 9.8% in 2020

Emerging and developing Asia
Emerging and developing Asia de-grew 0.1% in 2020.

In 2020, the average price of Brent crude oil declined to USD 41.76 per barrel compared to USD 64.36 per barrel in 2019 (closing 2020 at USD 51.22 per barrel as against USD 67.77 per barrel on 31st December 2019).

(Source: Knoema, Countryeconomy, cnbc, icis)

Review of the Indian economy

According to the first advance estimate of World Bank, the Indian economy de-grew at a multi-year low of 8.5% in FY 2020-21, compared to a growth of 4.2% in FY 2019-20. The Indian economy de-grew 23.9% in the first quarter and 7.5% in the second quarter, while growing at 0.4% in the third quarter and estimated to grow at 2.5% in the fourth quarter.

This de-growth was the result of the complete lockdown that was announced in the last week of FY 2019-20 that extended into the first two months of FY 2020-21, the partial effects of which spilled over into the subsequent quarters. Even as there was a reasonable revival in consumer offtake across a number of fronts – realty and automobiles – the country's consumption engine continued to remain affected on account of a decline in incomes, consumer sentiment, propensity to save over spending and a willingness to downtrade.

India's nominal per capita net income was estimated at Rs. 1.27 lakhs compared with Rs. 1.35 lakhs in FY 2019-20. The slowdown and lockdown notwithstanding, India attracted USD 57 billion in Foreign Direct Investment in 2020 compared with $50.44 billion in 2019. Moreover, retail inflation declined from 5.91% in March 2020 to 5.52% in March 2021.

The gap between government expenditure and revenue was estimated at ~Rs. 12 trillion due to increased borrowings by the government in May 2020 to address the COVID-19 outbreak.

India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of USD 23.6 billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalisation of USD 2.5 trillion in 2020.

The Indian government initiated structural reforms in agriculture, labour laws and medium-small enterprise segments. The labour reforms were intended to empower MSMEs increase employment, enhance labour productivity and wages.

The Government relaxed foreign direct investment (FDI) norms for sectors like defence, coal mining, contract manufacturing and single-brand retail trading.

The Union Cabinet approved the production-linked incentive (PLI) scheme for 10 sectors: pharmaceuticals, automobiles and auto components, telecom and networking products, advanced chemistry cell batteries, textile, food products, solar modules, white goods and specialty steel. These incentives could attract outsized investments, catalysing India's growth journey.

India's foreign exchange reserves continued to be in record setting mode – FY 2020-21 saw USD 101.5 billion dollars accretion in reserves, the steepest rise in foreign exchange reserves in any financial year; India's forex reserves were ranked third after Japan and China and can cover more than a year's import payments.

(Source: World Bank, NSO, Financial Express, Business Standard)

Outlook

The World Bank has projected the Indian economy to grow by 8.3% in FY2021-22, making it one of the fastest-growing major economies once again.

Global tyre industry overview

The global automotive tyre market was pegged at USD 112.16 billion in 2019. Moreover, global demand for tyres was estimated at 3,378.96 million units in 2020, registering a CAGR of ~4% between 2016 and 2020. This growth is expected to have been catalysed by the increasing demand for agricultural vehicle tyres in agrarian economies, projected recovery of the construction industry, growing demand for commercial vehicle tyres, increased government focus on smart transportation and investments in BRT systems and rising vehicle density, among other factors. The Asia-Pacific region accounted for >55% of demand due to technological advancements and key R&D investments by key market players. *(Source: Globe News Wire, Expert Market Research, PR News Wire)*

Outlook

The global automotive tyre market size is projected to reach a value of USD 154.4 billion by 2027, growing at a CAGR of ~4.1% between 2020 and 2027. Also, the demand for same is estimated to grow at the same rate between 2021-26 and reach a volume of 4111.02 million units by 2026.

Indian tyre industry overview

The year under review proved challenging for the Indian tyre industry due to a de-growth in the automotive sector during the year under review, the global economic slowdown and impact of the pandemic. The Indian tyre market reached a consumption of 177 million units and is estimated to have reached a value of ~USD 9- 9.5 billion in 2020. It was the fourth largest market for tyres after China, Europe and the United States. The domestic tyre demand was estimated to have de-grown by 4-6% in volume in FY 2020-21, lower than the growth rates of 5.5% and 4-6% in FY19 and FY 2019-20 respectively. Decline in vehicle production, rising cost of vehicle ownership, decreased rural demand, muted consumer sentiment and the economic slowdown were major factors responsible for the slowdown. The OE tyre demand stood at 33% of the replacement tyre demand in the Indian tyre market during the year under review.

The primary end-user segment of tyres, the Indian automobile industry, witnessed a growth of 6.71% CAGR during FY13-19 with 26.27 million vehicles sold whereas domestic automobile production increased at a CAGR of 6.96% during the same period. However, this growth halted since FY 2019-20, primarily due to the major issue of migration to the BS-VI, muted consumer sentiment due to the economic de-growth and effects of the outbreak of the novel coronavirus. Due to the impending effects of these factors, vehicle manufacturers in India sold 1,74,69,152 units in 2020 compared to 2,30,73,328 units in 2019, a de-growth of 24.29% - the lowest in nearly a decade.

However, demand for tyres, particularly from the farm and commercial sector was hardly affected mainly due to the productive monsoon season, which strengthened the rural economy. Increasing demand for two-wheelers

(Source: www.tractionnews.com and www.techsciresearch.com) and tractors from the rural and semi-urban areas proved to be the saving grace for the Indian tyre industry during this challenging environment. The imposition of strict regulations on tyre imports by the government was seen as a welcome move by domestic tyre manufacturers. (Source: ICRA, Economic Times, Business Standard, Times of India, mobility foresights, Financial Express, Expert Market Research, SIAM)

Outlook

The Indian tyre market is projected to reach a consumption volume of 218 million units by 2026, growing at a CAGR of 3.6% between 2020 and 2026. The market could be driven by increased radialisation, especially in trucks and buses. The government's focus on infrastructural development is projected to drive the demand for automobile sales; the government's emphasis on incorporating electrical vehicles in the public transport system is expected to increase the demand for automobiles.

Favourable government initiatives

- Production-linked incentives (PLI) worth Rs. 57,042 crores were announced for the automobile and auto components sector, accounting for ~30% of the overall PLI outlay
- The government introduced the much-awaited scrappage policy for clearing out old and worn-out vehicles and is bound to catalyse the demand for automobiles over the foreseeable future
- The government has announced an outlay of Rs. 18,000 crores for public buses, which, in turn, could drive the demand for tyres
- The government proposed an outlay of Rs. 2,217 crores for reducing pollution in 42 urban centres, which could be used to increase awareness about electric vehicles
- The government imposed customs duty on certain auto parts to promote domestic manufacture, which would lead to increased value addition and localisation
- The government announced capital investments of Rs. 5.54 trillion for infrastructural development, which could catalyse automobile offtake
- Fame India Scheme II: The Government of India approved the Fame India Scheme II with an outlay of Rs. 10,000 crores for a period of 3 years starting from 1st April 2019. Out of total budgetary support, about 86% of fund has been allocated for Demand Incentive to create demand for EVs in the country. The second phase of the scheme aims to generate demand by supporting 7,000 e-buses, 5 lakhs e-three wheelers, 55,000 e-four wheeler passenger cars (including strong hybrid) and 10 lakhs e-2 wheelers.
- National automotive testing and R&D infrastructure project (NATRIP): The project had been set up at a total cost of USD 573 Mn in order to enable the industry to adopt and implement global performance standards. The aim of the project is to converge India's unparalleled strengths in IT and electronics with the automotive engineering sectors. This is also expected to result in the growth of the tyre sector in the country.

(Source: MakeinIndia, Heavyindustry.gov.in)

Opportunities

- India is expected to emerge as the world's third largest passenger vehicle market by 2026.
- The electric vehicle segment is expected to grow rapidly with estimated annual sales in India of 6.34 million units by 2027.
- Production Linked Incentives (PLI) worth Rs. 57,000 crores were proposed by the Central Government for the automotive sector, which could strengthen prospects for the end product and components (including tyres).
- A proposed 'green tax' on polluting cars and the implementation of a Vehicle Scrapping Policy could accelerate vehicle replacements.
- An increase is expected in exports by Indian tyre companies.
- The pandemic increased a priority for personal mobility modes, strengthening vehicle offtake

Threats

- Due to the capital-intensive and technology-intensive nature of the tyre industry, the entry of new entrants in tyre manufacture may be muted, affecting bead wire prospects
- Automobile pollution could shift commuters towards metro, monorails and trains, affecting vehicle use (and tyre offtake).
- Natural rubber (more than 33% cost of tyres) could remain volatile, affecting tyre sector viability
- The second surge of the pandemic could affect tyre offtake

Growth drivers

Infrastructural development: A significant growth has been witnessed in the construction of roads and highways over the past few years. Introduction of smart cities and highways is expected to act as a catalyst for the increase in demand for truck tyres.

Electric vehicles: The Government approved the FAME-II scheme with a fund requirement of Rs. 10,000 crores for FY20-22. Under this, they plan on introducing electrical vehicles into the public transport system, driving the demand for tyres.

Policy boost: Government initiatives like 'Make in India', 'NEMMP 2020' and 'Automotive Mission Plan 2026 are projected to strengthen prospects of the automobile sector.

FDI inflows: The total FDI equity inflow in the automobile sector stands at USD 25,395.47 million for the time spanning April 2000 to December 2020. This constitutes 4.87% of the total FDI inflow received across all sectors during this time.

Coronavirus pandemic: The Coronavirus outbreak hurt businesses, which could strengthen demand once its impact wanes.

Company review

Rajratan is one of the largest manufacturers of bead wire in India. The company's operations are spread across Pithampur (India) and Ratchaburi (Thailand). The company possessed an aggregate production capacity of 1,12,000 TPA at the close of FY 2020-21. The company's outperformance was the result of a contrarian strategic commitment: When most companies decided to downsize, Rajratan selected to expand capacity in its Indian plant. Rajratan also commissioned a new coating line to enhance capacity utilisation.

The company's success was achieved through a responsiveness to global and Indian market trends

- There was a challenging downtrend in the global bead wire business. The expansion in the Indian facility was completed in FY 2019-20 while the Thailand operations are at the cusp of an attractive production increase coupled with prospective capacity expansion thereafter.
- There is a need for a superior quality of bead wire in the world. Rajratan's manufacturing and quality-centric teams are driven by a priority to minimise process deviations, deliver the product right the first time and eliminate customer complaints. Manufacturing efficiency and volume in the Thailand plant strengthened during the year.
- There was an apprehension of bead wire realisations declining sharper than the decline in raw material costs, squeezing manufacturing margins. In India, the company strengthened its competitiveness by doubling manufacturing capacity (effective November 2019) and commissioning the world's largest bead wire coating line. In Thailand, the company focused on strengthening specific quality-critical processes. Manufacturing efficiency increased and the Thailand operations experienced a stock-out without compromising realisations.
- The bead wire manufacturer with the strongest customer relationships, lowest costs and superior quality will endure. The company strengthened projects to enhance quality, moderate costs and enhance market responsiveness. Rajratan's volumes increased even as the Indian automotive sector reported its most sluggish growth in years.
- In a global economic and automotive sector slowdown, bead wire companies with large debt on their Balance Sheets could be affected. The company generated 35% of its expansion outlay from accruals and 32.68% from government subsidies (to be received across seven years), de-risking the expansion. Rajratan's revenues and margins grew in FY 2020-21.
- There is a greater premium on being present in the right global geography. Rajratan has selected to manufacture bead wire out of India and Thailand, two of the most promising global locations based on a long-term demand outlook. Thailand enjoys attractive raw material availability for the manufacture of tyres. The company is the only bead wire manufacturer in Thailand; a proposed expansion could service additional demand.

Risk management

Raw material risk

Challenge: Rising prices and shortage in the availability of raw materials poses a risk to the company.

Mitigation: The Company has been working with select raw material suppliers. The Company has been able to offer these suppliers the advantage of significant purchase volumes in return for volume-based discounts. Besides, the company has been able to leverage the power of its brand to pass cost increases to customers.

Quality risk

Challenge: Inconsistent quality could lead to customer attrition.

Mitigation: The Company strengthened its quality management through the infusion of superior manufacturing technologies, moderating wire breakage and enhancing adhesion value.

Debt risk

Challenge: A high cost of debt could affect the viability of the business.

Mitigation: The Company funded nearly 35% of the doubling of its capacity (Indian operations) through accruals whereas the borrowed funds were sourced at an average rate of 8%, strengthening the viability of the project. The company's robust interest cover was a validation of its liquidity.

Customer relationship risk

Challenge: A break in customer engagement could translate into a revenue setback.

Mitigation: The Company's business model is based around customer-centricity and works closely with the technical teams of customer companies, customising its bead wire around their precise requirements. Besides, the company strengthened its service standards comprising on-time and in-full delivery, strengthening its customer relationship. The Company has not lost a single major customer in the last 5 years and derived 83% of its revenues from customers associated with the Company for five years or more.

Capital cost risk

Challenge: Fresh investments in the manufacture of bead wire could take an extended period to break even.

Mitigation: The Company has been engaged in bead wire manufacture for more than 25 years. The result is that its infrastructure and equipment was acquired at legacy costs, a long-term competitive advantage. This has empowered the company to enhance capacity at a cost lower than the prevailing greenfield average, a competitive moat that has restricted industry entrants. The Company's capacity doubling in India was carried out at 60% of the cost of commissioning a greenfield bead wire unit.

Product approval risk

Challenge: Product approvals by major tyre companies are usually lengthy, which can affect the profitability of the business in the interim.

Mitigation: The Company enjoys approvals (first-time and repeat) from prominent and prestigious tyre companies of India and Thailand, translating into a multi-year relationship.

Financial performance

Revenues: Revenue in FY 2020-21 at Rs. 54,654 lakhs increased by 14% compared to Rs. 48,021 lakhs in FY 2019-20.

Interest and finance costs: Inspite of increase in turnover by 14%, there is no increase in finance cost due to efficient working capital management.

Profit after tax: The Company registered a profit after tax of Rs. 5,313 lakhs in FY 2020-21 compared to Rs. 3,304 lakhs in the previous year.

Key numbers

Particulars	Standalone			Consolidated			Reason for Change
	FY 2020-21	FY 2019-20	Change in %	FY 2020-21	FY 2019-20	Change in %	
Debtors Turnover	4.54	4.67	-2.81	5.46	6.18	-11.65	–
Inventory Turnover	10.66	9.32	14.43	9.12	8.93	2.08	–
Interest coverage Ratio	6.23	4.59	35.73	5.95	4.26	39.58	Increased operating earnings
Current Ratio	1.88	1.39	34.55	1.28	0.97	31.43	Increased liquid assets
Debt Equity Ratio	0.46	0.59	-21.25	0.64	0.86	-25.69	Increase in shareholders' equity
Operating Profit Margin Ratio %	18.73	16.52	13.37	17.15	14.41	19.04	-
Net Profit margin % or sector specific equivalent Ratio as applicable	10.96	8.07	35.71	9.72	6.88	41.29	Reduction in finance cost and tax rates
Return on Net worth (%)	20.41	15.71	29.92	23.86	20.41	16.87	Better financial strength

Internal control systems and their adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, wherever necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Human resources

The Company believes that the quality of the employees is key to its success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements. During the year, the Company organised training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct. The Company's employee strength stood at 600 as on 31st March 2021.

Cautionary statement

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

NOTICE TO MEMBERS

NOTICE is hereby given that the 33rd Annual General Meeting of the members of Rajratan Global Wire Limited will be held on Wednesday, 21st July 2021 at 2:00 P.M. IST through video conferencing ("VC") Other Audio Visual Means ("OAVM") to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at 'Rajratan house' 11/2 Meera Path Dhenu Market, Indore - 452003.

ORDINARY BUSINESSES

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended 31st March 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend of Rs. 8/- per equity share of Rs. 10/- each for the financial year 2020-21.
3. To appoint a Director in place of Mr. Abhishek Dalmia (DIN-00011958), who retires by rotation, and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

4. Ratification of Cost Auditors' Remuneration

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

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the company hereby ratifies the remuneration payable of Rs. 25,000 (Rupees Twenty Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses to be paid to Neeraj Maheshwari & Associates, Cost Accountant (Firm Registration No. 002113) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ended 31st March 2022.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and/or otherwise considered by them to be in the best interest of the Company."

5. Re-appointment of Mr. Sunil Chordia (DIN – 00144786) as Chairman & Managing Director

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder read with Schedule V to the Act and Regulation 17(6)(e) and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any statutory amendment(s), modification(s) or re-enactment thereof, for the time being in force), the consent of members be and is hereby accorded for the re-appointed of Mr. Sunil Chordia (DIN: 00144786) as Chairman & Managing Director of the Company for a period of three (3) years with effect from 1st April 2021 to 31st March 2024, not liable to retire by rotation, upon the terms and conditions set out in the Statement annexed to the Notice convening this Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or remuneration, in such manner as may be agreed to between the Board of Directors and Mr. Sunil Chordia and in accordance with the Act or such other applicable provisions or any amendment thereto notwithstanding that the annual remuneration payable to Mr. Sunil Chordia, Chairman and Managing Director, may exceed two and-half (2.5) percent of the net profits of the Company as calculated under Section 198 of the Act and aggregate remuneration payable to Executive Directors, who are promoters, including Mr. Sunil Chordia, may exceed five (5) percent of the net profits of the Company as calculated under Section 198 of the Act in any financial year during the tenure of his appointment i.e. upto 31st March 2024.

RESOLVED FURTHER THAT the Board of Directors (the 'Board' which term includes a duly constituted Committee of the Board) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

Dated: 24th April 2021
Place: Indore

By order of the Board of Directors
Shubham Jain
Company Secretary
(ACS: 35317)

Registered Office
'Rajratan House'
11/2 Meera Path, Dhenu Market
Indore – 452003
Tel: +91 731 2546401
CIN: L27106MP1988PLC004778
Website: www.rajratan.co.in
Email: investor.cell@rajratan.co.in

NOTES:

1. In view of the continuing Covid-19 pandemic and social distancing norm, the Ministry of Corporate Affairs ("MCA") has vide it's circular dated 8th April 2020 and 13th April 2020, 5th May 2020 and 13th January 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11, dated 15th January 2021 (referred to as "SEBI Circular") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. Since this AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.
3. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto
4. Participation of members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act")
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report FY 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company, RTA or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report FY 2020-21 will also be available on the Company's website www.rajratan.co.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL at www.evoting.nsdl.com.
6. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at investor.cell@rajratan.co.in along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Aadhaar, Driving License, Election Identity Card, Passport) in support of the address of the Member.
7. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from 14th July 2021 to 21st July 2021 (both days inclusive), for the purpose of Annual General Meeting and payment of dividend.
9. The Dividend, if declared, will be payable to those Equity Shareholders whose names stand on the Register of Members as at the close of business hours on 13th July 2021, and in respect of shares held in the electronic form, the dividend will be payable to the beneficial owners as at the close of business hours on 13th July 2021 as per details furnished by the Depositories for this purpose. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from 1st April 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with Link Intime India Pvt. Ltd. or with Company as maintained in point no 6 (in case of shares held in physical mode) and DPs (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to investor.cell@rajratan.co.in latest by Tuesday, 13th July 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to investor.cell@rajratan.co.in latest by Tuesday, 13th July 2021.
10. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 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 or Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. for assistance in this regard.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime India Pvt. Ltd, (Company's Registrar and Transfer Agents) in case the shares are held by them in physical form.

12. 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. Members are requested to submit the said form to their Depository Participants in case the shares are held in electronic form and to Link Intime India Pvt. Ltd. in case the shares are held in physical form.

13. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the meeting. This would enable the Company to compile the information and provide the replies at the Meeting.

14. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

    The due dates for transfer of unclaimed / unpaid dividend to IEPF are as follows –

Date of declaration of dividend	Dividend for Financial Year	Proposed Month and year of Transfer to IEPF
26-09-2014	2013-14	October, 2021
11-08-2015	2014-15	September, 2022
26-07-2016	2015-16	August, 2023
11-08-2017	2016-17	September, 2024
21-07-2018	2017-18	August, 2025
22-07-2019	2018-19	August, 2026
29-02-2020	2019-20 (Interim)	April, 2027

15. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 & 5 of the Notice, are annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

17. 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 Depository Participant and holdings should be verified.

18. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s. Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083 Ph: 022-25946970. Members holding shares in demat form are requested to inform the concerned depository Participants of any change in address, dividend mandate, e-mail etc. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.

19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 21st July 2021. Members seeking to inspect such documents can send an email to investor.cell@rajratan.co.in.

20. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the NSDL. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialised mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed Mr. Vatsalya Sharma, Practicing Company Secretaries (M. No. 48100 and COP No. 19574), as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

21. The e-voting period commences on Sunday, 18th July 2021 (9:00 a.m. IST) and ends on Tuesday, 20th July 2021 (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialised form, as on cut-off date, i.e. as on 14th July 2021 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast.

22. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/ OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

23. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting). The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and will also be displayed on the Company's website, www.rajratan.co.in.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, 18th July 2021 at 09:00 A.M. and ends on Tuesday, 20th July 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 14th July 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 14th July 2021.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	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: https:/eservices.nsdl.com/ 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 options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https:/eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https:/eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https:/www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https:/web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https:/web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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 options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

B) 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.

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

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the **" Initial password"** or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to vatsalyasharmaandco@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at evoting@nsdl.co.in

4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 14th July 2021 , may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 14th July 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 investor.cell@rajratan.co.in.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor.cell@rajratan.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be 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 in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email Id mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at investor.cell@rajratan.co.in from 14th July 2021 to 18th July 2021. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. Further, Members who would like to have their questions / queries responded to during the AGM, are requested to send such questions / queries in advance within the aforesaid date, by following similar process as mentioned above. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

Explanatory Statement (Pursuant to section 102 of the Companies Act, 2013)

The following Explanatory Statement sets out the material facts relating to the business under item Nos. 4 & 5 of the accompanying notice dated 24th April 2021 -

Item No. 4

Pursuant to the provisions of Section 148 of the Companies Act, 2013 ('the Act'), read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to have audit of its cost records conducted by a cost accountant in practice.

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved at their meeting held on 24th April 2021 the appointment of M/s. Neeraj Maheshwari & Associates, Cost Accountant (Firm Registration No. 002113), Practicing Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended 31st March 2022.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2022. The Board recommends the resolution set forth in Item No. 4 for approval of the members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested, financially or otherwise in the resolution.

Item No. 5

Mr. Sunil Chordia was appointed as the Managing Director of the Company for a period of three years effective 1st April 2018, not liable to retire by rotation, and the said appointment was approved by the Shareholders at their Annual General Meeting held on 21st July 2018.The Board of Directors ('the Board'), on 10th May, 2019, re-designated Mr. Sunil Chordia as the Chairman and Managing Director ('CMD') of the Company which was approved by shareholders at their Annual General Meeting held on 22nd July 2019.

Based on the recommendation of the Nomination and Remuneration Committee, the Board on 21st January, 2021, re-appointed Mr. Sunil Chordia as the Chairman and Managing Director of the Company, not liable to retire by rotation, for a further period of three years effective 1st April 2021 through 31st March 2024, subject to approval of the Shareholders.

The Board, while re-appointing Mr. Sunil Chordia as the Chairman and Managing Director of the Company, considered his background, experience and contributions to the Company.

Mr Sunil Chordia is the founder promoter of Rajratan Global Wire Limited. He holds DCMA, MBA (Finance) and B.Sc. degrees from DAVV, Indore. Mr. Chordia possesses a vast experience of almost three decades in the industry. Under his leadership, the Company has reported significant growth in the tyre bead wire business and emerged the largest supplier of bead wire to the Indian tyre industry. He has been responsible for building the business from scratch to the current position. His acumen has helped the company consolidate its position in the industry. He manages the overall planning and general business strategies. Mr. Chordia has been actively associated with business associations like Confederation of Indian Industries, All India Management Association and Steel Wire Manufacturers Association of India etc. in various capacities.

This should be treated as an abstract/memorandum of the terms and conditions of appointment and memorandum of interest of the respective appointee as required under section 190 of the Act

The principal terms and conditions of re-appointment of Mr. Sunil Chordia as Chairman and Managing Director are as under -

1. **Tenure of Appointment:** From 1st April 2021 to 31st March 2024

2. **Remuneration:**

   a) Basic Salary: Rs. 10,00,000/- (Rupees Ten lakhs Only) per month with Annual Increment of Rs. 24,00,000/- (Rupees Twenty Four lakhs Only) every year.

      The annual increments will be effective from 1st April each year, as may be decided by the Board based on the recommendations of the Nomination and Remuneration Committee and according to the performance of the Company.

b) Benefits, Perquisites and Allowances:

(i) Leave Travel Allowance - Reimbursement once in a year subject to maximum of Rs. 2,50,000 (Rupees Two lakhs Fifty Thousand Only)

(ii) Medical Allowance - Reimbursement of medical expenses of chairman and Managing Director and his family subject to maximum of Rs. 2,50,000 (Rupees Two lakhs Fifty Thousand Only) per annum.

(iii) Car – Company's car/s with driver/s and/or other suitable conveyance facilities.

(iv) Telephone – Telephone and other communication facility at residence

(v) Club Fees – Subject to maximum of two clubs, this will not include admission and life membership.

(vi) Gratuity payment: As per the Rules of the Company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.

3. **Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during his tenure, the Company has no profits or its profits are inadequate, the Company will pay aforesaid remuneration as minimum remuneration.

As per Section 197 of the Companies Act, 2013, the remuneration payable to any one managing director or whole-time director or manager shall not exceed five percent of the net profits of the Company and if there is more than one such director, remuneration shall not exceed ten percent of the net profits to all such directors and manager taken together.

Further as per 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("the Listing Regulations") vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

(i) the annual remuneration payable to such executive director exceeds Rs. 5 crores or 2.5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher; or

(ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 percent of the net profits of the Company.

At present, on the Board of the Company there is only one executive director who is promoter, namely Mr. Sunil Chordia, Chairman & Managing Director. The members of the Company in their AGM held on 22nd July 2019 had approved payment of remuneration to Mr. Chordia as per Regulation 17(6)(e) for remaining of his tenure which has expired on 31.03.2021. The remuneration proposed to be paid to Mr. Chordia may be in excess of 2.5% of net profits of the Company, individually and more than 5% of the net profits of the Company in aggregate with other promoters executive director(s) for his proposed tenure. Further the remuneration proposed to be paid to Mr. Sunil Chordia is within the limit of 5 percent of the net profits of the Company as stipulated in Section 197 of the Companies Act, 2013. However, during the proposed tenure of Mr. Sunil Chordia i.e. upto 31.03.2024, the annual remuneration payable to him and the aggregate annual remuneration, may exceed may exceed the limits as contemplated in Regulation 17(6)(e) of the Listing Regulations and Section 197 of the Companies Act. This necessitates seeking the approval of the members of the Company by way of special resolution during the tenure of his appointment i.e. upto 31st March 2024 in order to comply with Listing Regulations and Companies Act, 2013.

In terms of the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, ("Act"), as amended or re-enacted from time to time, read with Schedule V to the Act and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015 the approval of the members of the Company is being sought for appointment and approve the remuneration of Mr. Sunil Chordia as Chairman & Managing Director of the Company, accordingly your directors commend to pass the resolution as set out in Item No. 5 as Special resolution.

None of the directors or key managerial person or relatives of directors and KMP are concerned or interested in the said resolution, whether financially or otherwise. The relatives of Mr. Sunil Chordia may be deemed to be interested in the resolutions to the extent of their shareholding, if any, in the Company.

Statement of Information relevant to Mr. Sunil Chordia as required under Section II of Part II of Schedule V of the Companies Act, 2013

I. GENERAL INFORMATION

1. **Nature of Industry**
Engineering Industry

2. **Date or expected date of commencement of commercial production**
The company was incorporated on 9th September 1988 and commenced commercial production in the year 1991.

3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.**
Not applicable

4. **Financial performance based on given indicators** ₹ in lakhs

Particulars	Standalone		Consolidated	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue				
1. Revenue from operations	33745	28614	54654	48021
2. Other Income	61	163	163	117
Profit before Tax	4746	3279	6626	4371
Less: (i) Current Tax	1124	701	1388	755
(ii) Deferred Tax	(75)	268	(75)	312
Profit for the Period	3697	2310	5313	3304

5. **Foreign investments or collaborations, if any**

The Company has made investment in wholly owned subsidiary namely Rajratan Thai Wire Co. Ltd., Thailand.

II. INFORMATION ABOUT THE APPOINTEE

1. **Background details**

As given in explanatory statement to Item No. 5.

2. **Past remuneration**

The remuneration paid to Mr. Sunil Chordia for the Financial Year 2020-21 is Rs. 101 lakhs.

3. **Recognition or awards**

Mr. Sunil has held & continues to hold various responsible positions in several industry & trade associations namely SWMAI, IMA and CII. The most recent being the Deputy-Chairman of Confederation of Indian Industries – Western Region.

4. **Job profile and his suitability**

Mr. Sunil Chordia as the Chairman and Managing Director has been managing the overall business and operations. The Company has made enormous progress under his stewardship. His vision is to make the Company one of the best in the global market. In view of his vast experience, his reappointment as the Chairman and Managing Director would be in the best interests of the Company.

Mr. Sunil Chordia shall have all powers and duties as the Board may determine from time to time.

5. **Remuneration proposed**

Details of proposed remuneration have been disclosed in aforesaid points.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

Taking into consideration the size of the company, profile of Mr. Sunil Chordia, responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies.

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any**

Mr. Sunil Chordia belongs to Promoter Group of the company. He together with other promoters holds 65% equity share capital of the Company. He is also having interest to the extent of the remuneration which he may draw from the Company being the Chairman and Managing Director and dividend as may be declared by the Company. His relatives have also rented out office premises to the Company on terms approved by the Board. Mr. Sunil Chordia is relative of Mr. Yashovardhan Chordia, director of the Company.

III. OTHER INFORMATION:

1. **Reasons for loss or inadequate profits**
Not applicable, as the company earned posted net profit after tax of Rs. 3697 lakhs. During the year ended 31st March 2021.

2. **Steps taken or proposed to be taken for improvement.**
Not applicable; as the company earned adequate profits.

3. **Expected increase in productivity and profits in measurable terms.**

Not applicable; as the company earned adequate profits.

IV. **Disclosures:**

Remuneration package of the managerial person: Fully described in the explanatory statement as stated above.

Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report FY 2020-21: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report. forming part of the Annual Report of FY 2020-21 of the Company

Dated: 24th April 2021
Place: Indore

By order of the Board of Directors
Shubham Jain
Company Secretary
(ACS: 35317)

Registered Office
'Rajratan House'
11/2 Meera Path, Dhenu Market
Indore – 452003
Tel: +91 731 2546401
CIN: L27106MP1988PLC004778
Website: www.rajratan.co.in
Email: investor.cell@rajratan.co.in

Additional information pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meeting, the brief profile of Directors eligible for re-appointment vide item no. 3 and 5 is as follows

Nature of information	Item No.3 of notice	Item No.5 of notice
Name	CA Abhishek Dalmia	Mr. Sunil Chordia
Date of birth	6th May, 1969	5th September 1963
Age	52	57
Date of first Appointment on the Board	11.06.2005	09.09.1988
Educational Qualification	B.Com (Hons), FCA, ACMA	Bsc., DCMA, MBA (Finance)
Experience	30 Years	33 Years
Expertise in functional areas / Brief resume	Mr. Abhishek Dalmia, the Chairman of Renaissance Group, is a Chartered Accountant by qualification. Before joining the Renaissance Group, he worked with OCL India Ltd, Khamman Granite Ltd and Orissa Cement Ltd. He is currently responsible for providing strategic direction at the board level to Revathi Equipment Limited and other group companies of Renaissance Group.	Mr. Sunil Chordia, founder promoter of Rajratan Global Wire Limited, holds DCMA, MBA (Finance) and BSc. degrees from DAVV, Indore. Mr. Chordia possesses a vast experience of almost three decades in the industry. Under his leadership the Company reported significant growth and emerged as the largest tyre bead wire business in India. His acumen helped the company consolidate its position in the industry. He leads Rajratan in overall planning, general business, generating strategies and identifying opportunities.
Details of shares held in the Company	Nil	1,01,188
List of Companies in which outside directorship held	1. Ravathi Equipment Ltd. 2. Renaissance Stocks Limited 3. Priyadarshanyagri Farms Pvt. Ltd. 4. Swbi Design Informatics Private Limited 5. Aditya Infotech Limite 6. Ashiana Housing Ltd. 7. Hari Investments Private Limited 8. Alpha Alternatives Holdings Private Limited 9. Semac Consultants Private Limited 10. Renaissance Consultancy Services Limited 11. Renaissance Corporate Consultants Limited 12. Renaissance Advanced Consultancy Limited	1. Swastika Investmart Limited 2. Rajratan Resources Pvt. Ltd. 3. Rajratan Investments Pvt. Ltd.
Member/ Chairman of Committees of other Companies on which he is a director*	Revathi Equipment Limited Corporate Social Relationship Committee – Member Ashiana Housing Limited Nomination & Remuneration Committee – Member Rajratan Global Wire Limited Nomination and Remuneration Committee – Member Corporate Social Relationship Committee – Member	Swastika Investmart Limited Audit Committee – Member Nomination and remuneration committee – Member Stakeholders Relationship Committee – Member Rajratan Global Wire Limited Corporate Social Responsibility Committee - Member
Relationship with any Director(s) of the Company	Nil	Mr. Yashovardhan Chordia is son of Mr. Sunil Chordia.
Number of board meeting attended during the year	4	4
Terms and condition of appointment / re-appointment	Director liable to retire by rotation	As per the resolution proposed at Item No. 5 of the Notice of 33rd Annual General Meeting of the Company read togather with explanatory statement.
Remuneration to be paid	Sitting Fees	
Last drawn remuneration	Sitting Fees	Rs. 101 lakhs

BOARD'S REPORT

To the members,

Your Directors present the 33rd Annual Report on the business and operations of the Company along with the audited standalone and consolidated financial statements for the year ended 31st March 2021.

1. Financial Results

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue from Operations	33,745	28,614	54,654	48,021
Other Income	61	163	163	117
Profit before Depreciation, Interest & Tax	6,320	4,727	9,374	6,919
Interest & Financial Charges	908	914	1,338	1,339
Profit before Depreciation	5,412	3,813	8,036	5,580
Less: Depreciation	666	534	1,410	1,209
Profit before Taxation & Exceptional Items	4,746	3,279	6,626	4,371
Less: Total Tax Expense	1,049	969	1,313	1,067
Profit After Tax for the year	3,697	2,310	5,313	3,304
Other Comprehensive Income				
(a) Items that will not be reclassified to Profit or Loss	(11)	(52)	(11)	(52)
(b) Items that will be reclassified to Profit or Loss			4	205
Total Comprehensive Income for the year	**3,686**	**2,258**	**5,306**	**3,457**

2. Overview of Company's Financial Performance:

The company's performance during Financial Year 2020-21 on a standalone and consolidated basis were as follows -

A. On standalone basis

Your Company's standalone revenues were Rs. 33,745 against Rs. 28,614 lakhs in the previous year. Profit before tax stood at Rs. 4,746 lakhs in FY 21 against Rs. 3,279 lakhs in FY 20; profit after tax for FY 21 was Rs. 3,697 lakhs compared to Rs. 2,310 lakhs in the previous year.

B. Consolidated revenues

Your Company's consolidated revenues were Rs. 54,654 lakhs in FY 21 in comparison with Rs. 48,021 lakhs in FY 20. The Company's profit after tax increased from Rs. 3,304 lakhs in FY 20 to Rs. 5,313 lakhs in FY 21.

3. Economic scenario

FY 2020-21 was a seminal year as the pandemic shook the world's confidence in predictability and business visibility. The need for protection became predominant as the global economy encountered one of its biggest challenges. The outbreak of Covid-19 pandemic from December 2019 extended to a full-fledged global impact within a quarter. As countries entered into lockdowns, global commerce declined and the global economy de-grew for the first time in years (3.4 per cent degrowth in 2020).

4. Prospects and Outlook

Despite the economic slowdown, your Company is competently placed to counter challenge. Your Company increased its consolidated manufacturing capacity to 1,12,000 TPA (India and Thailand), which will enable it to increase market share at one of the lowest capital costs per tonne. The Company strengthened its ability to service customers, the pandemic notwithstanding. The Company is optimistic of strengthening its market share on account of larger bead wire capacity, strong order book (especially in Thailand), enduring customer relationships and a portfolio of high-end bead wire addressing demanding customers.

5. Dividend

In view of record growth with highest profitability after tax (PAT), investments already made towards expansion and future plans and considering completion of 30th year of commercial production of the company, the Board of Directors at their meeting held on 24th April 2021, have recommended payment of Rs. 8/- (Rupees Eight Only) (80%) per equity share of the face value of Rs. 10 (Rupee Ten only) each as dividend for the financial year ended 31st March 2021. The payment of dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company. The dividend amount for the financial year 2020-21, will be Rs. 812 lakhs.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

6. Transfer to Reserves

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss account to the General reserves. The Company has transferred Rs. 1000 lakhs to the General Reserve out of the amount available for appropriation.

7. Share Capital

The paid up share capital of the company as on 31st March 2021 is Rs. 1,015.42 lakhs divided into 1,01,54,200 equity shares of Rs. 10/- each. There has been no change in the paid up capital of the Company during the year under review. Your company does not hold any instruments convertible into the equity shares of the Company.

8. Subsidiary Companies

The Company has only one foreign wholly-owned subsidiary viz. Rajratan Thai Wire Co. Ltd. There was no associate company within the meaning of Section 2(6) of the Companies Act, 2013("Act"). There was no change in the nature of the business of the subsidiary.

Pursuant to Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the company. Pursuant to section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of the subsidiary, are available on the website of the company www.rajratan.co.in. Performance of the Rajratan Thai Wire Co. Ltd, Thailand the WOS of the Company during the year, was as under –

Rajratan Thai Wire Co. Limited, Thailand:

Rajratan Thai Wire Co. Limited is a fully-owned subsidiary of the Company with its manufacturing facility in Ratchaburi, Thailand, and engaged in manufacturing bead wire. During the year under review, it recorded an increase of 4.37% in sales volume to reach 29045 MT compared to 27829 MT in the previous year. Net revenues increased by 8% to reach Rs. 20,921 lakhs as compared to Rs. 19441 lakhs in the previous year. Profit after tax stood at Rs. 1616 lakhs compared to Rs. 994 lakhs in the previous year.

9. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

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 a 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 the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. Deposits:

The Company has not accepted any fixed deposit from the public during the financial year ended 31st March 2021 within the meaning of section 73 and 74 of the Companies Act, 2013 read with the relevant rules.

11. Listing:

The shares of the Company are listed on the Bombay Stock Exchange Limited and National stock Exchange, and the Company is regular in making payment of the listing fees. There was no suspension of trading during the year under review.

12. Conservation of Energy, Technology and Foreign Exchange Earnings and outgo

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts of Companies) Rules, 2014 are set out in an "**Annexure-I**" to this report.

13. Material changes and commitments occurred, if any, affecting the financial position of the company, having occurred since the end of the year and till the date of Report

The pandemic is causing an economic upheaval, the impact of which has been discussed in the Chairman and Managing Director's overview as well as the Management Discussion and Analysis, which forms a part of this Annual Report.

14. Corporate Social Responsibility

As a part of CSR initiative under the 'Corporate Social Responsibility' drive, the Company has undertaken projects mainly in the areas education, women empowerment, health care and environmental sustainability. The Company works primarily through its CSR trust, the Rajratan Foundation. The Company's CSR policy is available on our website, at www.rajratan.co.in/investors/. The annual report on our CSR activities is appended as '**Annexure II**' to the Board's Report.

15. Directors and key managerial personnel

The Board of Directors at its meeting held on 21st January 2021 has re-appointed Mr. Sunil Chordia (DIN: 00144786) as Chairman & Managing Director of the Company for a period of three years, effective from 1st April 2021, subject to approval of the members at the ensuing Annual General Meeting.

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Abhishek Dalmia, (DIN: 0011958) Non-Executive Director of the Company, is liable to retire by rotation at the ensuing AGM and being eligible have offered themselves for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that:

a) they meet the criteria of independence prescribed under the Act and the Listing Regulations and

b) they have registered their names in the Independent Directors' Databank.

In the Opinion of the Board, all the independent directors fulfills the criteria of the independency as required under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

In terms of Section 203 of Companies Act, 2013, Mr. Sunil Chordia, Mr. Hitesh Jain and Mr. Shubham Jain are key managerial personnels of the Company. During the year under review, there were no other changes to the Key Managerial Personnel of the Company.

16. Number of meetings of the board

Four meetings of the Board were held during the year. The details of the meetings of the Board of Directors and its committees, convened during the financial year 2020-21 are given in the Corporate Governance Report, which forms part of this Annual Report.

17. Board evaluation

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Independent Directors was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

The performance of the Board was evaluated after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole was evaluated.

18. Board Committees

Your Company has in place the Committee(s) as mandated under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are currently four committees of the Board, namely:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

Details of the Committees along with their composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this report.

19. Policy on directors' appointment and remuneration and other details

The Company has in place policy for directors' appointment and remuneration and other matters provided in Section 178(3) of the Act which is available on the website of the company at www.rajratan.co.in/investors.

20. Managerial Remuneration and particulars of employees

Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a disclosure on remuneration related information of employees, Key Managerial Personnel and directors is annexed herewith as "**Annexure-III.**" The Chairman and Managing Director of your Company does not receive remuneration from the subsidiary of your Company.

21. Transactions with related parties

During the Financial Year 2020-21, all contracts/arrangements/ transactions entered into by your Company with related parties under Section 188(1) of the Act were in the ordinary course of business and at arm's length basis. During the Financial Year 2020-21, your Company has not entered into any contracts/arrangements/transactions with related parties which could be considered 'material'. Thus, there are no transactions required to be reported in form AOC-2. The Board has taken on record all transaction with related parties.

Further, during Financial Year 2020-21, there were no materially significant related party transactions made by your Company with the Promoters, Directors, Key Managerial Personnel or other designated persons, which might have potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee and approved through the Omnibus mode in accordance with the provisions of the Companies Act, 2013 and Listing Regulations. The policy on Related Party Transactions is uploaded on the Company's website www.rajratan.co.in/investors/. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, though not mandatory, is given in **"Annexure-IV"** in Form AOC-2 and the same forms part of this report.

22. Annual return

The Annual Return of the Company as on 31st March 2021 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at www.rajratan.co.in/investors/.

23. Loans, Guarantees and Investment

The company has given loans and issued guarantee in favor of its wholly- owned subsidiary viz. Rajratan Thai Wire Limited, Thailand which is exempted under the provisions of section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014. Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

24. Auditors:

a. Statutory Auditors:

At the 29th AGM held on 11th August 2017 the Members approved appointment of M/s D S Mulchandani & Co., Chartered Accountants, Indore (ICAI Firm Registration No. 021781C) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 34th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7th May 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 33rd AGM.

There is no qualification, reservation or adverse remark by the auditors for the year under review.

b. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Vatsalya Sharma, Company Secretary in Practice (CP No. 19754) to conduct the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "**Annexure-V**" The secretarial audit report does not contain any qualification, adverse observations/remarks.

c. Cost Auditors:

As per the requirement of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit), Amendment Rules 2014, your Company is required to get its cost accounting records audited by a Cost Auditor.

M/s. Neeraj Maheshwari & Associates, Practicing Cost Accountant (Firm Registration No. 002113), were appointed as cost auditor to conduct the cost audit of the company for financial year 2020-21.

Further the Board of Directors on the recommendation of Audit Committee, has appointed M/s Neeraj Maheshwari & Associates, Cost Accountant (Firm Registration No. 002113), Practicing Cost Accountants to conduct the audit of the cost accounting records of the Company for Financial year 2021-22. As required under the Companies Act, 2013 resolution seeking members approval for the remuneration payable to Cost Auditor form part of the notice convening the AGM for their ratification. The Cost Audit Report of the Company for the financial year ended 31st March 2020, was filed with the Ministry of Corporate Affairs, New Delhi.

d. Internal Auditor

The Company has appointed M/s Mehta Garg & Agrawal, Chartered Accountants (Firm Registration No 019648C) as Internal Auditors to conduct internal audit of the function and activities of the Company. The Audit Committee of the Board of Directors in consultation with the Internal Auditors, formulate the scope, functioning, periodicity and methodology for conducting the internal audit.

25. Internal Control System and their Adequacy, Internal Financial Controls

Your Company's internal control system is commensurate with its scale of operations designed to effectively control the operations. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. Independent Internal Auditors conduct audit covering a wide range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors. The Audit Committee reviews the adequacy and effectiveness of internal control systems and suggests ways of further strengthening them, from time to time.

As per Section 134(5)(e) of the Companies Act 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust system and framework of Internal Financial Controls. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. The Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audits, risk management framework and whistle blower mechanism.

26. Risk management

The company has laid down a well defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework. During the year, a risk analysis and assessment was conducted and no major risks were noticed, which may threaten the existence of the company.

27. Disclosure requirements

a) Corporate Governance:

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the stipulations set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A separate report of the Board of Directors of the Company on Corporate Governance is an integral part of the Annual Report and included as "**Annexure VI**" and the Certificate from M/s D S Mulchandani & Co., Chartered Accountants, Indore (ICAI Firm Registration No. 021781C), Statutory Auditors of the Company, confirming compliance with the requirements of Corporate Governance as stipulated in Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is annexed as "**Annexure VII**".

b) Familiarization Program for Independent Directors

Your Company has in place a Familiarization Program for independent Directors to provide insights into the Company's Business to enable them to contribute significantly to its success. The Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy operations and functions of the Company. The details of the familiarization program of the independent directors are available on the website of the Company www.rajratan.co.in/investor/.

c) Dematerialisation of Shares

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. As on 31st March 2021, 98.75% of the share capital stands dematerialised.

d) Policy on determining material subsidiary of the Company is available on the website of the Company www.rajratan.co.in/investor/.

e) Policy on dealing with related party transactions is available on the website of the Company www.rajratan.co.in/investor/.

f) The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions are in line with the provisions of the section 177(9) of the Companies Act, 2013 read with regulation 22 of the Listing Regulations.

g) As required under section 134(q) there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

h) The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company.

i) The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI(Prohibition of Insider Trading) Regulation, 2015 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code. The Insider Trading Policy of the Company covering code of practices and procedure for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on the website of the Company at www.rajratan.co.in/investor.

j) As required by the Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints and has formed required committee. During the year under review, no complaints were reported.

k) The details of the Committees of Board are provided in the Corporate Governance Report section of this Annual Report.

l) The details of credit ratings are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

m) In accordance with the provisions of the Act and Listing Regulations read with relevant accounting standards, the consolidated audited financial statement forms part of this Annual Report.

n) The Company has followed applicable Secretarial Standards, issued by the Institute of Companies Secretaries of India.

o) As required under Section 134(3)(a) of the Act, the Annual Return is put up on the Company's website i.e. www.rajratan.co.in/investors

p) As per the provisions of Companies (Acceptance of Deposits) Rules, 2014 the company has taken unsecured loan from directors during the year and the details of such loans have been disclosed in the 'Notes to Account'.

28. Management Discussion and Analysis

A detailed report on Management Discussion and Analysis is provided as a separate section in the Annual Report.

29. Cautionary Note:

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

30. ANNEXURES FORMING A PART OF DIRECTOR'S REPORT

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report:

Annexure	Particulars
I	Particulars of Conservation of Energy, Technology and Foreign Exchange
II	Report on Corporate Social Responsibility
III	Managerial Remuneration and Particulars of Employees
IV	Related Party Transactions
V	Secretarial Audit Report
VI	Corporate Governance Report
VII	Certificate on Corporate Governance Report
VIII	AOC-1

31. Human Resources and Industrial Relations:

Your Company has been able to operate efficiently because of a culture of professionalism, integrity, dedication, competence, commitments, high level of people engagement and continuous improvement shown by its employees in all functions and areas of business.

During the year measures for training, development, safety of the employees and environmental awareness received top priority of Management. The Directors wish to place on record their appreciation for the efficient and loyal services rendered by all staff and work force of the Company, without whose wholehearted effort, the satisfactory performance would not have been possible.

32. Appreciation:

Your Board of Directors would like to convey their sincere appreciation for the wholehearted support and contributions made by all the employees at all levels of the Company for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of the Board

Place: Indore
Dated: 24th April 2021

Sunil Chordia
Chairman & Managing Director
DIN - 00144786

Shiv Singh Mehta
Director
DIN - 00023523

Annexure – I

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

A. Conservation of Energy

1) **the steps taken or impact on conservation of energy;**
   a) Changed higher rating pump with lower rating pump in Coating Line process.
   b) Used PAT-2 lead bath heat for coating line hot water and drying oven
   c) Installation of VFD at PD Cooling Tower with pressure transmitter to reduce power consumption.
   d) Utilised heat of air compressor to heat pump to reduce icing and used cool air of heat pump to air compressor air input to reduce power consumption.
   e) Installed timer at lighting DB for automatic control of lights in the plant.
   f) Installed transparent sheet to reduce use lights in day time.
   g) Installed BMS system for controlling chilling process which resulted in less power consumption.
   h) Used new screw air compressor in the place of old reciprocating compressor which were high power consuming.

2) **the steps undertaken by the company for utilizing alternate source of energy;**

   Purchase of solar and wind power as alternative source of energy

3) **the capital investment on energy conservation equipment's;**
   a. Capital investment for Energy conservation – Rs. 35 lakhs.
   b. Repair maintenance - Rs. 38 lakhs.

B. Technology Absorption -

1) **The efforts made towards technology absorption**
   a. Installation of filter press in all chemical baths in new coating line to increase the life of bath which results in reduced chemical consumption.
   b. Multiple rinses with multiple air wipes to reduce the water consumption as well as to get better surface, free from any foreign materials.
   c. Installation of scrubbers in patenting-1, patenting-2 and coating line HCL baths to avoid any HCL fumes coming out from bath.
   d. Installation of auto dozing system in all chemical baths in coating line to maintain bath concentration in very close range.

2) **The benefits derived like product improvement, cost reduction, product development or import substitution**
   a. Improved production efficiency: Wire drawing efficiency increase from 85 to 89 %.
   b. Reduced Conversion Cost
   c. Increase the plant capacity from 36000 to 72000 MT/Year.
   d. Developed the 1.55 mm bead wire for a leading global tyre manufacturing company.
   e. Reduced the wire breakage from 8 to 4 no/ machine/month.
   f. TPM project started to improve further the work culture and plant efficiency.

3) **In case of imported technology (imported during the three years reckoned from the beginning of the financial year) –** The company has not imported any technology during the last three years.

4) **Expenditure on R&D/ Product Development (Rs. In lakhs)**

(₹ in lakhs)

Particulars	FY 2020-21	FY 2019-20
Capital (Excl CWIP)	14.12	10.40
Recurring	72.75	86.49
Total	**86.87**	**96.89**

C. FOREIGN EXCHANGE EARNING AND OUTGO:

(₹ in lakhs)

Particulars	FY 2020-21	FY 2019-20
Foreign Exchange Earned	409	437
Foreign Exchange Used	256	244

For and on behalf of the Board

Place: Indore
Dated: 24th April 2021

Sunil Chordia
Chairman & Managing Director
DIN - 00144786

Shiv Singh Mehta
Director
DIN - 00023523

Annexure – II

Annual Report on Corporate Social Responsibility (CSR) activities

(Pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 [Including any statutory modification(s) or re-enactment(s) for the time being in force])

1. **Brief outline on CSR Policy of the Company -** CSR initiatives of the Company aim towards inclusive development of communities through a range of social interventions, enhancing skills and building social infrastructure to improve their livelihood. The company engages with credible institutions, NGOs and other foundations to leverage their expertise in implementing the CSR initiatives. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013, which is available on the website of the company www.rajratan.co.in/investor/.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation Nature	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Shiv Singh Mehta	Chairman	1	1
2.	Mr. Abhishek Dalmia	Member	1	1
3.	Mrs. Aparna Sharma	Member	1	1
4.	Mr. Sunil Chordia	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - www.rajratan.co.in/investor/

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs in lakhs)	Amount required to be set- off for the financial year, if any (in Rs)
1	2017-18	1.32	-
2	2018-19	3.16	-
3	2019-20	13.72	-

6. Average net profit of the company as per section 135(5) – Rs. 2343 lakhs

7. a. Two percent of average net profit of the company as per section 135(5) – Rs. 47 lakhs
   b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Not applicable
   c. Amount required to be set off for the financial year, if any - Nil
   d. Total CSR obligation for the financial year (7a+7b- 7c). – Rs. 47 lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. in lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
47 lakhs	NA	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementa tion - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	NIL	-	-	-	-	-	-	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (Rs. in lakhs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
1.	Health Care	Health Care	Yes	Madhya Pradesh	Indore	5.00	No	CII Foundation	CSR00001013
2.	Rural development	Rural development	No	UP/Andhra/TN / J & K	Lalitpur/Doda / Kaghaznagar	2.51	No	Soch Badlo Gaon Badlo	Not available
3.	Health Care	Give Foundation	No	Maharashtra	Mumbai	0.50	No	Give Foundation	CSR00000389.
4.	Environmental Sustainability	Environmental Sustainability	Yes	Madhya Pradesh	Indore	1.20	No	Scientech Eco Foundation	Not available
5.	Health Care	Health Care	Yes	Madhya Pradesh	Indore	0.25	No.	Superintendent of Police, Dhar	Not available
6.	Women Empowerment	Women Empowerment	Yes	Madhya Pradesh	Indore	0.59	No	Madhya Pradesh Labour Welfare Board	Not available
7.	Promoting Sports	Promoting Sports	Yes	Madhya Pradesh	Indore	0.50	No	Deaf Enabled Foundation	CSR00003268
8.	Health Care	Health Care	No	Maharashtra	Mumbai	5.00	No	Inga Foundation	CSR00001727
9.	Environmental Sustainability	Environmental Sustainability	Yes	Madhya Pradesh	Indore	1.00	No	Social Health Education Development Organisation	Not available
10.	Promoting Education	Promoting Education	No	Madhya Pradesh	Khargone	1.10	No	Friends of Tribal Society	Not available
11.	Livelihood enhancement	Livelihood enhancement	Yes	Madhya Pradesh	Indore	9.79	No	Rajratan Foundation	CSR00008273
12.	Promoting Education	Promoting Education	Yes	Madhya Pradesh	Indore	2.45	No	Rajratan Foundation	CSR00008273
13.	Health Care	Health Care	Yes	Madhya Pradesh	Indore	10.18	No	Rajratan Foundation	CSR00008273
14.	Women Empowerment	Women Empowerment	Yes	Madhya Pradesh	Indore	1.48	No	Rajratan Foundation	CSR00008273
15.	Environmental Sustainability	Environmental Sustainability	Yes	Madhya Pradesh	Indore	5.59	No	Rajratan Foundation	CSR00008273
	TOTAL					**47**			

(d) Amount spent in Administrative Overheads - NIL

(e) Amount spent on Impact Assessment, if applicable - NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – 47 lakhs

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

Sl. No.	Particular	Amount (Rs. in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	47
(ii)	Total amount spent for the Financial Year	47
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2017-18	Nil	-	-	-	-	-
2.	2018-19	Nil	-	-	-	-	-
3.	2019-20	Nil	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1.	NIL	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Assets Wise details) – Not applicable

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

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

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

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

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

For and on behalf of the Board

Place: Indore
Dated: 24th April 2021

Sunil Chordia
Chairman & Managing Director
DIN - 00144786

Shiv Singh Mehta
Director
DIN– 00023523

Annexure – III

Statement pursuant to Section 197(12) of the Companies Act 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Requirements of Rule 5(1)		Details	
i.	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Sunil Chordia	34.58
		Mr. Shiv Singh Mehta	0.41
		Mr Abhishek Dalmia	0.21
		Mr. Rajesh Mittal	0.41
		Mrs. Aparna Sharma	0.41
		The median remuneration of the employees of the Company was Rs. 2.92 lakhs.	
i.	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the year;	Mr. Sunil Chordia	0.00%
		Mr. Hitesh Jain	14.29%
		Mr. Shubham Jain	6.62%
ii.	The percentage increase in the median remuneration of employees in the financial year	During the financial year, the percentage increase in the median remuneration of employee as compared to previous year was approximately 7%	
iii.	The number of permanent employees on the rolls of Company	There were 366 employees as on 31st March 2021.	
iv.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	The average annual increase in salary/wages of the employees was around 8% (other than managerial personnel), whereas remuneration to managerial personnel increased by 7.55%.	
v.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes	

Note - Figures have been rounded off wherever necessary.

Information as per Section 197 of the Companies Act, 2013 read with the rule 5 (2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March 2021.

Top 10 employees in terms of remuneration drawn during the Financial Year 2020-21

Sr. No.	Name of employee	Designation of the employee	Remuneration received (Rs. in lakhs)	Qualification	Experience	Date of commencement of employment	Age	Previous employment
1	Mr. Sunil Chordia	Chairman & Managing Director	101	BSC., DCMA, MBA	33 Years	09-Sep-1988	57	-
2	Mr. A.K. Sinha	Associate Vice President – Production	26	BE	32 Years	05-Jan-95	59	M/s Arati Steel Ltd
3	Mr. Rajneesh Totla	General Manager – Business Excellence	21	M.Com	30 Years	09-12-2019	47	Ujaas Energy Ltd.
4	Mrs. Sangita Chordia	GM - Welfare and CSR	20	B.Com	11 Years	05-May-2010	55	-
5	Mr. Parag Khanwalkar	General Manager – Marketing	18	BSC, MBA	33 Years	01-Mar-07	53	M/s Vishal Fabricators Pvt Ltd
6	Mr. Manish Dalal	Associate General Manager - Commercial	16	BSC, MBA, LLB	26 Years	19-Jun-96	48	M/s Neo Sack Ltd, Indore
7	Mr. Hitesh Jain	Chief Financial Officer	14	M.Com, LLB	25 Years	22-Jun-98	44	M/sKuber Group of Companies
8	Mr. Shailendra Singh Kushwah	Associate General Manager – Project	13	BE	17 Years	18-Mar-06	39	M/s Sonic Biochem Extravion Ltd.
9	Mr. Shailesh Shah	Manager – Marketing	12	B.Com	26 Years	01-Aug-95	48	-
10	Mr. Pankaj Dubey	AGM – Mechanical Maintenance	12	BE	17 Years	16-May-2005	39	-

Notes:

1. Remuneration shown above includes basic salary, allowances, LTA, Leave encashment, annual reward and company's contribution to provident fund.
2. There were no employees who are covered under Rule 5(2) (i), (ii) and (iii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year.
3. There were no employees who are covered under Rule 5(3) (viii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year.
4. The nature of employment in all cases is contractual.
5. As per Rule 5(3) (ix) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Sunil Chordia and Mrs. Sangita Chordia are relatives.

For and on behalf of the Board

Place: Indore
Dated: 24th April 2021

Sunil Chordia
Chairman & Managing Director
DIN - 00144786

Shiv Singh Mehta
Director
DIN– 00023523

Annexure – IV

Form No. AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Rajratan Global Wire Limited (RGWL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during Financial Year 2020-21.

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

Name(s) of the related party and nature of relationship:	Nature of contracts / arrangements / transactions:	Duration of the contracts / arrangements / transactions:	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any
Rajratan Thai Wire Co. Ltd., Wholly owned subsidiary	Sale of goods and other misc. items.	Ongoing	As decided from time to time by the Board.	Not applicable, since the transactions were entered into, in the ordinary course of business and on arm's length basis
Semac Consulting, LLP over which director is able to exercise significant influence	Purchase of tangible and intangible assets, store and spares and other goods	April 2020 to March 2021		
Ms. Sangita Chordia, Relative of Mr. Sunil Chordia, Chairman and Managing Director	Appointment in place of profit	April 2020 to March 2021		

Note –

1. Appropriate approvals have been taken for related party transactions.
2. Advances paid as on 31st March 2021 - NIL.

For and on behalf of the Board

Place: Indore
Dated: 24th April 2021

Sunil Chordia
Chairman & Managing Director
DIN - 00144786

Shiv Singh Mehta
Director
DIN– 00023523

Annexure – V

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Rajratan Global Wire Limited
"Rajratan House", 11/2 Meera Path
Dhenu Market,
Indore-M.P.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rajratan Global Wire Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 authorised 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 commencing from 1st April 2020 and ended on 31st March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

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

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

iii) The Depositories Act, 1996 and the Regulations and Byelaws 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; (FDI and ECB not applicable to the company).

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

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

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018; (Not applicable during the audit period)

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable during the audit period);

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(Not applicable during the audit period);

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

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period) and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable during the audit period).

vi) The management of the Company has informed that there is no Industry specific law which is applicable to the Company. The Company has entered into a tripartite agreement with MP Trading Company Limited (Now MP Power Management Co. Ltd., Jabalpur, M.P.) and Suzlon Energy Limited for captive consumption of power generated through its windmill at Dewas and in compliance with the terms and conditions of the said agreement:

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

i. Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that the compliance by the Company of applicable financial laws has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals. The Company has a proper system of compliance of these laws.

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

We further report that

The Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors and half of the Board of directors are independent directors as per Companies Act, 2013 and LODR regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions were carried through unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be. There is no dissenting view of member to capture and record as part of the minutes.

We further report that based on the review of compliance mechanism established by the Company and on the basis of the Compliance Certificates issued and taken on record by the Board of Directors at their meetings, and explanation and representation made by the Company and its Officers, we are of the opinion that the management has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances having a bearing on the company's affairs and have no other major issues like

i) Public/Right/Preferential issue of shares / debentures/ sweat equity, etc.

ii) Redemption / buy-back of securities

iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.

iv) Merger / amalgamation / reconstruction etc.

v) Foreign technical collaborations.

For Vatsalya Sharma & Company
CS Vatsalya Sharma
Proprietor
FCS No.- 48100
C P No.- 19574
UDIN- A048100C000175029

Date – 24th April 2021
Place – Indore

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report of this report.

ANNEXURE "A"

To,
The Members
Rajratan Global Wire Limited
"Rajratan House", 11/2 Meera Path
Dhenu Market,
Indore
Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Vatsalya Sharma & Company
CS Vatsalya Sharma
Proprietor
FCS No.- 48100
C P No.- 19574
UDIN-A048100C000175029

Date – 24th April 2021
Place – Indore

Annexure – VI

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) and Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015]

This Corporate Governance Report for the year ended 31st March, 2021, forms part of the Directors' Report and the same has been prepared on the basis of the provisions of Clause C of the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company recognises the importance of good Corporate Governance, which is a tool for building a strong and everlasting beneficial relationship with the customers, suppliers, bankers and more importantly with the investors. The Company believes that its key decisions must serve the underlying goals of enhancing shareholders' value over a sustained period of time, and achieving the definite and measurable performance targets.

2. BOARD OF DIRECTORS

Composition of the Board

The Company functions under the supervision and control of the Board of Directors ('the Board'). The Board formulates the overall strategy and periodically reviews the implementation of the same.

The Directors on the Board are from varied fields with wide range of skills and experience. The non-executive directors including Independent Directors bring statutory and wider perspective in the Board's deliberations and decisions. All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year give a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Company's policy is to maintain optimum combination of Executive Directors, Non-Executive Directors and Independent Directors. The Composition of the Board of Directors as on 31st March 2021 with their attendance at the Board Meetings held during the year FY 2020-21 and at the last Annual General Meeting is given below:

DIN	Name of Director	Categories of director	No. of Board Meetings attended	Attendance at last AGM	No. of outside Directorships*	Number of committee positions held in other public companies	List of Directorship held in Other Listed Companies and Category of Director ship
00144786	Mr. Sunil Chordia	Chairman & Managing Director	4 of 4	YES	3	2	Swastika Investmart Ltd. – Independent Director
0023523	Mr. S. S. Mehta	Non Executive & Independent	4 of 4	YES	4	3	Kriti Industries India Ltd – Chairman and Managing Director Kriti Nutrients Ltd – Chairman and Managing Director
0011958	Mr. Abhishek Dalmia	Non Executive	4 of 4	YES	12	NIL	Revathi Equipment Limited - Executive Director, Chairperson Ashiana Housing Ltd – Independent Director
08483698	Mr. Rajesh Mittal	Non Executive & Independent	4 of 4	YES	1	NIL	NIL
07132341	Mrs. Aparna Sharma	Non Executive & Independent	4 of 4	YES	1	NIL	S.M.I.L.E. Micro Finance Limited – Independent Director
08488886	Mr. Yashovardhan Chordia	Non Executive & Non Independent	4 of 4	YES	NIL	NIL	NIL

Mr. Yashovardhan Chordia is son of Mr. Sunil Chordia, Chairman and Managing Directors of the Company and he holds 641833 equity shares in the company.

*Excludes directorship in Rajratan Global Wire Limited. Also excludes directorship in foreign companies and companies incorporated under section 8of the Companies Act, 2013

Skills/Expertise/Competencies of the Board of Directors

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. In terms of requirement of Listing Regulations, the Board has identified the following skills/expertise/competencies for effective functioning of the Company.

Directors having skills/expertise and competencies

Sr. No.	Name of Director	Leadership / Operational experience	General Management / Strategic Planning	Industry Experience, Research & Development and Innovation	Financial, Regulatory / Legal & Risk Management	Corporate Governance
1.	Mr. Shiv Singh Mehta	√	√	√		√
2.	Mr. Abhishek Dalmia	√	√		√	√
3.	Mr. Rajesh Mittal	√	√	√	√	
4.	Mrs. Aparna Sharma	√	√		√	√
5.	Mr. Sunil Chordia	√	√	√	√	√
6.	Mr. Yashovardhan Chordia	√	√	√	√	√

All the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations and are independent of the management. During the year under review no independent director has resigned before the expiry of his tenure.

a) **Board Meetings**

The Board meets at regular intervals to discuss and decide on business strategies/policies and financial performance of the Company and its subsidiary. The notice of each Board meeting is given in writing to each director. The Agenda along with the relevant notes and other information are sent in advance separately to each Director. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was placed before the Board from time to time. The Minutes of the Board meetings are also circulated in advance to all Directors and confirmed at subsequent Meeting. During Financial year 2020-21 the Board met four times on 22nd May, 2020, 21st July 2020, 21st October 2020, and 21st January, 2021.

b) **Separate Meeting of Independent Directors**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 21st October 2020 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors found the performance of Non-Independent Directors (including Chairman) and the Board as well as flow of information between the Management and the Board to be satisfactory. All independent directors were present in the meeting.

c) **Familiarisation Program of Independent Directors**

The Company has in place a Familiarization Program for independent Directors to provide insights into the Company's Business to enable them contribute significantly to its success. The Senior Management makes presentations periodically to familiarise the Independent Directors with the strategy operations and functions of the Company. Web link of Familiarization Program for Independent Directors and terms and conditions is http:/www.rajratan.co.in/investors.

d) **Evaluation of the Board's Performance**

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc.

3. AUDIT COMMITTEE

Brief description of terms of reference: The Board of Directors has constituted an Audit Committee of Directors. The terms of reference of the Audit Committee includes the matters specified under Part C of Schedule II to Regulation 18 (3) of the Listing Regulations as well as Section 177 of the Companies Act, 2013. The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence,

performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies.

The Chairman of the Audit Committee was present at the 32nd Annual General Meeting held on 21st July 2020. The Minutes of the Audit Committee Meetings were noted at the Board Meetings. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2020-21 is detailed below:

S. No.	Name	Nature of membership	Category of director	No. of Meeting held	No. of Meeting attended
1.	Mr. Rajesh Mittal	Chairman	Independent Director	4	4
2.	Mr. Shiv Singh Mehta	Member	Independent Director	4	4
3.	Mrs. Aparna Sharma	Member	Independent Director	4	4

Meeting held during the year

Four meeting were held during the year on 22nd May, 2020, 21st July 2020, 21st October 2020, and 21st January, 2021.

The Internal Auditor of the Company is invitee to the meetings. The Company Secretary acts as Secretary to the Committee.

NOMINATION AND REMUNERATION COMMITTEE OF DIRECTORS

Brief description of terms of reference: The Board of Directors has constituted a Nomination and Remuneration Committee. The Board has framed Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws. The policy has been displayed on the company's website at www.rajratan.co.in/investor/. The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The powers, role and terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as well as section 178 of the Companies Act, 2013. The composition of the Nomination and Remuneratiuon Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2020-21 is detailed below:

S. No.	Name	Nature of membership	Category of director	No. of Meeting held	No. of Meeting attended
1.	Mr. S. S. Mehta,	Chairman	Independent Director	1	1
2.	Mr. Abhishek Dalmia	Member	Non-Executive	1	1
3.	Mr. Rajesh Mittal	Member	Independent, Non-Executive	1	1

Meetings held during the year

One Meeting was held on 21st January, 2021 during the financial year under review.

Performance evaluation criteria for Independent Directors- The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of directors including Independent Directors.

4. REMUNERATION TO EXECUTIVE & OTHER DIRECTORS

There are no pecuniary relationship or transactions entered into by the Company with any of the Directors of the Company except as disclosed herein below as regards the remuneration including the sitting fees paid to them. Directors have given unsecured loans to the Company the details of which have been mentioned in the notes to accounts section which forms part of this Annual Report.

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees, which is paid at the rate of Rs. 15,000/- for each meeting of the Board and the Audit Committee. The Company has not issued any stock options to any of the directors.

The following table gives details of remuneration paid to Executive Directors for the financial year under review:

₹ In lakhs

S. No.	Name and Designation	Tenure of appointment	Remuneration	Perquisites & Allowances
1	Mr. Sunil Chordia Chairman and Managing Director	01.04.2020 to 31.03.2021	101	0.40

The appointment of the Chairman and Managing Director is governed by the Articles of Association of the Company and the Resolutions passed by the Board of Directors and the Members of the Company.

Other service contracts, notice period, severance fees relating to Directors:

Letters of appointment containing terms and conditions including remuneration, were issued to all the Executive Directors. Besides, the Appointment Letters were also issued to all Independent Directors of the Company; a copy of the standard terms and conditions thereof is posted on the website of the Company.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE OF DIRECTOR

Stakeholders' Relationship Committee looks into shareholders' and investors' grievances. Mrs. Aparna Sharma, Non-executive Independent Director is the Chairperson of the Committee. The Board has designated Mr. Shubham Jain, Company Secretary as the Compliance Officer.

Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. The terms of reference of the Stakeholders' Relationship Committee covers the matters specified under Part D of Schedule II to Regulation 20 (4) of the Listing Regulations as well as under Section 178 of the Companies Act, 2013. The Minutes of the Stakeholders' Relationship Committee Meeting were noted at the Board Meeting. One meeting was held on 21st January, 2021 during the year under review.

Composition, names of members and chairman

S. No.	Name	Nature of membership	Category of director	No. of Meeting held	No. of Meeting attended
1.	Mrs. Aparna Sharma	Chairperson	Independent Director	1	1
2.	Mr. Rajesh Mittal	Member	Independent Director	1	1
3.	Mr. Yashovardhan Chordia	Member	Non-Executive Director	1	1

Status of the Investors/Shareholders Complaints:

(i) No. of complaints received during the year : 1

(ii) No. of complaints resolved during the year : 1

(iii) No. of complaints pending at the end of the year : Nil

The Company has authorised to implement transfer, transmission and Demat of shares to the Share transfer Agent and to resolve the related problems.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors has constituted Corporate Social Responsibility Committee of Directors as required under Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee includes the matters specified in the Section 135 of the Companies Act, 2013, Schedule VII to the Act and Rules made thereunder. The Minutes of the Corporate Social Responsibility Committee Meetings were noted at the Board Meetings. One meeting was held on 21st October 2020 during the year under review.

Composition, names of members and chairman

S. No.	Name	Nature of membership	Category	No. of Meeting held	No. of Meeting attended
1.	Mr. Shiv Singh Mehta,	Chairman	Independent Director	1	1
2.	Mr. Sunil Chordia	Member	Chairman & Managing director	1	1
3.	Mr. Abhishek Dalmia	Member	Non – Executive Director	1	1
4.	Mrs. Aparna Sharma	Member	Independent Director	1	1

7. GENERAL BODY MEETING

a) Location and time, where last three Annual General Meetings held:

S. No.	Year	Date	Time	Venue
1	2018	21st July	01.00 P.M.	**"Rajratan House"** 11/2, Meera Path, Dhenu Market, Indore-3, M.P.
2	2019	22nd July	02.00 P.M.	
3	2020	21st July	12.00 P.M.	Held through video conference / other audio visual means. Deemed venue was **"Rajratan House"** 11/2, Meera Path, Dhenu Market, Indore-3, M.P.

b) Whether any special resolutions passed in the previous three Annual General Meetings:

Two Special Resolution was passed at the Annual General Meeting held on 21st July 2018

Four Special Resolution were passed at the Annual General Meeting held on 22nd July 2019 and

No Special Resolution was passed at the Annual General Meeting held on 21st July 2020

c) Whether any special resolution passed last year through postal ballot details of voting pattern: During the year FY 2020-21 no business was conducted through postal ballot.

d) person who conducted the postal ballot exercise; Not Applicable

e) Whether any special resolution is proposed to be conducted through postal ballot:

In the forthcoming Annual General Meeting there is no item on the agenda that needs approval through Postal Ballot.

f) Procedure for postal ballot: Not applicable.

8. MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual Financial Results are communicated to the Bombay Stock Exchange and National Stock Exchange immediately after these are considered and approved by the Board; and thereafter regularly published in the prominent newspapers like Economics Times, Nai Duania, Choutha Sansar. The financial results, shareholding patterns, codes, policies, etc., are also displayed on the Company's website www.rajratan.co.in shortly after its submission to the Stock Exchange. There presentations made to institutional investors or/and to the analysts are submitted to Bombay stock Exchange and National Stock Exchange and are also posted on the website of the Company.

9. GENERAL SHAREHOLDERS INFORMATION

a) Date, Day, Time and Venue of the Annual General Meeting

DATE	DAY	TIME	VENUE
21st July 2021	Wednesday	2.00 P.M IST	The Company is conducting meeting through VC / OAVM pursuant to the MCA / SEBI Circulars and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

b) Financial Year: 1st April 2020 to 31st March 2021

c) Dividend Payment Date: Within 30 days from the date of declaration.

d) Record date / Cut off date for e-voting: 14th July 2021.

e) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):

The Company is listed on the following Stock Exchanges

The BSE Limited,

P. J. Towers, Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G, Bandra Kurla Complex

Bandra (East), Mumbai 400 051

Listing Fees as applicable have been paid.

e) Stock Code/ Symbol

BSE: 517522NSE: RAJRATAN

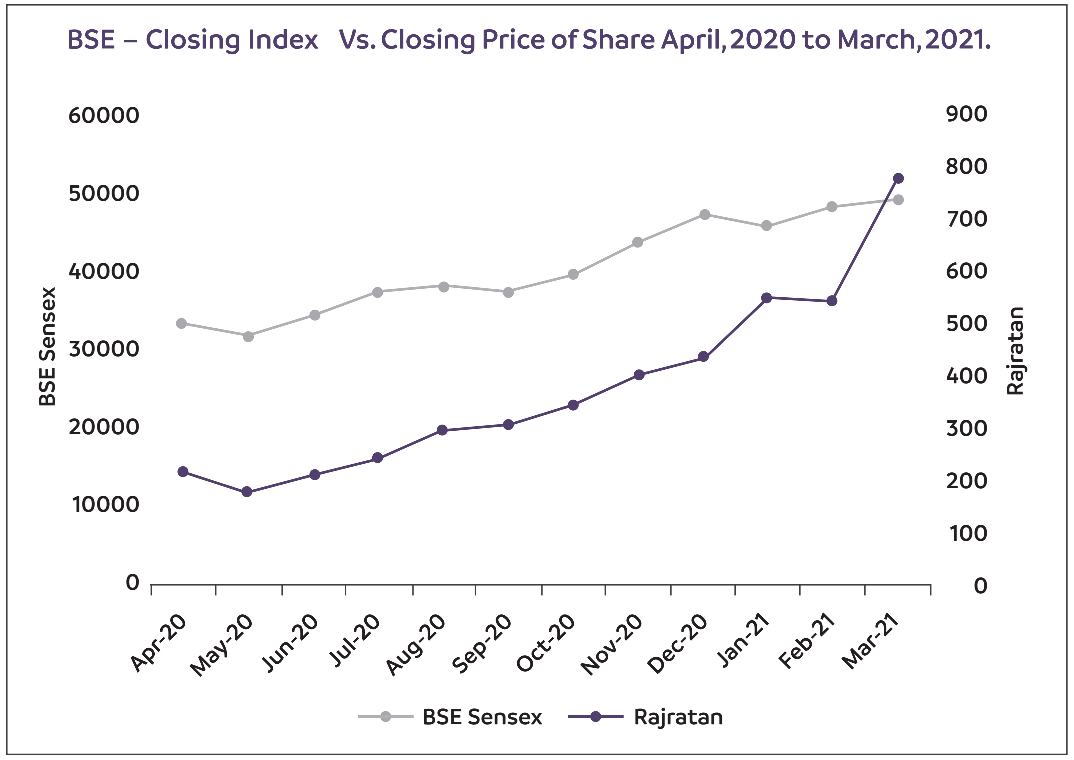
f) Stock Market Price Data: Monthly High and Low prices of Equity Shares of the Company quoted at the BSE and NSE the for the Financial Year ended on FY 2020-21.

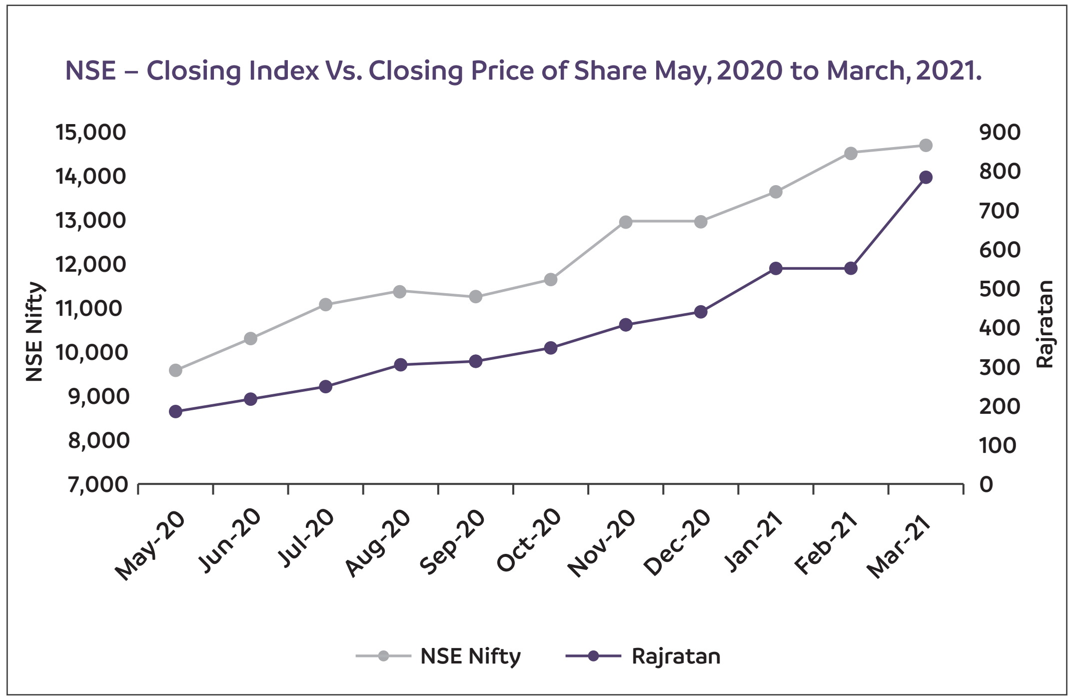
Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2020	246.00	179.10	-*	-*
May, 2020	220.00	171.60	196.40	172.00
June, 2020	238.00	188.25	247.35	166.00
July, 2020	281.50	216.00	284.10	213.00
August, 2020	332.95	237.25	334.25	239.05
September, 2020	344.70	296.70	345.60	292.55
October, 2020	397.60	314.50	397.95	303.65
November, 2020	461.00	328.25	460.00	326.70
December, 2020	455.00	382.00	477.70	392.10
January, 2021	600.00	434.00	594.00	435.05
February, 2021	580.80	525.10	588.90	524.30
March, 2021	874.00	555.25	879.00	562.15

This information has been compiled from the data available on the website of BSE and NSE.

*Company's Equity Share have been listed and admitted to dealing on National Stock Exchange of India Ltd. w.e.f. 22nd May, 2020.

g) **Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.:**





*Company's Equity Share have been listed and admitted to dealing on National Stock Exchange of India Ltd. w.e.f. 22nd May, 2020.

h) **In case the securities are suspended from trading, the Directors' Report shall explain the reason thereof:** Not applicable.

i) **Registrar to an issue and Share Transfer Agent**

M/s. Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083

Ph: 022-25946970, Fax no. 022 - 25946969

Designated email id for investor communication: rnt.helpdesk@linkintime.co.in

j) **Share Transfer System**

The Board has authorised Stakeholder Relationship Committee to approve/authorize matters relating to share transfers/transmission, issue of duplicate shares, etc. At each Board Meeting, the Directors are apprised of the details of transfer/transmission/issue of duplicate shares authorised by the Stakeholder Relationship Committee. The Company has appointed Link Intime India Pvt. Ltd. as Registrar and Share Transfer Agents for physical transfer of securities as well as dematerialization/ rematerialization of securities.

k) **Distribution of shareholding –**

Distribution of shareholding as on 31st March 2021 is as under:

Shareholding of Nominal Value of Rs.	No. of Shareholders	% of Shareholders	Shareholding amount in (Rs.)	% of Shareholding
1 to 5000	5800	92.70	50,93,710	5.02
5001 to 10000	203	3.24	14,23,770	1.40
10001 to 20000	102	1.63	14,60,650	1.44
20001 to 30000	36	0.58	8,86,520	0.87
30001 to 40000	24	0.38	8,31,710	0.82
40001 to 50000	19	0.30	8,85,130	0.87
500001 to 100000	23	0.37	16,85,050	1.66
100001 to **********	50	0.80	8,92,75,460	87.92
Total	**6257**	**100**	**10,15,42,000**	**100**

Shareholding Pattern :

Shareholding pattern as on 31st March 2021 is as under:

Distribution of Shareholding according to the categories of shareholders as on 31st March 2021

Categories	No. of Shares	Nominal Amount in Rs.	% to total
Promoters	66,00,335	6,60,03,350	65.00
Mutual Funds, UTI	9,67,752	96,77,520	9.53
NRIs / OCBs	76,280	7,62,800	0.75
Other Bodies Corporate	2,18,299	21,82,990	2.15
Public	21,92,016	21,92,016	21.59
Others	99,518	9,95,180	0.98
Total	**1,01,54,200**	**10,15,42,000**	**100.00**

l) **Dematerialization of shares and liquidity:**

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. As on 31st March 2021, 98.75% of the share capital stands dematerialised. The equity shares of the Company are traded at BSE Limited and National Stock Exchange of India.

Details of Demat Shares as on 31st March 2021

Particulars	No. of Shareholders	No. of shares	% of Capital
NSDL	2769	5303441	52.23
CDSL	3144	4723374	46.52
Sub-total	5913		
Shares in physical form	344	127385	1.25
Grand Total	**6257**	**1,01,54,200**	**100**

m) **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:** None

n) **Commodity price risk or foreign exchange risk and hedging activities:** The Company follows a conservative and risk-averse approach towards managing its foreign currency exposure. Hence, the Company endeavors to mitigate the risk associated with the exchange rate fluctuation by entering into a hedging contracts with the Company's Bankers. As of now the Company does not do any hedging in respect of commodities.

o) **Plant Location:** 200 A & B, Sector I, Pithampur, Dist. Dhar, M. P

p) **Address for Correspondence:**

Shareholders should address their correspondence to the Company's Registrar & Share Transfer Agents at the address as under:

M/s. Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083

Ph: 022-25946970, Fax no. 022 - 25946969

Designated email id for investor communication: rnt. helpdesk@linkintime.co.in

Shareholders may also contact:
Company Secretary at the Registered Office of the Company for any assistance:

"Rajratan House"

11/2, Meera Path,

Dhenu Market, Indore -3, M. P.

Ph: 0731 - 2546401

Designated email id for investor communication: investor. cell@rajratan.co.in

q) **Credit Ratings** – During the Financial Year ICRA has upgraded the rating of company as follows –

Sr. No.	Particulars	Rating Action
1.	Long Term Rating	[ICRA] A (Stable) from [ICRA] A-with Stable outlook
2.	Short Term Rating	[ICRA] A1 from [ICRA] A2+

10. OTHER DISCLOSURES

a) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

None. There has been no materially significant related party transaction entered into by the Company.

b) **Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority on any matter related to capital markets during the last three years:**

The Adjudicating Officer of SEBI has levied penalty on the promoters of the Company for alleged violation of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 in the previous years, against which the promoters had preferred an appeal before hon'ble Securities Appellate Tribunal. The Hon'ble Securities Appellate Tribunal vide its order dated 28th May 2018 has allowed the appeal.

The Company had paid penalty of Rs. 5.31 lakhs (including GST) to BSE Limited as the composition of Board was not as per Regulation 17 SEBI (LODR) Regulation, 2015.

c) **Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee;**

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company i.e. www.rajratan.co.in/investors/.

d) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements –**

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adoption of Non-Mandatory Requirements

i. The Board
The Company has an executive chairperson.

ii. **Shareholder Rights**
Half yearly financial results are forwarded to the Stock Exchanges and uploaded on the website of the Company like quarterly results.

iii. **Audit Qualifications**
During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements.

iv. **Separate posts of Chairman and CEO**
Mr. Sunil Chordia have been appointed as Chairman and Managing Director w.e.f. 22nd July 2019 further the Company has not appointed any CEO. Mr. Sunil Chordia is proposed to be re-appointed as Chairman and Managing Director for further period of 3 years w.e.f. 1st April, 2021.

v. **Reporting of Internal Auditor**

In accordance with the provisions of the Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly Internal Audit Reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

e) **Web link where policy for determining 'material' subsidiaries is disclosed –** www.rajratan.co.in/investors/

f) **Web link where policy on dealing with related party transactions -** www.rajratan.co.in/investors/

g) **Disclosure of commodity price risks and commodity hedging activities**

The Company does not do any hedging in respect of commodities.

h) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)** - Not Applicable

i) **A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.**

M/s Vatsalya Sharma & Company, Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

j) **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.**

None

k) **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part -**

The details of fees paid to Statutory auditors has been disclosed Notes to Financial Statements (Note No. 40).

l) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: a. number of complaints filed during the financial year b. number of complaints disposed of during the financial year c. number of complaints pending as on end of the financial year**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the said Act. Internal Complaints Committees have been setup to redress Complaints, if any. During the year under review, no Complaint has been received in respect of Sexual Harassment from any of the employees of the Company.

11. Disclosures with respect to Demat suspense account/ unclaimed suspense account: Not applicable

12. The disclosure of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 shall be made in the Section on Corporate Governance of the Annual Report.

The Company has complied with all Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-Regulation (2) of Regulation 46.

13. Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March 2021. The Annual Report of the Company contains a Certificate by the Chairman & Managing Director based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management. The said Code is also uploaded on the website of the Company www.rajratan.co.in/investors/.

14. Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

15. Reconciliation of share capital audit:

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the national securities depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

16. The details about the subsidiary companies of the company have been provided in the board's report and AOC - 1 forming part of this Annual Report.

17. The details of loans and advances made to the wholly owned subsidiary of the company has been mentioned in Notes to Account Section of this Annual Report.

For and on behalf of the Board

	Sunil Chordia	**Shiv Singh Mehta**
	Chairman & Managing Director	*Director*
Place: Indore	DIN - 00144786	DIN– 00023523
Dated: 24th April 2021		

Annual Compliance with the Code of Conduct for the Financial Year 2020-21

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended 31st March 2021 from all the Board Members and Senior Management Personnel.

Sunil Chordia
Chairman & Managing Director
DIN – 00144786

Place: Indore
Date: 24th April 2021

CERTIFICATE

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligationsand Disclosure Requirements) Regulations, 2015

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and based on our verification of the books, papers, minutes books, forms and returns filed and other records maintained by M/s Rajratan Global Wire Limited, having its registered office at 'Rajratn House' 11/2 Meera Path Dhenu Market, Indore – 452003, M.P. and also the information provided by the Company, its officers, agents and authorised representatives, we hereby report that during the Financial Year ended on 31st March 2021, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such statutory authority.

For Vatsalya Sharma & Company
Company Secretaries

Vatsalya Sharma
Proprietor
M. No. – 48100
COP – 19574
UDIN - A048100B000301727

Place: Indore
Date: 24th April 2021

CERTIFICATION OF CEO/CFO

We the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer of Rajratan Global Wire Limited ("the Company") to the best of our knowledge and belief certify that:

a. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2021 and that to the best of our knowledge and belief, we state that:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and 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 propose to take to rectify these deficiencies

d. We have indicated to the Auditors and the Audit Committee:

   i. significant changes, if any, in internal control over financial reporting during the year;

   ii. 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

   iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Place: Indore	**Mr. Hitesh Jain**	**Sunil Chordia**
Dated: 24th April 2021	*Chief Financial Officer*	*Chairman & Managing Director*

Certificate on Corporate Governance

To,

The Members of
Rajratan Global Wire Limited
CIN : L27106MP1988PLC004778
'Rajratan House' 11/2 Meera Path
Dhenu Market, Indore

We have examined the compliance of conditions of Corporate Governance by M/s. Rajratan Global Wire Limited, Indore for the year ended on 31.03.2021, as stipulated in SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For D S Mulchandani & Co.
Chartered Accountants

CA. Deepak S Mulchandani
Proprietor
M. No. 404709
FRN – 021781C
UDIN – 21404709AAAAAI6591
Date – 24th April 2021

Form AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. In lakhs)

Sr. No.	Particulars	Details
1	Name of the subsidiary	Rajratan Thai Wire Co. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 2020 to March 2021
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting Currency – Thai Baht Exchange Rate – For Balance sheet Items = 1 Thai Baht= Rs. 2.340043 For profit and loss items = 1 Thai Baht= Rs. 2.391628083
4	Share capital	7,254
5	Reserves & surplus	2001
6	Total assets	17,662
7	Total Liabilities	17,662
8	Investments	-
9	Turnover	20,921
10	Profit before taxation	1,880
11	a) Provision for taxation (Current Tax)	264
	b) Deferred Tax	-
12	Profit after taxation	1,616
13	Proposed Dividend	--
14	% of shareholding	100%

Notes:

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

1. Names of subsidiaries which are yet to commence operations – Nil
2. Names of subsidiaries which have been liquidated or sold during the year – Nil

Part "B": Associates and Joint Ventures

There are no Associates and Joint Ventures. Hence, it is not applicable.

For D S Mulchandani & Co.
Chartered Accountants

CA. Deepak S Mulchandani
Proprietor
M. No. 404709
FRN – 021781C
UDIN – 21404709AAAAAI6591
Date – 24th April 2021

Standalone Financial Statements

Independent Auditor's Report

To,
The Members of
Rajratan Global Wire Limited
Indore

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Rajratan Global Wire Limited, ("the Company"), which comprise the balance sheet as at 31st March 2021, the statement of profit and loss, including statement of Other Comprehensive Income,statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 as amended ("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, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the standalone Ind AS financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key Audit Matters	How our audit addressed the Key Audit Matters
Significant estimates and judgment relating to capitalization of property, plant and equipment	
As a part of expansion plan, the Company has incurred significant capital expenditure at plant for expansion in production capacity. The capital expenditure requires consideration of the nature of costs incurred to ensure that capitalization of property, plant and equipment meets the specific recognition criteria under Ind AS 16, 'Property, Plant and Equipment' and also judgement is involved in assigning appropriate useful economic lives to respective assets. As a result, this was noted as a key audit matter, considering the significance of amounts involved.	Our audit procedures included the following: We examined the nature of property, plant and equipment capitalized by the Company to verify that the assets capitalized meets the recognition criteria set out in Ind AS 16. We evaluated and tested the design effectiveness and operating effectiveness of internal controls with respect to the capitalization of property, plant and equipment. We examined the useful economic lives and residual value assigned to assets capitalized during the year with reference to the Company's historical experience and technical evaluation and our understanding of the Company's business. We assessed the adequacy of disclosures in the standalone Ind AS financial statements relating to capitalization of property, plant and equipment
Expected Credit Loss (as described in note 2(o)(iv) of the standalone Ind AS financial statements)	
The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered market condition and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses	Our audit procedures related to verification of expected credit losses for trade receivables included the following, among others: We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) Computation of the allowance for credit losses based on the age wise details of trade receivables provided to us. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereupon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report,but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
   - (e) On the basis of the written representation received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
   - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B" to this report.
   - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   - (h) With respect to the other matters to be included in the Auditor's Report inaccordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, as amended, in our opinion and to the best of our information and according to theexplanations given to us:
     - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 44 to the standalone Ind AS financial statements
     - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
     - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **D S Mulchandani & Co.**
Chartered Accountants
FRN 021781C

(CA. Deepak S Mulchandani)
Proprietor
Membership Number: 404709

Place of Signature: Indore
Date: 24th April, 2021
UDIN: 21404709AAAAAI6591

Annexure - A referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Rajratan Global Wire Limited for the year ended March 31, 2021

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

(b) As informed and explained to us, the management, during the year, has physically verified the fixed assets of the company and no significant discrepancies were noticed on such physical verification. The management has adopted physical verification in a phased manner so that all the fixed assets have been covered within a period of three years.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) As informed and explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

(iii) The company had granted unsecured loan amounting to Rs. 1,007.85 lakhs (Previous Year Rs. 1,007.85 lakhs) to Wholly Owned Subsidiary covered in the register maintained under Section 189 of the Act. The said loan has been converted into equity during the year and there was no outstanding balance at the yearend.

(a) The terms and conditions of the grant of such loan were not pima facie prejudicial to the company's interest.

(b) Since the loan has been converted into equity, paragraph 3(iii)(b) of the Order is not applicable to the Company.

(c) Accordingly, paragraph 3(iii)(c) of the Order is not applicable to the Company in respect of repayment of the principal amount.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) According to the information and explanations given to us, the Company has not accepted any deposits under sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) According to the books of accounts and records examined by us as per the generally accepted auditing practices in India, in our opinion, the company has been regular in depositing undisputed statutory dues. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Goods & Service Tax, Cess and other material statutory dues which have remained outstanding as at 31stMarch 2021 for a period of more than six months from the date they became payable.

(b) There are no disputed dues on account of Custom Duty, Wealth Tax/ Cess, Income Tax and Good & Service Tax that have not been deposited. According to the records of the Company, the disputed dues on account of the Sales Tax and duty of excise are as under:-

Particulars	Nature of dues	Period	Amount (Rs. lakhs)	Forum where the dispute is pending
VAT	Mismatch of Input Tax Rebate	FY 2014-15	4.32	Additional CCT(A), Indore
Income Tax	Credit of withholding tax not allowed	FY 2018-19	16.24	National Faceless Appeal Center

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to financial institutions, banks or debenture holders. The Company did not have any outstanding dues on account of repayment of loans and borrowings to government during the year.

(ix) In our opinion and according to the information and explanations given by management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company did not raise any money by way of initial public offer/ further public offer (including debt instruments).

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

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

(xii) In our opinion, the company is not a chit fund or a Nidhi Company. Therefore, the provisions of clause (xii) of Para 3 of the said order are not applicable to the Company.

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

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **D S Mulchandani & Co.**
Chartered Accountants
FRN 021781C

(CA. Deepak S Mulchandani)
Proprietor
Membership Number: 404709

Place of Signature: Indore
Date: 24th April, 2021
UDIN: 21404709AAAAAI6591

Annexure - B to the Independent Auditors' Report of even date on the Standalone Ind AS Financial Statements of Rajratan Global Wire Limited

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

We have audited the internal financial controls with reference to the financial statements of Rajratan Global Wire Limited, ("the Company"), as of 31 March 2021 in conjunction with our audit of thestandalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to these standalone Ind AS financial statements

A company's internal financial control with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to these standalone Ind AS financial statements 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to these standalone Ind AS financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to these standalone Ind AS financial statements and such internal financial controls 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.

For **D S Mulchandani & Co.**
Chartered Accountants
FRN 021781C

Place of Signature: Indore
Date: 24th April, 2021
UDIN: 21404709AAAAAI6591

(CA. Deepak S Mulchandani)
Proprietor
Membership Number: 404709

Standalone Balance Sheet as at 31st March, 2021

(CIN No. L27106MP1988PLC004778)

(Rs. in lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
1 NON CURRENT ASSETS			
(a) Property Plant and Equipment	4	12,723	11,599
(b) Capital work-in-progress	5	729	983
(c) Goodwill	6	10	10
(d) Other Intangible Assets	7	12	3
(e) Intangible Assets under Development	8	14	14
(f) Financial Assets			
(i) Investments	9	5,069	3,838
(ii) Other financial assets	10	183	1,129
(g) Other non- current Assets	11	142	69
Total Non-Current Assets		**18,882**	**17,645**
2 CURRENT ASSETS			
(a) Inventories	12	2,491	2,319
(b) Financial Assets			
(i) Trade Recievables	13	8,736	6,141
(ii) Cash and Cash Equivalents	14	228	7
(iii) Bank Balances other than (ii) above	15	472	295
(iv) Loans	16	-	183
(v) Other financial assets	17	2	2
(c) Current Tax Assets (Net)	18	10	18
(d) Other Current Assets	19	514	511
Total Current Assets		**12,454**	**9,477**
TOTAL ASSETS		**31,336**	**27,122**
II.EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	20	1,015	1,015
(b) Other Equity	21	17,453	13,767
Total Equity		**18,468**	**14,782**
LIABILITIES			
1 NON CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	22	5,176	4,435
(b) Deferred Tax Liabilities (Net)	23	1,058	1,133
Total Non Current Liabilities		**6,234**	**5,568**
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	24	2,070	3,255
(ii) Trade Payables	25		
(A) Total outstanding dues of Micro Enterprises & Small Enterprises		27	4
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,650	2,205
(iii) Other financial liabilities	26	1,116	765
(b) Other current liabilities (Net)	27	771	543
Total Current Liabilities		**6,634**	**6,772**
TOTAL EQUITY AND LIABILITIES		**31,336**	**27,122**
Significant Accounting Policies and Notes on Financial Statements	1, 2 & 3		

The accompanying notes are an integral part of the standalone financial statements.
As per our Audit Report of even dated

FOR D S MULCHANDANI & Co.
CHARTERED ACCOUNTANTS
FRN: 021781C

FOR AND ON BEHALF OF BOARD
RAJRATAN GLOBAL WIRE LIMITED
-0

(CA. DEEPAK S MULCHANDANI)
PROPRIETOR
M. No. 404709

(SUNIL CHORDIA)
CHAIRMAN & MANAGING DIRECTOR
DIN:00144786

(SHIV SINGH MEHTA)
DIRECTOR
DIN:00023523

INDORE
Dated:24th April, 2021

(SHUBHAM JAIN)
COMPANY SECRETARY

(HITESH JAIN)
CHIEF FINANCIAL OFFICER

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

(CIN No. L27106MP1988PLC004778)

(Rs. in lakhs)

	Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
	Revenue			
I	Revenue from Operations	28	33,745	28,614
II	Other Income	29	61	163
III	**TOTAL INCOME (I+II)**		**33,806**	**28,777**
IV	**Expenses**			
	Cost of materials consumed	30	19,525	16,578
	Purchase of Stock-in-Trade	31	691	514
	Changes in inventories of finished goods, Stock-in-Trade and Work-in-Progress	32	603	(58)
	Employee benefit expense	33	1,506	1,475
	Finance costs	34	908	914
	Depreciation and amortization expense	35	666	534
	Other expenses	36	5,161	5,541
	TOTAL EXPENSES (IV)		**29,060**	**25,498**
V	**Profit / (Loss) before tax before exceptional items and tax (III-IV)**		**4,746**	**3,279**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit / (Loss) before tax (V+VI)**		**4,746**	**3,279**
VIII	Tax Expenses			
	(1) Current Tax	37	1,124	701
	(2) Deferred Tax		(75)	268
	Total Tax Expenses		**1,049**	**969**
IX	**Profit / (Loss) for the year**		**3,697**	**2,310**
X	Other Comprehensive Income	38		
	A (i) Items that will not be reclassified to the statement of profit or loss			
	(a) Acturial Gain/(Loss) on defined benefit plans		(11)	(52)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total (A)		**(11)**	**(52)**
	B (i) Items that will be reclassified to the statement of profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to the statement of profit or loss		-	-
	Total (B)		**-**	**-**
XI	**Total Comprehensive Income for the year and Other Comprehensive income for the period (IX-X)**		**3,686**	**2,258**
XII	**Earnings per Equity Share**			
	- Basic		36.41	22.75
	- Diluted		36.41	22.75
	- Face Value		10.00	10.00
XIII	Significant Accounting Policies and Notes on Financial Statements	1,2 & 3		

The accompanying notes are an integral part of the standalone financial statements.
As per our Audit Report of even dated

FOR D S MULCHANDANI & Co.
CHARTERED ACCOUNTANTS
FRN: 021781C

FOR AND ON BEHALF OF BOARD
RAJRATAN GLOBAL WIRE LIMITED

(CA. DEEPAK S MULCHANDANI)
PROPRIETOR
M. No. 404709

(SUNIL CHORDIA)
CHAIRMAN & MANAGING DIRECTOR
DIN:00144786

(SHIV SINGH MEHTA)
DIRECTOR
DIN:00023523

INDORE
Dated:24th April, 2021

(SHUBHAM JAIN)
COMPANY SECRETARY

(HITESH JAIN)
CHIEF FINANCIAL OFFICER

Standalone Cash Flow Statement for the year ended March 31, 2021

(CIN No. L27106MP1988PLC004778)

(Rs. In lakhs)

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
A. Cash Flow from Operating Activities				
Net Profit / (Loss) before tax as per Statement of Profit and Loss		**4,746**		**3,279**
Adjustments for:				
Depreciation /Amortisation Expenses	666		534	
(Profit)/Loss on Sales/Discard of Assets (Net)	5		(8)	
Finance Cost	908		914	
Remeasurement of defined Benefit Plans	(11)		(52)	
		1,568		1,388
Operating Profit before Working Capital Changes		**6,314**		**4,667**
Adjustments for:				
(Increase)/Decrease in Trade and Other Receivables	(2,408)		(311)	
(Increase)/Decrease in Financial Assets & Other Non Current Assets"	873		231	
(Increase)/Decrease in Inventories	(171)		259	
(Increase)/Decrease in Other Bank Balances	(177)		94	
Increase/(Decrease) in Working Capital Limits	(1,184)		(464)	
Increase/(Decrease) in Trade and Others Payables	1,046		(426)	
		(2,021)		(618)
Net Cash generated from / (used) in Operating Activities		**4,292**		**4,049**
Taxes (Paid) / Refund (net)		(1,124)		(766)
Net Cash generated from / (used) in Operating Activities		**3,168**		**3,283**
B. Cash Flow from Investing Activities				
Purchase of tangible and intengible Assets	(1,870)		(3,422)	
Proceed from State Investment Subsidy	282		-	
Disposal of Investment	-		0.03	
Investment in shares of Rajratan Thai wire co. Thailand	(1,231)		-	
Sale Proceeds from disposal of tangible and intengible Assets	39		39	
Net Cash generated from / (used in) Investing Activities		**(2,780)**		**(3,383)**
C. Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	741		1,361	
Dividend Paid	-		(290)	
Dividend Tax Paid	-		(60)	
Finance Cost	(908)		(914)	
Net Cash generated from / (used in) Financing Activities		**(167)**		**97**
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)		**221**		**(3)**
Opening Balance of Cash and Cash Equivalents		7		10
Closing Balance of Cash and Cash Equivalents		228		7
Net increase / (decrease) in Cash and Cash Equivalents		**221**		**(3)**
Effect of Exchange Difference on Translation of Foreign Currency Cash and Cash Equivalents		(0.24)		0.11

Standalone Cash Flow Statement for the year ended March 31, 2021

(CIN No. L27106MP1988PLC004778)

Notes:

Cash and Cash Equivalents comprises of

(Rs. In lakhs)

Particulars	As on March 31, 2021	As on March 31, 2020
Balances with Banks		
In Current Accounts	223	1
Cash on hand	5	6
Cash and Cash equivalents in cash flow statement (Refer Note)	**228**	**7**

Change in financial liability/asset arising from financing activities

(Rs. In lakhs)

Particulars	Year ended on March 31, 2021	Year ended on March 31, 2020
Opening Balance	4,435	3,074
Changes from Financing Cash flows	658	1,361
Effect of changes in foreign exchange rates	83	-
Changes in fair value	-	-
Closing balance	**5,176**	**4,435**

The accompanying notes are an integral part of the standalone financial statements.

As per our Audit Report of even dated

FOR D S MULCHANDANI & Co.
CHARTERED ACCOUNTANTS
FRN: 021781C

(CA. DEEPAK S MULCHANDANI)
PROPRIETOR
M. No. 404709

INDORE
Dated:24th April, 2021

FOR AND ON BEHALF OF BOARD
RAJRATAN GLOBAL WIRE LIMITED

(SUNIL CHORDIA)
CHAIRMAN & MANAGING DIRECTOR
DIN:00144786

(SHIV SINGH MEHTA)
DIRECTOR
DIN:00023523

(SHUBHAM JAIN)
COMPANY SECRETARY

(HITESH JAIN)
CHIEF FINANCIAL OFFICER

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

A. Equity Share Capital

(Rs. in lakhs)

Balance at the beginning of reporting period as at 1st April 2019	Changes in Equity Share Capital during the year 2019-20	Balance at the end of reporting period as at 31st March 2020	Changes in Equity Share Capital during the year 2020-21	Balance at the end of reporting period as at 31st March 2021
435	580	1,015	-	1,015

B. Other Equity

(Rs. in lakhs)

Particulars	Reserves and Surplus			Revaluation Surplus	Total
	Securities Premium	Retained Earnings	General Reserve		
AS at 31st March 2020					
Balance at the beginning of reporting period as at 1st April 2019	840	5,011	6,175	412	12,438
Profit for the period 2019-20	-	2,310	-	-	2,310
Other Comprehensive Income for the period	-	(52)	-	-	(52)
Dividends	-	(105)	-	-	(105)
Interim Dividends	-	(245)	-	-	(245)
Redemption for Issue of Bonus Share	(580)	-	-	-	(580)
Transferred to General Reserve	-	(1,825)	1,825	-	-
Balance at the end of reporting period as at 31st March 2020	**260**	**5,094**	**8,000**	**412**	**13,766**

B. Other Equity

(Rs. in lakhs)

Particulars	Reserves and Surplus			Revaluation Surplus	Total
	Securities Premium	Retained Earnings	General Reserve		
AS at 31st March 2021					
Balance at the beginning of reporting period as at 1st April 2020	260	5,094	8,000	412	13,766
Profit for the period 2020-21	-	3,697	-	-	3,697
Other Comprehensive Income for the period	-	(10)	-	-	(10)
Transferred to General Reserve	-	(1,000)	1,000	-	-
Balance at the end of reporting period as at 31st March 2021	**260**	**7,781**	**9,000**	**412**	**17,453**

The accompanying notes are an integral part of the standalone financial statements.
As per our Audit Report of even dated

FOR D S MULCHANDANI & Co. **CHARTERED ACCOUNTANTS** FRN: 021781C	**FOR AND ON BEHALF OF BOARD** **RAJRATAN GLOBAL WIRE LIMITED**	
(CA. DEEPAK S MULCHANDANI) PROPRIETOR M. No. 404709	**(SUNIL CHORDIA)** CHAIRMAN & MANAGING DIRECTOR DIN:00144786	**(SHIV SINGH MEHTA)** DIRECTOR DIN:00023523
INDORE Dated:24th April, 2021	**(SHUBHAM JAIN)** COMPANY SECRETARY	**(HITESH JAIN)** CHIEF FINANCIAL OFFICER

Notes annexed to and forming part of the standalone Financial statements

1) Corporate Information

a) Rajratan Global Wire Limited ("the Company") is a public limited company incorporated and domiciled in India having its registered office at 11/2 Meera Path, Dhenu Market, Indore, Madhya Pradesh, India and is listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company is engaged in the business of manufacturing and sale of tyre bead wire.

b) Statement of Compliance of Indian Accounting Standards (Ind AS)

These financial statements are separate financial statements of the Company (also called standalone financial statements). The Company has prepared and presented the financial statements for the year ended March 31, 2021, together with the comparative period information as at and for the year ended March 31, 2020, in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

c) Basis of preparation and presentation

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:-

- Certain financial assets and liabilities (including derivative instruments) and
- Defined benefit plans - plan assets

The company has consistently applied the accounting policies to all periods presented in these financial statements.

The Company's financial statements are presented in Indian Rupees (Rs.), which is also its functional currency.

Historical cost measures provide monetary information about assets, liabilities and related income and expenses, using information derived, at least in part, from the price of the transaction or other event that gave rise to them. Unlike current value, historical cost does not reflect changes in values, except to the extent that those changes relate to impairment of an asset or a liability becoming onerous.

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2) Summary of Significant Accounting Policies

a) Property, Plant and Equipment (PPE)

i) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

iii) In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognised when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition principles.

iv) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

v) Any gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Notes annexed to and forming part of the standalone Financial statements

vi) The government grants in the form of subsidy are presented in the balance sheet by deducting it from the carrying amount of the eligible assets on a pro rata basis. The grant is recognised in the Statement of Profit and Loss over the life of a depreciable asset as a reduced depreciation expense.

vii) Spare parts procured along with the plant & machinery or subsequently which meet the recognition criteria, are capitalised and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognised when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores & spares' forming part of the inventory.

viii) Depreciation is provided based on useful life of the assets. The management has evaluated that the useful life is in conformity with the useful life as prescribed in Schedule II of the Companies Act, 2013, and therefore such prescribed useful life has been considered by applying the straight-line method. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately based on its' useful life.

ix) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, if expectations differ from previous estimates, the changes are accounted for as change in an accounting estimate.

x) The depreciation for each year is recognised in the Statement of Profit & Loss unless it is included in the carrying amount of another asset.

b) Leases

i) The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

ii) The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

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

c) Intangible assets

i) Intangible Assets that are acquired by the company are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, and adjustments arising from exchange rate variations attributable to the intangible assets.

ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

iii) Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

iv) Intangible assets which are finite are amortized on a straight-line basis over their estimated useful lives. The residual value of such intangible assets is assumed to be zero. An intangible asset with an indefinite useful life is tested for impairment by comparing it's recoverable amount with its' carrying amount (a) annually and (b) whenever there is an indication that the intangible asset may be impaired.

Notes annexed to and forming part of the standalone Financial statements

v) The management has assessed the useful life of software's classified as other intangible assets as five years.

vi) The amortisation period and the amortisation method for intangible asset with a finite useful life are reviewed at each financial year end. If the expected useful of such asset is different from the previous estimates, the changes are accounted for as change in an accounting estimate.

d) Goodwill

The business combination of the entities under common control is accounted as per Appendix C of Indian Accounting Standards (Ind AS 103)- Business Combinations. Goodwill represents the amount of difference between consideration and the value of net identifiable assets (adjusted for credit balance in revaluation reserves) acquired.

e) Capital Work-in-Progress

i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Cost directly attributable to projects under construction, net of income earned during such period, include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and upgradation, among others of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

iii) Capital expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalised and carried under 'Capital work-in-progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the 'attributability' and the 'Unit of Measure' concepts in Ind AS 16- 'Property, Plant & Equipment'. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

f) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless the following characteristics are demonstrated;

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale.

(ii) its intention to complete the intangible asset and use or sell it.

(iii) its ability to use or sell the intangible asset.

(iv) the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.

(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

(vi) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

g) Finance Cost

i) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

ii) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

iii) All other borrowing costs are expensed in the period in which they occur.

Notes annexed to and forming part of the standalone Financial statements

Notes annexed to and forming part of the standalone Financial statements

h) Inventories

i) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

ii) The cost formulas used are Weighted Average Cost in case of raw material, ancillary raw material, stores and spares, packing materials, trading and other products are determined at cost, with moving average price on FIFO basis.

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

i) Provisions, Contingent Liabilities & Contingent Assets and Commitments

i) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset only when the reimbursement is certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement, if any.

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

iii) Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

iv) Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

j) Income Taxes

The tax expense for the period comprises current and deferred tax. Income Tax expense is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity respectively.

i) Current tax

Current tax is the amount of income taxes payable (recoverable) in respect of taxable profit (tax loss) for a period.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Current tax assets and tax liabilities are offset where 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) Deferred tax

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

iii) Uncertain Tax Position

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management review each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

k) Foreign Currency Transactions

i) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

ii) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalised as cost of assets.

iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

l) Employee Benefit Expense

i) Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. Post-Employment Benefits.

ii) Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Indian Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

Notes annexed to and forming part of the standalone Financial statements

m) Government Grant

i) The government grants in the form of subsidy are presented in the balance sheet by deducting it from the carrying amount of the eligible assets on a pro rata basis. The grant is recognised in the Statement of Profit and Loss over the life of a depreciable asset as a reduced depreciation expense.

n) Revenue Recognition

i) Sale of goods

The Company derives revenue primarily from sale of tyre bead wire and other ancillary products.

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The Company is generally the principal as it typically controls the goods before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Normally, the credit period varies up to 90 days from the shipment or delivery of goods as the case may be. The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified and also accrues discounts to certain customers based on customary business practices. Consideration is determined based on its most likely amount.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

ii) Interest Income

Interest income from a financial asset is recognised using effective interest method.

iii) Dividends

Dividend income is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

iv) Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that there is no uncertainty in receiving the claims.

v) Other Operating Income

Export incentives receivable are accounted for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

vi) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments – initial recognition and subsequent measurement.

vii) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognised as an expense in the period in which related revenue is recognised.

Notes annexed to and forming part of the standalone Financial statements

o) Financial Instruments

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

i) Financial Assets

Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent measurement

For the purpose of subsequent measurement financial assets are classified into three categories:

<u>Financial assets carried at amortised cost</u>

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

<u>Financial assets at fair value through other comprehensive income (FVTOCI)</u>

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

<u>Financial assets at fair value through profit or loss (FVTPL)</u>

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL.

Investment in Equity shares & Mutual Funds etc., are classified at fair value through the Statement of Profit and Loss.

ii) Investment in Subsidiaries, Associates and Joint Ventures

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost. On the date of transition, the carrying amount has been considered as deemed cost.

iii) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

iv) Impairment of financial assets

In accordance with Ind AS 109, the Company applies 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses twelve-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Notes annexed to and forming part of the standalone Financial statements

v) Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

vi) Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

vii) Hedges that meet the criteria for hedge accounting are accounted for as follows

Cash Flow Hedge

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

Fair Value Hedge

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

viii) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Notes annexed to and forming part of the standalone Financial statements

p) Impairment of non-financial assets

i) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. The goodwill on business combinations is tested for impairment annually.

ii) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount.

iii) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

q) Operating Cycle

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. The Company has identified twelve months as its operating cycle.

i) An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent 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 expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- 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 classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

r) Earnings Per Share

i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

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

s) Dividend Distribution

Dividend distribution to the shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Notes annexed to and forming part of the standalone Financial statements

t) Statement of Cash Flows

i) Cash and Cash equivalents - for the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the Indian Accounting Standard-7 'Statement of Cash Flows'.

u) Operating Segments

The operating segments are identified on the basis of business activities whose operating results are regularly reviewed by the Chief Operating Decision Maker of the Company and for which the discrete financial information is available. The Company has only one reportable operating segment i.e "Tyre Bead Wire".

3) Critical Accounting Judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and the accompanying disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Management has considered the possible effects of Global Pandemic COVID-19 while preparing the financial statements. Refer Note 52.

a) Revenue Recognition

The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract.

The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as schemes, incentives and cash discounts, among others. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each year.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

b) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded at each year end. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

c) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Notes annexed to and forming part of the standalone Financial statements

d) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

e) Impairment of non-financial assets

The Company assesses the chances of an asset getting impaired on each reporting date. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

f) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes annexed to and forming part of the standalone Financial statements

4 Property, Plant and Equipment as at 31st March 2021

(Rs. in lakhs)

	Particulars	Gross Block (at cost)					Depreciation / Amortisation				Net Block	
		As at April 1, 2020 (1)	Additions during the year (2)	Disposal (3)	Incentive TRAIFAC Subsidy (4) (Refer Note 51)	As at March 31, 2021 (1+2-3-4)=5	As at March 31, 2020 (6)	For the year (7)	Disposal (8)	As at March 31, 2021 (6+7-8)=9	As at March 31, 2021 (5-9)=10	As at March 31, 2020 (1-6)=11
(A)	Owned Assets											
1	Free Hold Land	710	-	-	-	710	-	-	-	-	710	710
2	Building	2,738	757	-	62	3,433	179	116	-	295	3,138	2,559
3	Plant and Equipment	8,715	1,318	45	220	9,768	1,123	492	9	1,606	8,162	7,592
4	Furniture and Fixtures	44	1	2	-	43	20	3	1	23	20	24
5	Vehicles	171	21	15	-	177	50	23	9	64	113	121
6	Office Equipment	72	13	-	-	85	44	12	-	56	29	28
								-	-			
(B)	Right of use Assets							-	-			
1	Land	595	-	-	-	595	30	15	-	44	551	565
	TOTAL	**13,045**	**2,111**	**63**	**282**	**14,811**	**1,446**	**661**	**19**	**2,088**	**12,723**	**11,599**

5 Capital Work-in-Progress

(Rs. in lakhs)

Particulars	Gross Block (at cost)					Depreciation / Amortisation				Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Disposal (3)	Incentive TRAIFAC Subsidy (4) (Refer Note 51)	As at March 31, 2021 (1+2-3-4)=5	As at March 31, 2020 (6)	For the year (7)	Disposal (8)	As at March 31, 2021 (6+7-8)=9	As at March 31, 2021 (5-9)=10	As at March 31, 2020 (1-6)=11
Capital Work-in-Progress	983	1,766	2,020	-	729	-	-	-	-	729	983
TOTAL	**983**	**1,766**	**2,020**	**-**	**729**	**-**	**-**	**-**	**-**	**729**	**983**

Notes annexed to and forming part of the standalone Financial statements

6 Goodwill

(Rs. in lakhs)

Particulars	Gross Block (at cost)					Depreciation / Amortisation				Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Disposal (3)	Incentive TRAIFAC Subsidy (4) (Refer Note 51)	As at March 31, 2021 (1+2-3-4)=5	As at March 31, 2020 (6)	For the year (7)	Disposal (8)	As at March 31, 2021 (6+7-8)=9	As at March 31, 2021 (5-9)=10	As at March 31, 2020 (1-6)=11
Goodwill	10	-	-	-	10	-	-	-	-	10	10
On Merger of Cee Cee Engineering Industries Pvt. Ltd. (Refer Note 50)											
	10	**-**	**-**	**-**	**10**	**-**	**-**	**-**	**-**	**10**	**10**

7 Other Intangible Assets

(Rs. in lakhs)

Particulars	Gross Block (at cost)					Depreciation / Amortisation				Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Disposal (3)	Incentive TRAIFAC Subsidy (4) (Refer Note 51)	As at March 31, 2021 (1+2-3-4)=5	As at March 31, 2020 (6)	For the year (7)	Disposal (8)	As at March 31, 2021 (6+7-8)=9	As at March 31, 2021 (5-9)=10	As at March 31, 2020 (1-6)=11
Computer Software	**9**	**14**	**-**	**-**	**23**	**6**	**5**	**-**	**11**	**12**	**3**

8 Intangible Assets Under Development

(Rs. in lakhs)

Particulars	Gross Block (at cost)					Depreciation / Amortisation				Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Disposal (3)	Incentive TRAIFAC Subsidy (4) (Refer Note 51)	As at March 31, 2021 (1+2-3-4)=5	As at March 31, 2020 (6)	For the year (7)	Disposal (8)	As at March 31, 2021 (6+7-8)=9	As at March 31, 2021 (5-9)=10	As at March 31, 2020 (1-6)=11
ERP Software	14	14	14	-	14	-	-	-	-	14	14
TOTAL	**14**	**14**	**14**	**-**	**14**	**-**	**-**	**-**	**-**	**14**	**14**

Notes annexed to and forming part of the standalone Financial statements

4.1 Property, plant and equipment are subject to charge to secure the company's borrowings as discussed in Note 22.

4.2 The amount of borrowing cost capitalised during the year ended March 31, 2021 was Rs. 52 lakhs (for the year March 31, 2020: Rs. 138 lakhs) on account of capacity expansion of plant.

4.3 The rate used to determine the amount of borrowing costs eligble for capitalisation was 8.24%, which is the effective interest rate of the borrowing.

4.4 The amount of expenditures recognised in the carrying amount of property, plant and equipment in the course of its construction is Rs. 70 lakhs (Previous Year Rs. 123 lakhs).

4.5 The disposals include loss of assets due to fire in the factory premises amounting to Rs. 32 lakhs for which insurance claim has been lodged .

4.6 The amount of contractual commitments for the acquisition of property, plant and equipment is Rs. 382 lakhs (Previous Year Rs. 250 lakhs).

4.7 Freehold land admeasuring 27,890 Sq. Mtr. (Cost Rs. 21 lakhs) was revalued to Rs. 433 lakhs on the date of transition i.e. 01.04.2017 and has been considered as the deemed cost in accordance with Para D5 of Ind AS 101- First-time Adoption. (Refer Note 21.3)

4.8 The aggregate deprciation and amortisation has been included under Depreciation and Amortisation Expenses in the Statement of Profit and Loss.

4.9 On the date of transition to IND AS i.e. on 1st April 2017, the Company had exercised the option available in Para D7AA of Ind AS 101- First-time Adoption. Accordingly, the written down value as on 31.03.2017 was considered as the Gross Block as on 01.04.2017, as per the following details:-

(Rs. in lakhs)

S.No.	Particulars	Gross Block as at 31.03.2017	Accumulated Depreciation as on 31.03.2017	Net Blockas at 31.03.2017 Considered as deemed cost as on 01.04.2017
1	Lease Hold Land	293	5	288
2	Free Hold Land	433		433
3	Site Development	155	146	9
4	Factory Building	851	318	533
5	Plant & Equipment	6,980	3,220	3,760
6	Furniture & Fixture	118	83	35
7	Vehicles	129	55	74
8	Office Equipment	40	31	9
9	Other Assets	75	50	25
	TOTAL	**9,074**	**3,908**	**5,166**

Notes annexed to and forming part of the standalone Financial statements

9 Non Current Investments in Nature of Equity in subsidiaries

(Rs. in lakhs)

Particulars		As at 31st March-2021	As at 31st March-2020
1	Investment in Equity Instruments Unquoted (At cost less impairment in value of investments if any)		
(a)	M/s Rajratan Thai Wire Company Limited, Thailand		
(i)	31,000,000 Equity Shares of Bhat 10/- each, fully paid up (Previous year 25,967,000 Equity Shares of Bhat 10/- each) (Wholly Owned Subsidiary)	5,069	3,838
	Total	**5,069**	**3,838**
	Aggregate amount of quoted investments	NIL	NIL
	Aggregate amount of unquoted investments	5,069	3,838
	Aggregate amount of impairment in value of investments	NIL	NIL

10 Other financial assets (Non-Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(i) Security Deposits		
Unsecured, Considered good		
(a) Deposit with Related Party (Refer Note 43)	5	5
(b) Others	**178**	**117**
(ii) Loan to Related Party (Refer Note 43)		
Unsecured, Considered good		
Rajratan Thai Wire Co. Limited (Wholly Owned Subsidiary)	-	1,008
Total	**183**	**1,129**

11 Other assets (Non-Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Capital Advance		
Unsecured, Considered good	142	69
Total	**142**	**69**

12 Inventories

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Raw Material:	1,700	945
(b) Work-in-Progress	117	106
(c) Finished Goods	123	888
(d) Stock-in-transit of Finished Goods	300	148
(e) Stores & Spares	250	231
(f) Loose Tools	1	1
Total	**2,491**	**2,319**

12.1 Inventories are valued at cost or net realisable value whichever is lower. The cost formulas used are Weighted Average Cost in case of Raw Material (Wire Rods) and First-in First Out ('FIFO') in case of Ancillary Raw Material and Stores & Spares. The cost of inventories comprises all cost of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost and other costs incurred in bringing the inventories to their present location and condition.

12.2 Carrying amount of inventroy hypothecated to secure working capital facilities Rs. 2,491 lakhs (Previous Year Rs. 2,319 lakhs)

Notes annexed to and forming part of the standalone Financial statements

13 Trade Receivables

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Secured, Considered good	-	-
Unsecured, Considered good:	8,736	6,141
(Includes Rs. 19 lakhs (Previous Year Rs. 45 lakhs)due from Wholly Owned Subsidiary Rajratan Thai Wire Co. Ltd.,Thailand)		
Doubtful having significant increase in Credit Risk	38	28
Receivable Credit Impaired	-	91
Total Receivables	**8,774**	**6,260**
Less: Credit Impaired and written off	-	(91)
Less: Allowance for bad & doubtful debts (Impairment for trade receivable)*	(38)	(28)
Total	**8,736**	**6,141**

The allowance for bad & doubtful debts (for impairment of trade receivable) has been made on the basis of Expected Credit Loss (ECL) method and other cases based on management's judgement. To the extent of ECL provision, the trade receivables have been classified as doubtful and the remaining have been considered as good.

14 Cash and Cash Equivalents

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Cash and Cash Equivalents		
(a) Cash on Hand	5	6
(b) Balances with Banks		
Current Accounts	223	1
Total	**228**	**7**

15 Bank Balances

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Fixed Deposit Account held as margin money (with maturity less than 12 Months)	466	290
(b) Earmarked Balances with Bank		
(i) for Unpaid Dividend	7	6
(ii) for Fractional Shares	-	-
Total	**472**	**295**

*Amount unpaid For Fractional Shares of Rs. 0.34 lakhs is on account of issuance of Bonus Shares.

Notes annexed to and forming part of the standalone Financial statements

16 Loans Receivables

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Loans Receivables- Secured, Considered good	-	-
(b) Loans Receivables-Unsecured, Considered good	-	183
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables-credit impaired	-	-
Total	**-**	**183**

17 Other financial assets (Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Interest accrued on fixed deposits	2	2
Total	**2**	**2**

18 Current Tax Assets (Net)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Income Tax {Net of Tax Provision Rs. 1,115 lakhs (Previous Year Rs. 719 lakhs)}	10	18
Total	**10**	**18**

19 Other Current Assets

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Balance with Government Authorities	30	94
(b) Others (Including advances recoverable in cash or kind)	484	416
Total	**514**	**511**

20 Share Capital

(Rs. in lakhs)

(a)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Authorised				
Equity Shares	1,50,00,000	1,500	1,50,00,000	1,500
Issued, Subscribed & fully paid up	-	-	-	-
Equity Shares	1,01,54,200	1,015	1,01,54,200	1,015
	1,01,54,200	**1,015**	**1,01,54,200**	**1,015**

(b) Par Value Per Share 10/- 10/-

(c) **Reconciliation of the number of equity shares outstanding at the beginning and at the end of reporting period.**

(Rs. in lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	(Rs. in lakhs)	Number	(Rs. in lakhs)
Opening Balance	1,01,54,200	1,015	43,51,800	435
Bonus Share Issued during the year	-	-	58,02,400	580
Closing Balance at the end of the year	1,01,54,200	1,015	1,01,54,200	1,015

Notes annexed to and forming part of the standalone Financial statements

20 Share Capital (contd)

(d) Rajratan Investments Private Limited (Formerly Rajratan Investment Limited) together with Rajratan Resources Private Limited, Mr. Sunil Chordia and his family hold 65.00% (Previous Year 64.22%) of the paid up share capital and have control over the Company as defined in Ind AS-110 Consolidated Financial Statements. Accordingly Rajratan Private Investments Limited (Formerly Rajratan Investment Limited) is considered as the Holding company.

(e) Equity Shares held by the each shareholders holding more than 5% shares in the Company are as follows:

(Rs. in lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares				
Rajratan Investment Private Limited (Formerly Rajratan Investment Limited)	18,72,225	18.44	18,53,122	18.25
Rajratan Resources Pvt Limited	8,89,980	8.76	8,89,980	8.76
Mr. Yashovardhan Chordia	6,41,833	6.32	6,25,333	6.16
Sangita Chordia Family Trust	13,31,010	13.11	13,31,010	13.11
Sunil Chordia Family Trust	11,45,571	11.28	11,45,571	11.28
SBI Small and Midcap Fund	9,67,752	9.53	7,50,752	7.39

(f) Agreegate number and class of shares alloted as fully paidup by way of bonus shares

The Company has issued 5,802,400 equity shares as fully paid bonus shares in the ratio of 4:3 (i.e. four bonus shares of Rs. 10/- each for three equity shares of Rs. 10/- each to every sharehoder holding equity share on 14.09.2019.

(g) Terms / Rights to Shareholders

(1) Equity Shares

(i) Voting
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

(ii) Dividends
The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval by the shareholders of the company in the ensuing Annual General Meeting. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Liquidation
In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

21 Other Equity

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Securities Premium		
Balance as per last financial statement	260	840
Add: Issued during the year	-	-
Less: Redeemed during the year	-	580
(a)	**260**	**260**
(b) Retained Earnings-Surplus/(Deficit) as per the Statement of Profit and Loss "	5,095	5,011
Balance as per Last Financial statement		
Add:		
Profit for the Year	3,697	2,310
Other Comprehensive Income for the Year	(11)	(52)
Transferred to General Reserve	(1,000)	(1,825)
Dividend (Including Dividend Distribution Tax)	-	(350)
(b)	**7,781**	**5,095**

Notes annexed to and forming part of the standalone Financial statements

21 Other Equity (contd)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(c) General Reserve	8,000	6,175
Balance as per Last Financial statement	1,000	1,825
Add: Additions during the year (c)	**9,000**	**8,000**
(d) Revaluation Surplus		
Balance as per Last Financial statement	412	412
Add: Revaluation of assets	-	-
Less: Deduction during the year	-	-
(d)	412	412
Total (a+b+c+d)	**17,453**	**13,767**

Purpose of Each reserve within equity

21.1 Securities Premium

Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to "Securities Premium Account" and the utilization thereof is in accordance with the provisions of Section 52 of the Companies Act, 2013. .

21.2 General Reserve

The General Reserves have been created out of retained earnings of the Company and are available for any purpose.

21.3 Revaluation Reserve

Revaluation Reserve is the amount ascertained due to revaluation of land carried out on the date of transition to Ind AS and has been recognised as a separate category of the equity and not as part of retained earnings. (See Note 4.6)

22 Borrowings (Non Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Term Loans from Bank- Secured	5,176	4,435
Total	**5,176**	**4,435**

(Rs. in lakhs)

Term Loan from State Bank of India & HDFC Bank Ltd.	As at 31st March-2021	As at 31st March-2020
Total Outstanding as per Bank	6,267	5,177
Less: Classified as Current Maturity	1,082	726
Non Current Liabilities	**5,185**	**4,451**
Less: Amortisation of Loan Transaction Cost as per Ind AS	9	16
Non Current Liabilities	**5,176**	**4,435**

22.1 SECURITY:

A. Term loans from State Bank of India, Indore is secured by way of first pari-pasu charge on fixed assets by way of equitable mortgage of land and building including freehold land situated at Khasara No. 145; 146;149/2;149/3 & 149/4 and leasehold land situated at Plot no. 199, 200A & 200 B, Sector-1 Pithampur and hypothecation of other fixed assets excluding vehicles (both present and future), and hypothecation of stock and receivables along with HDFC Bank Ltd and Citibank for their working capital limits and Second pari-passu charge on the company's entire stocks at company's factory premises or any other places including goods in transit, book debts & receivables and other current assets (both present and future) along with HDFC Bank Ltd and Citibank for their working capital limits.

B. Term loan from HDFC Bank Ltd, Indore is securred by way of pari-passu charge by way of hypothecation of entire current/fixed assets of the Company with other working capital lenders and Second pari-passu charge on entire fixed assets (immovable and movable) of the Company, both present and future, with other working capital lenders and land situated at Plot No.199, Industrial Area Sector-1 Pithampur.

Notes annexed to and forming part of the standalone Financial statements

22 Borrowings (Non Current) (contd)

C. Both the Term loans are also secured by way of personal guarantee of the Chairman and Managing Director.

22.2 Foreign Currency Loan disclosure

Part of Term Loan from State Bank of India was converted into a foreign currency loan of USD 15.74 lakhs. The said foreign currency loan will again be coverted into Indian Currency on 18.06.2021. The said loan is hedged and premium paid for the year is charged to Statement of Profit & Loss.

22.3 Terms of Repayment of Borrowings (Non-Current)

(Rs. in lakhs)

Particulars	Total Tenor of Loan	Frequency of Installment	No. of Installments Due as on 31.3.2021	Amount Outstanding	Rate of Interest
State Bank of India	6 years	Quarterly	15	1,278	8.45
HDFC Bank Ltd	7 years	Monthly	52	1,973	7.55
HDFC Bank Ltd	7 years	Monthly	67	1,934	7.50
HDFC Bank Ltd (GECL)	5 years	Monthly	48	1,050	7.25
HDFC Bank Ltd(BMW)	5 years	Monthly	27	33	8.60

23 Deferred Tax Liabilities (Net)

The Movement on the deferred tax account is as follows

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
At the Start of the Year	1,133	865
Charge/(Credit) to Statement of Profit & Loss	(75)	268
Total	**1,058**	**1,133**

Component of Deferred Tax Liabilities/(Assets)

(Rs. in lakhs)

Particulars	As at 31st March-2020	Charge/(credit) to Statement of Profit & Loss	As at 31st March-2021
Deferred Tax Liabilities/(Assets) in relation to :			
Property, Plant & Equipment	1,120	(65)	1,055
On Account of Expected Credit Loss	13	(10)	3
Total	**1,133**	**(75)**	**1,058**

24 Borrowings (Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Secured, Considered Good		
Loans repayable on demand		
(a) From Bank	2,000	3,065
	-	-
Unsecured, Considered Good	-	-
(b) Loans and advances from related parties (Refer Note 43)	-	102
(c) Loans and advances from directors (Refer Note 43)	70	88
Total	**2,070**	**3,255**

Notes annexed to and forming part of the standalone Financial statements

24 Borrowings (Current) (contd)

Security

A. Loans repayable on demand from State Bank of India, Indore are secured by first pari-passu charge by way of hypothecation on Company's entire stocks at the Company's facory premises or at any other places, book debts, receivables and other current assets (both present and future) along with HDFC Bank Ltd and Citibank for their working limits.

B. First pari-passu charge on fixed assts by way of equitable mortgage of land & building and hypothecation of other fixed assets excluding vehicles (both present and future) situated at Plot no 199, 200-A & 200-B, Survey No.149/2, 149/3, 149/4, 145 and 146 at Dhanadkhurd (Dist Dhar) and any other places.

Facilities are also secured by personal guarantee of the Chairman and Managing Director

C. Loans repayable on demand from HDFC Bank Ltd., Indore are working capital loans, which are secured by pari-passu charge by way of hypothecation of entire current assets of the Company with other working capital lenders and by second pari-passu charge on entire fixed assets (immovable and movable) of the Company; both present and future; with other working capital lenders and property at Plot No.199, Industrial Area Sector-1, Pithampur

D. Working capital facilities from CITI Bank, Mumbai are secured by first pari-passu charge on present and future stocks and book debts. These working capital facilites and SBLC Facilities are further secured by second par-passu charge on present and future movable fixed assets including plant & machinery excluding vehicles specifically hypothecated to other banks, factory located at Plot No.200-A, 200-B and 199 Sector-1, Industrial Area, Pithampur and property located at Survey No.149/2, 149/3, 149/4, 145 and 146 situated at Dhanadkhurd (Dist Dhar).

SBLC Facilities of Rs. 15 crores is sanctioned by CITI Bank to Company which is utilised by Rajratan Thai Wire Company Limited (Wholly Owned Subsidiary)

Other Loans

Other loans payable on demand and advances received from related parties/directors are unsecured.

25 Trade Payables

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises,	27	4
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,650	2,205
Total	**2,677**	**2,209**

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31,2021 is given below. This infromation has been determind to the extend such parties have been identified on the basis of information available with the company.

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act :		
Principal amount due to Micro & Small Enterprises	27	4
Interest due on above	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amount ot the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payble 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 MSMED Act.	-	-

Notes annexed to and forming part of the standalone Financial statements

25 Trade Payables (contd)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act,2006	-	-

26 Other Financial Liabilities

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Current Maturities of Long Term debts (Refer Note 22)	1,082	726
Interest accrued and due on borrowings	3	13
Interest accrued but not due on borrowings	24	20
Unpaid Amount of Fractional Shares	-	-
Unpaid Dividends	7	6
Total	**1,116**	**765**

*Amount unpaid For Fractional Shares of Rs. 0.34 lakhs is on account of issuance of Bonus Shares.

27 Other Current Liabilities

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(i) Advance received from Customers	7	7
(ii) Creditors for Capital Goods [includes Rs. NIL (Previous Year Rs. 307 lakhs] due to related party (Refer Note 43)	430	381
(ii) Statutory Due to Government	334	155
Total	**771**	**543**

28 Revenue from Operations

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of Manufactured Goods	33,003	28,074
Sale of Traded Goods	735	538
Other Operating Revenue	7	2
Total revenue from contract with customers	**33,745**	**28,614**

29 Other Income

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income	61	68
Other Non Operating Income		-
Debit/credit Balance w/off	-	1
Profit on Sale of assets	-	8
Gain on Exchange Fluctuation	-	86
Total	**61**	**163**

Notes annexed to and forming part of the standalone Financial statements

30 Cost of Materials Consumed

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Wire Rod/Wire	19,207	16,284
Ancillary Raw Material	318	294
Total	**19,525**	**16,578**

31 Purchase of Stock in Trade

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Wire Rod	676	-
Bead Wire	-	492
Others	15	22
Total	**691**	**514**

32 Change in inventories of Finished Goods and & Work-in-progress

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Opening Stock		
Work-in-Progress	107	122
Finished Goods	888	728
Stock-in-transit	148	235
	1,143	**1,085**
Closing Stock		
Work-in-Progress	117	107
Finished Goods	123	888
Stock-in-transit	300	148
	540	**1,143**
(Increase)/Decrease in inventories of Finished Goods & Work In Progress (Total)	**603**	**(58)**

33 Employee Benefits Expense

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salary, Wages, Bonus & Allowances	1,316	1,278
Contribution to Provident and Other Fund		
Contribution to Provident Fund	84	80
Contribution to ESIC	16	19
Contribution to Gratuity Fund	27	19
Staff Welfare Expenses	58	73
Medical Expenses Reimbursement	6	6
Total	**1,506**	**1,475**

Notes annexed to and forming part of the standalone Financial statements

34 Finance Costs

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest [includes Rs. 19 lakhs (Previous Year Rs. 28 lakhs) paid to related party (Refer note-43)	766	799
Deferred Premium on Foreign Currency Loan	37	-
Other Borrowing Costs	105	115
Total	**908**	**914**

35 Depreciation & Amortization Expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment	646	522
Amortization on right of use assets	15	10
Amortization of intangible asset	5	3
Total (A)	**666**	**534**

36 Other Expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Power & Fuel	2,308	2,507
Less: Recovery of energy generated by Windmill	(84)	(113)
	2,224	**2,394**
Consumable Stores	395	437
Packing Material	195	199
Freight Inward	334	299
Freight Outwards	1,251	1,121
Rent	6	6
Repair to Building	21	26
Repair to Machinery	306	508
Insurance	11	8
Rates & Taxes, excluding taxes on income	17	6
Expected Credit Loss	10	13
Effluent Treatment Plant (ETP) Expenses	22	45
Exchange Difference Fluctuation	13	-
Legal & Professional charges	104	87
Corporate Social Responsibility (CSR) Expenditure	47	47
Miscellaneous Expenses (Below 1% of revenue from operations)	205	345
Total	**5,161**	**5,541**

Notes annexed to and forming part of the standalone Financial statements

37 The Income tax expenses for the year is reconcilled to the accounting profits as follows:

(Rs. in lakhs)

Reconciliation of Tax Expenses	Year ended March 31, 2021	Year ended March 31, 2020
Profit Before Tax	4,746	3,279
Applicable Tax Rate	25.168%	29.12%
Computed Tax Expenses	**1,194**	**955**
Tax effect of:		
IndAS Adjustments	10	13
Exempted Income/ Income at Special Rate	-	-
Expenses diallowed -Expenses that are not deductible in determinding taxable profit	(321)	(724)
Deductions under chapter VIA	-	160
Tax at Special Rate on LTCG	-	-
(Short)/Excess Provision of earlier years	19	(0.2)
Interest on Shortfall of Advance Tax	(11)	-
Current Tax Provision (A)	**1,124**	**701**
Incremental Deferred Tax Liability on account of Tangible and Intengible Assets	(75)	268
Deferred Tax Provision (B)	**(75)**	**268**
Tax Expenses recognised in Statement of Profit and Loss (A+B)	**1,049**	**969**
Effective Tax Rate	**22.10%**	**29.54%**

37.1 As per IND AS 12 "Income Taxes", the disclosures as defined are given below:

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Current Tax Expense (Income)	1,105	701
(b) Any adjustments recognised in the period for current tax of prior periods "	19	-
Net Tax Expense	**1,124**	**701**

37.2 The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax for the year and re-measured its Deferred tax asset (or/and deferred tax liability) basis the rate prescribed in the said section. Accordingly, deferred tax asset (or/and deferred tax liability) have reduced by (Rs. 252 lakhs). The tax charge or (credit) for the year have increased/ (decreased) by (Rs. 66 lakhs).

37.3 The Health and Education Cess payable on Income Tax and Surcharge amounting to Rs. 43 lakhs has been considered as admissible expenditure for the pupose of tax computation based on the judgements of High Court and jurisdictional Bench of Income Tax Appellate Tribunal. The net amount of the Health and Education Cess payable has been included in Current Tax.

38 Other Comprehensive Income

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(A) Items that will not be reclassified into profit or loss		
(i) Remeasurement of defined benefit plans	(11)	(52)
Total (A)	**(11)**	**(52)**
(B) Items that will be reclassified to profit or loss	-	-
Total (B)	**-**	**-**
Total (A+B)	**(11)**	**(52)**

Notes annexed to and forming part of the standalone Financial statements

39 As per IND AS 19 "Employee benefits", the disclosures as defined are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

(Rs. in lakhs)

Particulars	2020-21	2019-20
Employer's Contribution to Provident Fund	84	81

The Company's Provident Fund is exempted under section 17 of Employees 'Provident Fund and Miscellaneous Provisions Act, 1952.

Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

(Rs. in lakhs)

Particulars	Gratuity (Funded)	
	2020-21	2019-20
Defined Benefit Obligation at beginning of the year	382	304
Interest Cost	26	23
Current Service Cost	25	20
Benefits paid	(10)	(10)
Acturial (Gain)/Loss	10	45
Defined Benefit Obligation at year end	432	382

Reconciliation of Opening and Closing balances of fair value of Plan Assets

(Rs. in lakhs)

Particulars	Gratuity (Funded)	
	2020-21	2019-20
Fair value of Plan Assets at beginning of year	340	311
Return on Plan Assets excluding interest income	(1)	(6)
Expected Return on Plan Assets	24	24
Employer Contribution	66	22
Benefits Paid	(10)	(10)
Fair value of Plan Assets at year end	419	340

Reconciliation of fair Value of Assets and Obligations

(Rs. in lakhs)

Particulars	Gratuity (Funded)	
	As at 31st March 2021	As at 31st March 2020
Fair value of Plan Assets	419	340
Present Value of Obligation	432	382
Amount recognised in Balance Sheet (Surplus/(Deficit))	(13)	(42)

Expenses recognised during the year

(Rs. in lakhs)

Particulars	Gratuity (Funded)	
	2020-21	2019-20
In Income Statement		
Current Service Cost	25	20
Interest Cost on benefit obligation	26	23
Past Service Cost	-	-
Return on Plan Assets	(24)	(24)
Net Cost	27	19
In Other Comprehensive Income		
Actuarial (Gain)/Loss recognized for the period	10	45
Return on Plan Assets excluding net interest	1	6
Net (Income)/Expenses for the period recognised in OCI	11	52

Notes annexed to and forming part of the standalone Financial statements

39 As per IND AS 19 "Employee benefits", the disclosures as defined are given below: (contd)

Investment Details

(Rs. in lakhs)

	2020-21	2019-20
Gratuity Fund (LIC of India)	419	340
Total	**419**	**340**

Actuarial Assumptions

(Rs. in lakhs)

Mortality Table (ALM)	Gratuity (Funded)	
	2020-21	2019-20
Discount Rate (Per Annum)	6.68%	6.77%
Rate of Escalation in Salary (Per annum)	7%	7%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflations, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Since the scheme funds are invested with LIC of India Expected Rate of Return is based on rate of return declared by fund managers.

The expected contribution for Defined Benefit Plan for the next financial year will be in line with FY 2020-21.

Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employment turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

(Rs. in lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Change in discounting rate	390	482	342	428
Change in rate of salary Escalation	481	390	427	343

40 Payment to Statutory Auditors:

(Rs. in lakhs)

Particulars	2020-21	2019-20
(i) Statutory Auditors Fees	3	3
(ii) Tax Audit Fees	2	1
(iii)Certification and Consultation Fees	1	1
Total	**5**	**5**

Notes annexed to and forming part of the standalone Financial statements

41 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 47 lakhs (Previous Year Rs. 33 lakhs)

(b) Expenditure related to Corporate Social Responsibility is Rs. 47 lakhs (Previous Year Rs. 47 lakhs)

Details of Amount spent towards CSR given below:

(Rs. in lakhs)

Particulars		2020-21	2019-20
(i)	Rural Development	3	-
(ii)	Livelihood	10	7
(iii)	Healthcare	21	23
(iv)	Environment	8	5
(v)	Empowering Women	2	1
(vi)	Sports	1	0.2
(vii)	Promoting Education	4	11
	Total	**47**	**47**

(c) Out of note (b) above Rs. 29 lakhs (Previous Year Rs. 22 lakhs) is spent through Rajratan Foundation, entity over which Key Management personnel exercise significant influence.

(d) The balance unspent amount for previous years towards CSR as on balance sheet date is Rs. 20 lakhs (Previous year Rs. 20 lakhs).

42 Earning Per Shares (EPS)

(Rs. in lakhs)

		2020-21	2019-20
(i)	Net Profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	3,697	2,310
(ii)	Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	1,01,54,200	1,01,54,200
(iii)	Weighted Average Potential Equity Shares	-	-
(iv)	Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	1,01,54,200	1,01,54,200
(v)	Basic Earnings Per Share (Rs.)	36.40	22.75
(vi)	Diluted Earning Per Share (Rs.)	36.40	22.75
(vii)	Face Value per Equity Share (Rs.)	10.00	10.00

43 Related Parties Disclosures

(i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Sr. No.	Name of Related Party	Relationship
1)	**Key Managerial Personnel**	
i)	Shri Sunil Chordia	Chairman and Managing Director
ii)	Shri Hitesh Jain	Chief Financial Officer
iii)	Shri Shubham Jain	Company Secretory
2)	**Relatives of Key Managerial Personnel**	
i)	Smt. Sangita Chordia	Key Managerial Personnel Up to 22.07.2019 & Relative of KMP
ii)	Smt. Shantadevi Chordia/Shri Chandanmal Chordia	Relative of KMP
iii)	Ms Shubhika Chordia	Relative of KMP

Notes annexed to and forming part of the standalone Financial statements

43 Related Parties Disclosures (contd)

Sr. No.	Name of Related Party	Relationship
3)	**Holding Company**	
i)	" Rajratan Investment Pvt Ltd. (Formerly Rajratan Investment Ltd.) "	Holding Company
4)	**Wholly Owned Subsidiary**	
i)	M/s Rajratan Thai Wire Co. Ltd.	Wholly Owned Subsidiary
5)	**Enterprises over which Key Managerial Personnel are able to exercise significant influence**	
i)	M/s Rajratan Resources Pvt Ltd.	" Enterprises over which Key Managerial Personnel are able to exercise significant influence "
ii)	M/s Rajratan Foundation	" Enterprises over which Key Managerial Personnel are able to exercise significant influence "
6)	**Independent/Non-Independent Director**	
i)	Shri Yashovardhan Chordia	Non Independent Director (W.e.f.22.07.2019)
ii)	Shri Abhishek Dalmia	Non Independent Director
iii)	Shri Shiv Singh Mehta	Independent Director
iv)	Smt. Aparna Sharma	Independent Director (W.e.f. 22.07.2019)
v)	Shri Rajesh Mittal	Independent Director (W.e.f. 22.07.2019)
vi)	Shri Purshottam Das Nagar	Non Independent Director (Up to 31.03.2019)
vii)	Shri Chandrashekhar Bobra	Independent Director (Up to 22.07.2019)
viii)	Shri Surendra Singh Maru	Independent Director (Up to 22.07.2019)
7)	**Enterprises over which Non Independent Director are able to exercise significant influence**	
i)	M/s Semac Construction LLP	Enterprises over which non independent Director are able to exercise significant influence

(ii) Transaction during the year with related parties:

(Rs. In lakhs)

Sr. No.	Nature of Transactions	Subsidiaries	Key Managerial Personnel	Relatives of KMP	Enterprises Over Which Key Managerial Personnel	Enterprises Over Which Non Independent Director are able to exercise significant influence	Independent and Non Independent Director	Holding Company	Total
1	Purchase of Tangible Assets	- (-)	- (-)	- (-)	- (-)	103 (1,322)	- (-)	- (-)	103 (1,322)
2	Sale of Goods	16 (35)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	16 (35)
3	Sale of Assets	1 (3)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1 (3)
4	Purchases of Stores & Spares and Goods	- (-)	- (-)	- (-)	- (-)	- (1)	- (-)	- (-)	- (1)
5	Rent	- (-)	- (-)	2 (2)	- (-)	- (-)	- (-)	- (-)	2 (2)
6	Interest Paid	- (-)	6 (6)	1 (2)	1 (1)	- (-)	12 (12)	1 (7)	21 (28)

Notes annexed to and forming part of the standalone Financial statements

43 Related Parties Disclosures (contd)

(Rs. In lakhs)

Sr. No.	Nature of Transactions	Subsidiaries	Key Managerial Personnel	Relatives of KMP	Enterprises Over Which Key Managerial Personnel	Enterprises Over Which Non Independent Director are able to exercise significant influence	Independent and Non Independent Director	Holding Company	Total
7	Interest Received	31 (9)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	31 (9)
8	Remuneration	- (-)	122 (126)	20 (20)	- (-)	- (-)	- (-)	- (-)	142 (146)
9	Unsecured Loan Received	- (-)	257 (228)	- (33)	- (25)	- (-)	199 (13)	- (46)	456 (345)
10	Unsecured Loan Repaid	- (-)	274 (267)	14 (29)	29 (4)	- (-)	239 (40)	36 (60)	592 (400)
11	Investment in Equity	318 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	318 (-)
12	Investment in Equity on Conversion of Loan	913 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	913 (-)
13	Refund of Loan	75 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	75 (-)
14	CSR Activity	- (-)	- (-)	- (-)	30 (22)	- (-)	- (-)	- (-)	30 (22)
15	Sitting Fees	- (-)	- (-)	- (-)	- (-)	- (-)	4 (4)	- (-)	4 (4)

Balances as at 31st March 2021

(Rs. In lakhs)

Sr. No.	Nature of Transactions	Subsidiaries	Key Managerial Personnel	Relatives of KMP	Enterprises Over Which Key Managerial Personnel	Enterprises Over Which Non Independent Director are able to exercise significant influence	Independent and Non Independent Director	Holding Company	Total
1	Trade Receivables	19 (45)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	19 (45)
2	Unsecured Loan	- (-)	- (12)	- (26)	- (28)	- (-)	70 (88)	- (35)	70 (189)
3	Loans and Advances Given	- (1,008)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (1,008)
4	Creditors for Capital Goods	- (-)	- (-)	- (-)	- (-)	- (307)	- (-)	- (-)	- (307)
5	Deposit for Rented Property	- (-)	- (-)	4 (4)	- (-)	- (-)	- (-)	- (-)	4 (4)

Notes annexed to and forming part of the standalone Financial statements

43 Related Parties Disclosures (contd)

(iii) Disclosure in Respect of Major Related Party Transactions during the year:

(Rs. In lakhs)

	Particulars	Relationship	2020-21	2019-20
1	**Purchase of Tangible and Intangible Assets**			
	(i) Semac Construction LLP	Enterprises on Which Non Independent Director are able to exercise significant influence	102.59	1,321.72
2	**Sale of Goods**			
	(i) Rajratan Thai Wire Co. Ltd	Subsidiary	15.94	34.84
3	**Purchases of Stores & Spares and Other Goods**			
	(i) Semac Construction LLP	Enterprises on Which Non Independent Director are able to exercise significant influence	-	0.95
4	**Sale of Assets**			
	(i) Rajratan Thai Wire Co. Ltd	Wholly Owned Subsidiary	1.20	3.37
5	**Rent**			
	(i) Smt. Sangita Chordia	Relatives of KMP	1.08	1.08
	(ii) Smt. Shantadevi Chordia/Shri Chandanmal Chordia	Relatives of KMP	1.08	1.08
6	**Interest Paid**			
	(i) Shri Sunil Chordia	KMP	5.57	5.45
	(ii) Smt. Sangita Chordia	Relatives of KMP	0.60	2.15
	(iii) Shri Yashowardhan Chordia	Non Independent Director (W.e.f. 22.07.2019)	3.36	0.05
	(iv) Shri Purshottam Das Nagar	Non Independent Director (Upto 31/03/2019)	8.25	12.03
	(v) Rajratan Resources Pvt Ltd	Enterprises Which KMP are able to exercise significant influence	0.86	1.44
	(vi) Rajratan Investment Pvt Ltd (Formerly Rajratan Investment Ltd.)	Holding Company	0.66	6.43
7	**Interest Received**			
	(i) Rajratan Thai wire Co. Ltd *	Wholly Owned Subsidiary	30.79	9.23
8	**Remuneration**			
	(i) Shri Sunil Chordia	KMP	100.98	100.96
	(ii) Smt Sangita Chordia	KMP	-	6.30
	(iii) Shri Hitesh Jain	KMP	13.76	12.04
	(iv) Shri Shubham Jain	KMP	6.76	6.34
	(v) Smt Sangita Chordia	Relatives of KMP	20.16	13.95
	(vi) Ms Shubhika Chordia	Relatives of KMP	-	5.81
9	**Unsecured Loan received**			
	(i) Shri Sunil Chordia	KMP	257.00	227.79
	(ii) Smt. Sangita Chordia	Relatives of KMP	-	33.10

Notes annexed to and forming part of the standalone Financial statements

43 Related Parties Disclosures (contd)

(Rs. In lakhs)

	Particulars	Relationship	2020-21	2019-20
	(iii) Shri Yashowardhan Chordia	Non Independent Director (W.e.f. 22.07.2019)	199.00	13.00
	(iv) Rajratan Resources Pvt Ltd	Enterprises Which KMP are able to exercise significant influence	-	25.00
	(vi) Rajratan Investment Pvt Ltd (Formerly Rajratan Investment Ltd.)	Holding Company	-	45.65
10	**Unsecured Loan Repaid**			
	(i) Shri Sunil Chordia	KMP	274.38	266.50
	(ii) Smt. Sangita Chordia	Relatives of KMP	13.70	29.15
	(iii) Shri Yashowardhan Chordia	Non Independent Director (W.e.f. 22.07.2019)	214.35	-
	(iv) Shri Purshottam Das Nagar	Non Independent Director (Up to 31/03/2019)	25.00	40.00
	(v) Rajratan Resources Pvt Ltd	Enterprises Which KMP are able to exercise significant influence	29.15	4.00
	(vi) Rajratan Investment Pvt Ltd (Formerly Rajratan Investment Ltd.)	Holding Company	35.80	59.50
11	**Investment in Equity Shares**			
	(i) Rajratan Thai Wire Company Limited	Subsidiary	318.16	-
12	**Conversion of Loan in Equity Shares**			
	(i) Rajratan Thai Wire Company Limited	Subsidiary	913.06	-
13	**Refund of Loan**			
	(i) Rajratan Thai Wire Company Limited	Subsidiary	75.24	-
14	**CSR Acitvity**			
	Rajratan Foundation	Enterprises Which KMP are able to exercise significant influence	29.50	22.25
15	**Sitting Fees**			
	(i) Shri Abhishek Dalmia	Non Independent Director	0.60	0.55
	(ii) Shri Shiv Singh Mehta	Independent Director	1.20	1.25
	(iii) Smt Aparna Sharma	Independent Director	1.20	0.90
	(iv) Shri Rajesh Mittal	Independent Director	1.20	0.60
	(v) Shri Chandrashekhar Bobra	Independent Director	-	0.50
	(vi) Shri Surendra Singh Maru	Independent Director	-	0.20

Balances as at 31st March, 2021

(Rs. In lakhs)

	Particulars	Relationship	2020-21	2019-20
1	**Trade Receivables**			
	(i) Rajratan Thai Wire Co. Ltd.	Wholly Owned Subsidiary	18.66	45.09
2	**Unsecured Loan**			
	(i) Shri Sunil Chordia	KMP	-	12.22
	(ii) Smt Sangita Chordia	Relatives of KMP	-	13.15
	(iii) Shri Yashowardhan Chordia	Non Independent Director (W.e.f. 22.07.2019)	-	13.04
	(iv) Shri Purshottam Das Nagar	" Non Independent Director (Up to 31/03/2019) "	70.34	87.72
	(v) Rajratan Resources Pvt Ltd	Enterprises Which KMP are able to exercise significant influence	-	28.35
	(vi) Rajratan Investment Pvt Ltd (Formerly Rajratan Investment Ltd.)	Holding Company	-	35.19
3	**Trade Payables**			
	(i) Rajratan Thai Wire Co. Ltd.	Wholly Owned Subsidiary	-	-
	(ii) Semac Construction Technologies LLP	Enterprises Which Non Independent Director are able to exercise significant influence	-	307.24
4	**Security Deposit**			
	(i) Smt. Sangita Chordia	Relatives of KMP	2.3	2.3
	(ii) Smt. Shantadevi Chordia/Shri Chandanmal Chordia	Relatives of KMP	2.3	2.3
5	**Loans and Advances**			
	(i) Rajratan Thai Wire Co. Ltd.	Wholly Owned Subsidiary	-	1,007.9

The related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

(iv) Compensation of Key Management Personnel

The remuneration of director and other member of Key Management personnel during the year was as follows:-

(Rs. in lakhs)

	2020-21	2019-20
(i) Short-term benefits	142	145
Total	**142**	**145**

Certain KMP's also participate in post employment benefits plans prepared by the Company. The amount in respect of these towards the KMP's cannot be segregated as these are based on actuarial valuation for all employees of the Company.

Notes annexed to and forming part of the standalone Financial statements

44 Contingent Liabilities and Commitments

44.1 Contingent Liabilities

(A) Claims against the Company/disputed liabilities not acknowledged as debts

(i) Madhya Pradesh Paschim Khestra Vidhyut Vitran Company Ltd. (MPPKVVCL) has raised a supplementary bill on the Company for Rs. 226 lakhs for non-adjustment of solar units in Time Of Day (TOD) manner. The Company has not accepted the demand and is contesting the same. The case is sub-judice before Division Bench of MP High Court. Out of the aforesaid total demand raised, the Company has agreements with the suppliers of the solar power to reimburse Rs. 190 lakhs. The Company has deposited a sum of ₹160 lakhs with MPPKVVCL.The net liability to the Company is at the most Rs. 36 lakhs which has been charged to the Statement of Profit and Loss. The balance sum of Rs. 124 lakhs is classified as current asset.

(B) Guarantees

(Rs. in lakhs)

		31.03.2021	31.03.2020
(i)	Guarantees issued by Banks extended to third parties and other Guarantees	14	214
(ii)	Standby Letter of Credit issued to M/s Rajratan Thai Wire Co. Ltd., Thailand (Wholly Owned Subsidiary) under Clean Credit facilities sanctioned to company by CitiBank NA.	US$ 2.1 Mn	US$ 2.1 Mn

(C) Other Money for which the Company is contingently liable

(Rs. in lakhs)

		31.03.2021	31.03.2020
(i)	Liability in respect of bills discounted with Banks (including third party bills discounting)	NIL	NIL

(ii) Appeal for which no provision is considered required as the company is hopeful of successful outcome in the appeals. There are uncertainties about the amount or timing of those outflows as it depend on completion of the appellate process.There is no assumption made and the amount is based on demand raised by the Departments.

Particulars	Financial year	(Rs. in lakhs)	Forum Where dispute is pending
VAT	2014-15	4	Additional CCT(A), Indore
Income Tax	2018-19	16	National Faceless Appeal Centre

44.2 Commitments

(Rs. in lakhs)

		31.03.2021	31.03.2020
(A)	Estimated amount of contracts remaining to be executed on capital account and not provided for:	382	250
(B)	Other Commitments	NIL	NIL

45 CAPITAL MANAGEMENT

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

a) Maintain financial strength to attain AAA ratings domestically and investment grade ratings internationally.

b) Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

c) Proactively manage group exposure in forex, interest and commodities to mitigate risk to earnings.

d) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

The gearing ratio at end of the reporting period was as follows.

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Non-Current Liabilities (Other than DTL)	5,176	4,435
Current maturities of Long Term debts	1,082	726
Gross Debt	6,258	5,161
Cash and Cash Equivalents	228	7
Net Debt (A)	6,030	5,154
Total Equity (As per Balance Sheet) (B)	18,468	14,782
Net Gearing (A/B)	0.33	0.35

Notes annexed to and forming part of the standalone Financial statements

46 Financial Instruments

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

(a) The fair value of Forward Foreign Exchange contracts and is determined using forward exchange rates at the balance sheet date.

(b) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair Value measurement hierarchy:

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Financial Assets		
At Amortised Cost		
Investments*	5,069	3,838
Trade Receivables	8,736	6,141
Cash and Bank Balances	701	302
Loans	183	1,313
Other Financial Assets	2	2
At FVTPL		
Investments	-	-
At FVTOCI		
Investments	-	-
Financial Liabilities		
Borrowings	5,176	4,435
Trade Payables	2,677	2,209
Other Financial Liabilities	3,186	4,020

*Investments in Subsidiary measured at cost.

Foreign Currency Risk:

The following table shows foreign currency exposures in USD, EUR and GBP on financial instruments at the end of the reporting period.

The exposure to foreign currency for all other currencies are not material.

Foreign Currency Exposure

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
	USD	USD
Loans Receivable	-	(13)
FCNR (B) DL	16	-
Trade and Other Payables	1	1
Trade and Other receivables	(3)	(2)
Derivatives	-	-
Net Exposure	**14**	**(14)**

There are no measure transaction in any other foreign currency.

The net exposures have natural hedges in the form of future foreign currency earnings and earnings linked to foreign currency for which the company may follow hedge accounting. “

Notes annexed to and forming part of the standalone Financial statements

46 Financial Instruments (contd)

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges

Foreign Currency Sensitivity

(Rs. in lakhs)

Particulars	As at 31st March-2021 USD	As at 31st March-2020 USD
1% Depreciation in Rs.		
Impact on P & L	10	(11)
Total	10	(11)
1% Appreciation in Rs.		
Impact on P & L	(10)	11
Total	**(10)**	**11**

Interest Rate Risk

The exposure of the company's borrowing and derivatives to interest rate changes at the end of the reporting period are as follows:-

Interest Rate Exposure

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Loans		
Long Term Loan	5,176	4,435
Short Term Unsecured Loan	70	190
Short Term Loan (including Current Maturity of Long Term Loan)	3,082	3,791
Total	**8,328**	**8,416**

Impact on Interest Expenses for the year on 1% change in Interest rate

Interest rate Sensitivity

(Rs. in lakhs)

Particulars	As at 31st March-2021		As at 31st March-2020	
	Up Move	Down Move	Up Move	Down Move
Impact on P & L	83	(83)	82	(82)
Total Impact	**83**	**(83)**	**82**	**(82)**

Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw material. The company has a risk management framework aimed at prudently managing the risk arising from the volatility in raw material prices and freight costs.

The company's commodity risk is managed centrally through well-established trading operations and control processes. In accordance with the risk management policy, the Company carefully calibrates the timing and the quantity of purchase.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises mainly from the outstanding receivables from customers.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The credit ratings/market standing of the customers are evaluated on a regular basis.

Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities . The Company maintains adequate cash and cash equivalents along with the need based credit limits to meet the liquidity needs.

Notes annexed to and forming part of the standalone Financial statements

46 Financial Instruments (contd)

Hedge Accounting

The Company avails Foreign Currency Demand Loans from bank time to time to reduce the interest cost. The Company takes forward cover to hedge against the foreign currency risks. The amount of foreign currency risks and forward cover are as under:

(Rs. in lakhs)

Particulars	31-Mar-21	31-Mar-20
Foreign Currency Loan (USD)	16	NIL
Forward Cover (USD)	16	NIL

The forward cover was an effective hedge.

47 The Company operates in only one segment "Tyre Bead Wire" as per Ind AS 108- Segment Reporting.

48 Details Of Loans Given, Investments Made And Guarantee Given Covered U/S 186(4) Of The Companies Act,2013.

Sr. No.	Particulars	Name of Entity	Relations	Purpose	Amount
1	Investments Made				
		Rajratan Thai Wire Co. Ltd.	Wholly Owned Subsidiary	Investments	Rs. 5,069 lakhs
2	Standby Letter of Credit Given	Rajratan Thai Wire Co. Ltd	Wholly Owned Subsidiary	Stand by Letter of Credit for the credit	Rs. 1500 lakhs
3	Loan Given*	Inter Corporate Deposit	-	Business Purpose	Rs. 400 lakhs

*Out of the unsecured inter corporate loan of Rs. 400 lakhs given during the year to various parties. The outstanding balance as on 31st March, 2021 is Rs. NIL.

49 The research and development expenditure for the year ended March 2021 is Rs. 73 lakhs (Previous year Rs. 97 lakhs).

50 Goodwill

The erstwhile Wholly Owned Subsidiary M/s Cee Cee Engineering Industries Private Limited was merged vide order dated 16th January 2018 of the Hon'ble National Company Law Tribunal, Ahmedabad Bench with 1st April 2017 as the Appointed Date. As per the approved scheme all the assets and liabilities of the Wholly Owned Subsidiary appearing in the Balance Sheet as at 31st March 2017, drawn up as per IND AS, have been merged with the Holding Company as on 1st April 2017. The Goodwill on amalgamation is carried in the financial statements and is tested for impairment at each reporting date. No impairment has been recognised till date.

51 Subsidy

During the year, Madhya Pradesh Industrial Development Corporation Limited, a Government of Madhya Pradesh Undertaking, has approved a sum of Rs. 1,974 lakhs as Investment Promotion Assistance against eligible investment of Rs. 5,235 lakhs . The total assistance is to be spread over a period of seven years, subject to compliance with the terms and conditions.

Out of the above sum of Rs. 1,974 lakhs, the State Level Empowered Committee (SLEC) has sanctioned a sum of Rs. 282 lakhs as Investment Promotion Assistance (IPA) under the Investment Promotion (IPA) Scheme of Government of Madhya Pradesh. The same has been reduced from the carrying cost of the eligible assets (Plant & Machinery and Factory Building on prorata basis) and such reduced cost of the assets are depreciated over their useful lives.

Notes annexed to and forming part of the standalone Financial statements

52 Estimation of uncertainties relating to the global health pandemic COVID-19

(I) The Company has been regularly assessing the market conditions as most of its customers being primarily into manufacturing tyres for two wheelers, passenger cars and other transport vehicles and being vulnerable to a disruption in supply chain and demand erosion. The Company has considered such impact to the extent known and available. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

(II) The leases that the Company entered with lessors towards properties used as industrial land are long-term in nature and no significant changes in the terms of those leases are expected due to the COVID-19. Other leases for office premises are for the short-term and not involving any material amounts.

53 Proposed Dividend

The Board of Directors have proposed a dividend of Rs. 8/- per share to the equity shareholders of the Company. The cumulative amount would be Rs. 812 lakhs/-

54 Approval of Financial Statements

The financial statements are approved for issue by the Board of Directors in their meeting held on 24th April , 2021.

The accompanying notes are an integral part of the standalone financial statements.
As per our Audit Report of even dated

FOR D S MULCHANDANI & Co. **CHARTERED ACCOUNTANTS** FRN: 021781C	**FOR AND ON BEHALF OF BOARD** **RAJRATAN GLOBAL WIRE LIMITED**	
(CA. DEEPAK S MULCHANDANI) PROPRIETOR M. No. 404709	**(SUNIL CHORDIA)** CHAIRMAN & MANAGING DIRECTOR DIN:00144786	**(SHIV SINGH MEHTA)** DIRECTOR DIN:00023523
INDORE Dated:24th April, 2021	**(SHUBHAM JAIN)** COMPANY SECRETARY	**(HITESH JAIN)** CHIEF FINANCIAL OFFICER

Consolidated Financial Statements

Independent Auditor's Report

To,
The Members of
Rajratan Global Wire Limited
Indore

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Rajratan Global Wire Limited, (hereinafter referred to as "the Holding company") and its subsidiary Rajratan Thai Wire Company Limited (the Holding company and its subsidiary together referred to as "the Group"), which comprise of the consolidated Balance Sheet as at 31stMarch 2021, the consolidated Statement of Profit and Loss including Statement of other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group, as at 31st March 2021, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidatedInd AS financial statements in accordance with the Standards on Auditing (SAs), as 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 theConsolidatedInd AS Financial Statements' section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountants of Indiatogether with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended 31st March 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the consolidated Ind AS financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key Audit Matters	How our audit addressed the Key Audit Matters
Significant estimates and judgment relating to capitalization of property, plant and equipment	
As a part of expansion plan, the Company has incurred significant capital expenditure at plant for expansion in production capacity. The capital expenditure requires consideration of the nature of costs incurred to ensure that capitalization of property, plant and equipment meets the specific recognition criteria under Ind AS 16, 'Property, Plant and Equipment' and also judgement is involved in assigning appropriate useful economic lives to respective assets. As a result, this was noted as a key audit matter, considering the significance of amounts involved.	Our audit procedures included the following: We examined the nature of property, plant and equipment capitalized by the Company to verify that the assets capitalized meets the recognition criteria set out in Ind AS 16. We evaluated and tested the design effectiveness and operating effectiveness of internal controls with respect to the capitalization of property, plant and equipment. We examined the useful economic lives and residual value assigned to assets capitalized during the year with reference to the Company's historical experience and technical evaluation and our understanding of the Company's business. We assessed the adequacy of disclosures in the standalone Ind AS financial statements relating to capitalization of property, plant and equipment.
Expected Credit Loss (as described in note 2(o)(iv) of the standalone Ind AS financial statements)	
The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered market condition and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses	Our audit procedures related to verification of expected credit losses for trade receivables included the following, among others: We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) Computation of the allowance for credit losses based on the age wise details of trade receivables provided to us. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.

We have determined that there are no other key audit matters to communicate in our report.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of ConsolidatedInd AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidatedInd AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS 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 consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the year ended 31st March 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of Rajratan Thai Wire Limited, wholly owned subsidiary, whose Ind AS financial statements, without giving effect to intra group transactions, reflect total assets of Rs. 1,76,62,08,627as at 31st March 2021, total revenues of Rs. 2,10,71,52,595, and net cash flows amounting to Rs. 42,79,139 for the year ended on that date, as considered in the consolidated Ind AS Financial Statements. These Ind AS financial statement and other financial information have been audited by other auditor whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3)of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report(s) of such other auditor.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary, as noted in the 'Other Matter' paragraph we report that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statement, other than Rajratan Thai Wire Company Limited which is incorporated outside India, and the operating effectiveness of such internal controls which is based on the auditor's report of the Holding Company, refer to our separate report in "Annexure-A" to this report.

(g) In our opinion the managerial remuneration for the year ended 31st March 2021 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report inaccordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other Matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 44 to the consolidated Ind AS financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **D S Mulchandani & Co.**
Chartered Accountants
FRN 021781C

(CA. Deepak S Mulchandani)
Proprietor
Membership Number: 404709

Place of Signature: Indore
Date: 24th April, 2021
UDIN: 21404709AAAAAJ9065

Annexure - A to the Independent Auditors' Report of even date on the Consolidated Ind AS Financial Statements of Rajratan Global Wire Limited

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

In conjunction with our audit of consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2021, we have audited the internal financial controls with reference to the financial statements of Rajratan Global Wire Limited ("hereinafter referred to as "the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to these Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to these Consolidated Ind AS Financial Statements

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

Opinion

In our opinion to the best of our information and according to explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls with reference to these consolidated Ind AS financial statements and such internal financial controls with reference to these consolidated Ind AS financial statements 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.

For **D S Mulchandani & Co.**
Chartered Accountants
FRN 021781C

Place of Signature: Indore
Date: 24th April, 2021
UDIN: 21404709AAAAAJ9065

(CA. Deepak S Mulchandani)
Proprietor
Membership Number: 404709

Consolidated Balance Sheet as at 31st March, 2021

(CIN No. L27106MP1988PLC004778)

(Rs. in lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
1 NON CURRENT ASSETS			
(a) Property Plant and Equipment	4	24,195	22,860
(b) Capital work-in-progress	5	847	992
(c) Goodwill	6	10	10
(d) Other Intangible Assets	7	30	22
(e) Intangible Assets under Development	8	14	14
(f) Financial Assets			
(i) Other financial assets	9	186	122
(g) Other non- current Assets	10	348	91
Total Non-Current Assets		**25,630**	**24,111**
2 CURRENT ASSETS			
(a) Inventories	11	5,100	4,132
(b) Financial Assets			
(i) Trade Recievables	12	11,661	8,373
(ii) Cash and Cash Equivalents	13	270	14
(iii) Bank Balances other than (ii) above	14	480	295
(iv) Loans	15	-	183
(v) Other financial assets	16	2	2
(c) Current Tax Assets (Net)	17	10	18
(d) Other Current Assets	18	758	678
Total Current Assets		**18,281**	**13,696**
TOTAL ASSETS		**43,911**	**37,806**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	19	1,015	1,015
(b) Other Equity	20	21,639	16,333
Total Equity		**22,654**	**17,349**
LIABILITIES			
1 NON CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	21	5,924	5,360
(b) Deferred Tax Liabilities (Net)	22	1,058	1,133
(c) Other Non Current Laibilities	23	9	7
Total Non Current Liabilities		**6,991**	**6,500**
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	24	7,031	8,294
(ii) Trade Payables	25		
a) Total outstanding dues of Micro Enterprises & Small Enterprises		27	4
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,884	4,028
(iii) Other financial liabilities	26	1,307	965
(b) Other current liabilities (Net)	27	838	624
(c) Current Tax Liabilities	28	178	44
Total Current Liabilities		**14,266**	**13,959**
TOTAL EQUITY AND LIABILITIES		**43,911**	**37,807**
Significant Accounting Policies and Notes on Financial Statements	1, 2 & 3		

The accompanying notes are an integral part of the consolidxated financial statements.
As per our Audit Report of even dated

FOR D S MULCHANDANI & Co.
CHARTERED ACCOUNTANTS
FRN: 021781C

FOR AND ON BEHALF OF BOARD
RAJRATAN GLOBAL WIRE LIMITED

(CA. DEEPAK S MULCHANDANI)
PROPRIETOR
M. No. 404709

(SUNIL CHORDIA)
CHAIRMAN & MANAGING DIRECTOR
DIN:00144786

(SHIV SINGH MEHTA)
DIRECTOR
DIN:00023523

INDORE
Dated:24th April, 2021

(SHUBHAM JAIN)
COMPANY SECRETARY

(HITESH JAIN)
CHIEF FINANCIAL OFFICER

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(CIN No. L27106MP1988PLC004778)

(Rs. in lakhs)

	Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
	Revenue			
I	Revenue from Operations	29	54,654	48,021
II	Other Income	30	163	117
III	**TOTAL INCOME (I+II)**		**54,817**	**48,139**
IV	**Expenses**			
	Cost of materials consumed	31	32,410	28,633
	Purchase of Stock-in-Trade	32	676	492
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	593	227
	Employee benefit expense	34	2,810	2,705
	Finance costs	35	1,338	1,339
	Depreciation and amortization expense	36	1,410	1,209
	Other expenses	37	8,954	9,162
	TOTAL EXPENSES (IV)		**48,191**	**43,767**
V	**Profit before tax before exceptional items and tax (III-IV)**		**6,626**	**4,371**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit before tax (V+VI)**		**6,626**	**4,371**
VIII	Tax Expenses			
	(1) Current Tax		**1,388**	**755**
	(2) Deferred Tax		**(75)**	**312**
	Total Tax Expenses		**1,313**	**1,067**
IX	**Profit / (Loss) for the period from Continuing Operations (VII-VIII)**		**5,313**	**3,305**
IX	**Profit for the year (VII-VIII)**		**5,313**	**3,305**
X	Other Comprehensive Income	38		
	A (i) Items that will not be reclassified to profit or loss (Loss)/Gain on remeasurement of the defined benefit plans		(11)	(52)
	(ii) Income tax on above		-	-
	TOTAL (A)		**(11)**	**(52)**
	B (i) Items that will be reclassified to profit or loss		4	205
	(ii) Income tax on above		-	-
	TOTAL (B)		**4**	**205**
XI	**Total Comprehensive Income for the year (A+B)**		**(7)**	**153**
XII	**Total Comprehensive and Other Comprehensive Income for the period (IX+X)**		**5,306**	**3,457**
XIII	**Earnings per Equity Share (for Continuing Operations)**			
	- Basic		52.32	32.54
	- Diluted		52.32	32.54
	- Face Value		10.00	10.00
XIV	**Significant Accounting Policies and Notes on Financial Statements**	1,2 & 3		

The accompanying notes are an integral part of the consolidxated financial statements.
As per our Audit Report of even dated

FOR D S MULCHANDANI & Co.
CHARTERED ACCOUNTANTS
FRN: 021781C

FOR AND ON BEHALF OF BOARD
RAJRATAN GLOBAL WIRE LIMITED

(CA. DEEPAK S MULCHANDANI)
PROPRIETOR
M. No. 404709

(SUNIL CHORDIA)
CHAIRMAN & MANAGING DIRECTOR
DIN:00144786

(SHIV SINGH MEHTA)
DIRECTOR
DIN:00023523

INDORE
Dated:24th April, 2021

(SHUBHAM JAIN)
COMPANY SECRETARY

(HITESH JAIN)
CHIEF FINANCIAL OFFICER

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(CIN No. L27106MP1988PLC004778)

(Rs. In lakhs)

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
A. Cash Flow from Operating Activities				
Net Profit / (Loss) before tax as per Statement of Profit and Loss		**6,626**		**4,371**
Adjustments for:				
Depreciation /Amortisation Expenses	1,410		1,209	
(Profit)/Loss on Sales/Discard of Assets (Net)	9		(0)	
Finance Cost	1,338		1,339	
Remeasurement of defined Benefit Plans	(11)	2,747	(52)	2,496
Operating Profit before Working Capital Changes		**9,373**		**6,867**
Adjustments for:				
(Increase)/Decrease in Trade & Other Receivables	(3,052)		(1,424)	
(Increase)/Decrease in Financial Assets & Other Non Current Assets	(321)		255	
(Increase)/Decrease in Inventories	(968)		389	
(Increase)/Decrease in Bank Balances	(185)		94	
Increase/(Decrease) in Working Capital Limits	(1,263)		(593)	
Increase/(Decrease) in Trade and Others Payables	1,313	**(4,476)**	328	**(951)**
Net Cash generated from / (used) in Operating Activities		**4,897**		**5,916**
Taxes (Paid) / Refund (net)		(1,253)		(777)
Net Cash generated from / (used) in Operating Activities		**3,644**		**5,139**
B. Cash Flow from Investing Activities				
Purchase of tangible and intangible assets	(2,755)		(4,532)	
Disposal of Investment	-		0	
Proceed from Investment Subsidy	282		-	
Sale Proceeds from disposal of tangible and intangible assets	49		41	
Net Cash generated from / (used in) Investing Activities		**(2,425)**		**(4,491)**
C. Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	564		1,396	
Change in Foreign Currency Translation Reserve	(189)		(357)	
Dividend Paid	-		(290)	
Dividend Tax Paid	-		(60)	
Finance Cost	(1,338)		(1,339)	
Net Cash generated from / (used in) Financing Activities		**(963)**		**(650)**
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)		**256**		**(2)**
Opening Balance of Cash and Cash Equivalents		14		16
Closing Balance of Cash and Cash Equivalents		270		14
Net increase / (decrease) in Cash and Cash Equivalents		**256**		**(2)**
Effect of Exchange differences on translation of foreign currency cash and cash Equivalents		(0.15)		0.11

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(CIN No. L27106MP1988PLC004778)

Notes:

Cash and Cash Equivalents comprises of

(Rs. In lakhs)

Particulars	As on March 31, 2021	As on March 31, 2020
Balances with Banks		
In Current Accounts	262	3
Cash on hand	9	10
Cash and Cash equivalents in cash flow statement (Refer Note)	**270**	**14**

Change in financial liability/asset arising from financing activities

(Rs. In lakhs)

Particulars	As on March 31, 2021	As on March 31, 2020
Opening Balance	5,360	3,964
Changes from Financing Cash flows	481	1,396
Effect of changes in foreign exchange rates	83	-
Changes in fair value	-	-
Closing balance	**5,924**	**5,360**

The accompanying notes are an integral part of the consolidxated financial statements.

As per our Audit Report of even dated

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(CA. DEEPAK S MULCHANDANI)
PROPRIETOR
M. No. 404709

INDORE
Dated:24th April, 2021

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(SHIV SINGH MEHTA)
DIRECTOR
DIN:00023523

(SHUBHAM JAIN)
COMPANY SECRETARY

(HITESH JAIN)
CHIEF FINANCIAL OFFICER

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

A. Equity Share Capital

(Rs. in lakhs)

Balance at the beginning of reporting period as at 1st April 2019	Changes in Equity Share Capital during the year 2019-20	Balance at the end of reporting period as at 31st March 2020	Changes in Equity Share Capital during the year 2020-21	Balance at the end of reporting period as at 31st March 2021
435	580	1,015	-	1,015

B. Other Equity

(Rs. in lakhs)

Particulars	Reserves and Surplus			Revaluation Surplus	Exchange difference on translating the financial statements of foreign operations	Total
	Securities Premium	Retained Earnings	General Reserve			
AS at 31st March 2020						
Balance at the beginning of reporting period as on 1st April 2019	840	5,451	6,175	412	**927**	13,805
Profit for the period 2019-20	-	3,305	-	-	**-**	3,305
Other comprehensive income for the period 2019-20	-	(52)	-	-	**205**	153
Dividends	-	(105)	-	-	**-**	(105)
Interim Dividends	-	(245)				(245)
Redemption for issue of Bonus Share	(580)	-	-	-	**-**	(580)
Transferred to General Reserve	-	(1,825)	1,825	-	**-**	-
Balance at the end of reporting period as at 31st March 2020	**260**	**6,529**	**8,000**	**412**	**1,132**	**16,333**

B. Other Equity

(Rs. in lakhs)

Particulars	Reserves and Surplus			Revaluation Surplus	Exchange difference on translating the financial statements of foreign operations	Total
	Securities Premium	Retained Earnings	General Reserve			
AS at 31st March 2021						
Balance at the beginning of reporting period as at 1st April 2020	260	6,529	8,000	412	**1,132**	16,333
Profit for the period 2020-21	-	5,313	-	-	**-**	5,313
Other Comprehensive Income for the period	-	(11)	-	-	**4**	(7)
Transferred to General Reserve	-	(1,000)	1,000	-	**-**	-
Balance at the end of reporting period as at 31st March 2021	**260**	**10,832**	**9,000**	**412**	**1,136**	**21,639**

The accompanying notes are an integral part of the consolidxated financial statements.
As per our Audit Report of even dated

FOR D S MULCHANDANI & Co.
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(CA. DEEPAK S MULCHANDANI)
PROPRIETOR
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DIN:00023523

(SHUBHAM JAIN)
COMPANY SECRETARY

(HITESH JAIN)
CHIEF FINANCIAL OFFICER

Notes annexed to and forming part of the Consolidated Financial statements

1) Corporate Information

a) Rajratan Global Wire Limited ("the Parent Company") is a public limited company incorporated and domiciled in India, having its registered office at 11/2 Meera Path, Dhenu Market, Indore, Madhya Pradesh, India and is listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The Parent Company and its wholly owned subsidiary Rajratan Thai Wire Co. Ltd. incorporated and domiciled in Thailand (hereinafter referred to as "the Company" or "the Group"). The Group is in the business of manufacturing and sale of tyre bead wire.

The Consolidated Financial Statements have been prepared as required u/s 129 (5) of the Companies Act 2013 ("the Act").

b) Statement of Compliance of Indian Accounting Standards (Ind AS)

These financial statements are consolidated financial statements of the Group (also called consolidated financial statements). The Group has prepared and presented its consolidated financial statements for the year ended March 31, 2021 together with the comparative period information as at and for the year ended March 31, 2020 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

c) Basis of preparation and presentation

The Group has consistently applied all the accounting policies to all periods presented in these consolidated financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:-

- Certain financial assets and liabilities (including derivative instruments) and
- Defined benefit plans - plan assets

Historical cost measures provide monetary information about assets, liabilities and related income and expenses, using information derived, at least in part, from the price of the transaction or other event that gave rise to them. Unlike current value, historical cost does not reflect changes in values, except to the extent that those changes relate to impairment of an asset or a liability becoming onerous.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

d) Basis of Consolidation & Translation of Foreign Currency

i) The accompanying consolidated financial statements have been prepared and presented in Indian rupees being the functional currency and the presentation currency of the Parent Company.

ii) The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation of the financial statements of Rajratan Global Wire Limited and its wholly owned subsidiary by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions including unrealised gain / loss from such transactions and cash flows relating to transactions between members of the Group are eliminated upon consolidation.

iii) These financial statements are prepared by applying uniform accounting policies in use at the Group.

iv) In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are translated at exchange rates on the date of the transactions.

v) Monetary assets and liabilities denominated in foreign currencies at the year-end are translated into the functional currency at the exchange rate on that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous period are recognised in profit or loss in the period in which they arise except for: exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

vi) Non-monetary items that are measured in terms of historical cost in foreign currency are measured using the exchange rates at the date of initial transaction.

vii) Assets and Liabilities of foreign subsidiary are translated into Indian Rupees at the exchange rate of 1 Thai Baht = 2.340043 Rs. prevailing as at the Balance Sheet date. Revenues and expenses are translated into Indian Rupee at average rate of 1 Thai Baht =2.391628083 Rs. and the resulting net exchange differences are accumulated in Foreign Currency Translation Reserve, as the operations of the subsidiary are considered as Non-Integral Foreign operations.

viii) The net difference on account of translation of investment in foreign subsidiary in the Indian Currency, at the reporting date, amounting to Rs. 2,185 lakhs is also considered as part of Foreign Currency Translation Reserve.

2) Summary of Significant Accounting Policies

a) Property, Plant and Equipment (PPE)

i) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

iii) In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognised when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition principles.

iv) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

v) Any Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

vi) Spare parts procured along with the plant & machinery or subsequently which meet the recognition criteria, are capitalised and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognised when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as 'stores & spares' forming part of the inventory.

vii) Depreciation is provided based on useful life of the assets. The management has evaluated that the useful life is in conformity with the useful life as prescribed in Schedule II of the Companies Act, 2013, and therefore such prescribed useful life has been considered by applying the straight-line method. Each part of an item of Property, Plant & Equipment (PPE) with a cost that is significant in relation to total cost of the machine is depreciated separately based on its' useful life.

viii) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and if expectations differ from previous estimates, the changes are accounted for as change in an accounting estimate.

ix) The depreciation for each year is recognised in the Statement of Profit & Loss unless it is included in the carrying amount of another asset.

b) Leases

i) The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

ii) The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

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

c) Intangible assets

i) Intangible assets that are acquired by the Group are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and adjustments arising from exchange rate variations attributable to the intangible assets.

ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

iii) Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

iv) Intangible assets which are finite are amortized on a straight-line basis over their estimated useful lives. The residual value of such intangible assets is assumed to be zero. An intangible asset with an indefinite useful life is tested for impairment by comparing it's recoverable amount with its' carrying amount (a) annually and (b) whenever there is an indication that the intangible asset may be impaired.

v) The management has assessed the useful life of software's classified as other intangible assets as five years.

vi) The amortisation period and the amortisation method for intangible asset with a finite useful life are reviewed at each financial year end. If the expected useful of such asset is different from the previous estimates, the changes are accounted for as change in an accounting estimate.

d) Goodwill

The business combination of the entities under common control is accounted as per Appendix C of Indian Accounting Standards (Ind AS 103) - Business Combinations. Goodwill represents the amount of difference between consideration and the value of net identifiable assets (adjusted for credit balance in revaluation reserves) acquired.

e) Capital Work-in-Progress

i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Cost directly attributable to projects under construction, net of income earned during such period, include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and upgradation, among others of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

iii) Capital expenditure incurred for creation of facilities, over which the Group does not have control but the creation of which is essential principally for construction of the project is capitalised and carried under 'Capital work-in-progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the 'attributability' and the 'Unit of Measure' concepts in Ind AS 16- 'Property, Plant & Equipment'. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

Notes annexed to and forming part of the Consolidated Financial statements

f) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless the following recognition criteria is met, in which case such expenditure is capitalised:

i) the technical feasibility of completing the intangible asset so that it will be available for use or sale.

ii) intention to complete the intangible asset and use or sell it.

iii) ability to use or sell the intangible asset.

iv) the intangible asset will generate probable future economic benefits.

v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

vi) ability to measure reliably the expenditure attributable to the

vii) intangible asset during its development.

g) Finance Cost

i) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

ii) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

iii) All other borrowing costs are expenses in the period in which they occur.

h) Inventories

i) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

ii) The cost formulas used are Weighted Average Cost in case of raw material, ancillary raw material, stores and spares, packing materials, trading and other products are determined at cost, with moving average price on FIFO basis.

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

i) Provisions, Contingent Liabilities & Contingent Assets and Commitments

i) Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement, if any.

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

iii) Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

iv) Contingent assets are not recognised but are disclosed in the consolidated financial statements when inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Notes annexed to and forming part of the Consolidated Financial statements

j) Income Taxes

The tax expense for the period comprises current and deferred tax. Income Tax expense is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity respectively.

i) Current tax

Current tax is the amount of income taxes payable (recoverable) in respect of taxable profit (tax loss) for a period.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Current tax assets and tax liabilities are offset where the Group 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) Deferred tax

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

iii) Uncertain tax position

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

k) Foreign Currency Transactions

i) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

ii) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalised as cost of assets.

iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

l) Employee Benefit Expense

i) Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Notes annexed to and forming part of the Consolidated Financial statements

ii) **Post-Employment Benefits**

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/superannuation. The gratuity is paid @fifteen days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Indian Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method with actuarial valuations being carried out at the end of each year end and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

m) Government Grant

The government grants in the form of subsidy are presented in the balance sheet by deducting it from the carrying amount of the eligible assets on a pro rata basis. The grant is recognised in the Statement of Profit and Loss over the life of a depreciable asset as a reduced depreciation expense.

n) Revenue Recognition

i) **Sale of goods**

The Group derives revenues primarily from sale of tyre bead wire and other ancillary products.

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods. The Group is generally the principal as it typically controls the goods before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Normally, the credit period varies up to 90 days from the shipment or delivery of goods as the case may be. The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified and also accrues discounts to certain customers based on customary business practices. Consideration is determined based on its most likely amount.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Notes annexed to and forming part of the Consolidated Financial statements

ii) **Interest Income**

Interest income from a financial asset is recognised using effective interest method.

iii) **Dividends**

Revenue is recognised when the Group's right to receive the payment has been established, which is generally when shareholders approve the dividend.

iv) **Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that there is no uncertainty in receiving the claims.

v) **Other Operating Income**

Export incentives receivable are accounted for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

vi) **Trade receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note (o)(i), Financial instruments – initial recognition and subsequent measurement.

vii) **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognised as an expense in the period in which related revenue is recognised.

o) 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.

i) **Financial Assets**

Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

Investment in Equity shares & Mutual Funds etc., are classified at fair value through the Statement of Profit and Loss.

Notes annexed to and forming part of the Consolidated Financial statements

ii) Investment in Subsidiaries, Associates and Joint Ventures

The Group has elected to measure investment in subsidiaries, joint venture and associate at cost. On the date of transition, the carrying amount has been considered as deemed cost.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

iii) Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date these historical default rate are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses twelve month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

iv) Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

v) Derivative financial instruments and Hedge Accounting

The Group uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

vi) Hedges that meet the criteria for hedge accounting are accounted for as follows:

Cash Flow Hedge

The Group designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When

Notes annexed to and forming part of the Consolidated Financial statements

a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

Fair Value Hedge

The Group designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

vii) Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

p) Impairment of non-financial assets

i) The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. The goodwill on business combinations is tested for impairment annually.

ii) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount.

iii) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

q) Operating Cycle

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification based on its operating cycle. The Group has identified twelve months as its operating cycle.

i) An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent 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 expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or

Notes annexed to and forming part of the Consolidated Financial statements

- 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 classified as non-current.

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

r) Earnings Per Share

i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders of the Parent Company by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue, bonus element in a right issue to existing shareholders.

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

s) Dividend Distribution

Dividend distribution to the shareholders is recognised as a liability in the Parent Company's financial statements in the period in which the dividends are approved by the Parent Company's shareholders.

t) Statement of Cash Flows

i) Cash and Cash equivalents- for the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the Indian Accounting Standard-7 'Statement of Cash Flows'.

u) Operating Segments

The operating segments are identified on the basis of business activities whose operating results are regularly reviewed by the Chief Operating Decision Maker of the Group and for which the discrete financial information is available. The Group has only one reportable operating segment i.e "Tyre Bead Wire".

3) Critical Accounting Judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Management has considered the possible effects of Global Pandemic COVID-19 while preparing the financial statements. Refer Note No.51.

a) Revenue Recognition

The Group's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract.

The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as schemes, incentives and cash discounts, among others. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each year.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Group's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

Notes annexed to and forming part of the Consolidated Financial statements

b) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded at each year end.

The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

c) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

d) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

e) Impairment of non-financial assets

The Group assesses the chances of an asset getting impaired on each reporting date. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

f) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes annexed to and forming part of the Consolidated Financial statements

4 Property, Plant and Equipment as at 31st March 2020

(Rs. in lakhs)

	Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
		As at April 1, 2019 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2020 (1+2-3-4+5)=6	Upto March 31, 2019 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2020 (7+8-9+10)=11	As at March 31, 2020 (6-11=12)	As at March 31, 2019 (1-7)=13
(A)	Owned Assets													
1)	Free Hold Land	1,593	3	-	-	49	1,645	-	-	-	-	-	1,645	1,593
2)	Building	4,170	1,959	6	-	141	6,264	369	205	2	36	608	5,656	3,801
3)	Plant and Equipment	12,993	4,506	50	-	516	17,965	2,206	928	17	189	3,305	14,659	10,787
4)	Furniture and Fixtures	129	4	-	-	6	139	36	11	-	2	49	90	94
5)	Vehicles	307	11	30	-	10	298	75	37	27	4	90	208	232
6)	Office Equipment	79	17	0.09	-	3	99	47	13	0.06	3	63	36	32
			-	-	-	-			-	-	-			
(B)	Right of use Assets		-	-	-	-			-	-	-			
1)	Land	292	304	-	-	-	596	20	10	-	-	30	566	272
	TOTAL	**19,563**	**6,804**	**86**	**-**	**724**	**27,004**	**2,753**	**1,203**	**46**	**234**	**4,144**	**22,860**	**16,810**

5 Capital Work-in-Progress

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2019 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2020 (1+2-3-4+5)=6	Upto March 31, 2019 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2020 (7+8-9+10)=11	As at March 31, 2020 (6-11=12)	As at March 31, 2019 (1-7)=13
Capital Work-in-Progress	3,202	3,324	5,606	-	70	992	-	-	-	-	-	992	3,202
TOTAL	**3,202**	**3,324**	**5,606**	**-**	**70**	**992**	**-**	**-**	**-**	**-**	**-**	**992**	**3,202**

Notes annexed to and forming part of the Consolidated Financial statements

6 Goodwill

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2019 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2020 (1+2-3-4+5)=6	Upto March 31, 2019 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2020 (7+8-9+10)=11	As at March 31, 2020 (6-11=12)	As at March 31, 2019 (1-7)=13
Goodwill	10	-	-	-	-	10	-	-	-	-	-	10	10
On Merger of Cee Cee Engineering Industries Pvt. Ltd. (Refer Note 49)													
TOTAL	**10**	**-**	**-**	**-**	**-**	**10**	**-**	**-**	**-**	**-**	**-**	**10**	**10**

7 Other Intangible Assets

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2019 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2020 (1+2-3-4+5)=6	Upto March 31, 2019 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2020 (7+8-9+10)=11	As at March 31, 2020 (6-11=12)	As at March 31, 2019 (1-7)=13
Technical Know How	-	-	-	-	-	-	-	-		-	-	-	-
Software	31	-	-	-	1	32	5	5		0	10	22	26
TOTAL	**31**	**-**	**-**	**-**	**1**	**32**	**5**	**5**	**-**	**0**	**10**	**22**	**26**

8 Intangible Assets Under Development

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2019 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2020 (1+2-3-4+5)=6	Upto March 31, 2019 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2020 (7+8-9+10)=11	As at March 31, 2020 (6-11=12)	As at March 31, 2019 (1-7)=13
ERP Software	3	11	-		-	14	-	-	-		-	14	3
TOTAL	**3**	**11**	**-**	**-**	**-**	**14**	**-**	**-**	**-**	**-**	**-**	**14**	**3**

Notes annexed to and forming part of the Consolidated Financial statements

4 Property, Plant and Equipment as at 31st March 2021

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2021 (1+2-3-4+5)=6	Upto March 31, 2020 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2021 (7+8-9+10)=11	As at March 31, 2021 (6-11=12)	As at March 31, 2020 (1-7)=13
(A) Owned Assets													
1) Free Hold Land	1,645	389	-	-	15	2,049	-	-	-	-	-	2,049	1,645
2) Building	6,264	778	-	62	61	7,040	608	247	-	10	864	6,176	5,656
3) Plant and Equipment	17,965	1,674	63	220	175	19,531	3,305	1,080	13	52	4,424	15,107	14,659
4) Furniture and Fixtures	139	6	2	-	2	144	49	11	1	1	59	85	90
5) Vehicles	298	21	15	-	3	307	90	37	9	1	119	188	208
6) Office Equipment	99	16	-	-	1	116	63	13	-	1	77	39	36
(B) Right of use Assets													
1) Land	596	-	-	-	-	596	30	15	-	-	44	551	566
TOTAL	**27,004**	**2,884**	**80**	**282**	**257**	**29,783**	**4,144**	**1,403**	**23**	**65**	**5,587**	**24,195**	**22,860**

5 Capital Work-in-Progress

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2021 (1+2-3-4+5)=6	Upto March 31, 2020 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2021 (7+8-9+10)=11	As at March 31, 2021 (6-11=12)	As at March 31, 2020 (1-7)=13
Capital Work-in-Progress	992	1,884	2,029	-	0.1	847	-	-	-	-	-	847	992
TOTAL	**992**	**1,884**	**2,029**	**-**	**0**	**847**	**-**	**-**	**-**	**-**	**-**	**847**	**992**

Notes annexed to and forming part of the Consolidated Financial statements

6 Goodwill

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2021 (1+2-3-4+5)=6	Upto March 31, 2019 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2021 (7+8-9+10)=11	As at March 31, 2021 (6-11=12)	As at March 31, 2020 (1-7)=13
Goodwill	10	-	-	-	-	10	-	-	-	-	-	10	10
On Merger of Cee Cee Engineering Industries Pvt. Ltd. (Refer Note 49)													
TOTAL	**10**	**-**	**-**	**-**	**-**	**10**	**-**	**-**	**-**	**-**	**-**	**10**	**10**

7 Other Intangible Assets

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2021 (1+2-3-4+5)=6	Upto March 31, 2019 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2021 (7+8-9+10)=11	As at March 31, 2021 (6-11=12)	As at March 31, 2020 (1-7)=13
Technical Know How	-	-	-	-	-	-	-	-		-	-	-	-
Software	32	15	-	-	0.4	48	10	7		0	17	30	22
TOTAL	**32**	**15**	**-**	**-**	**0**	**48**	**10**	**7**	**-**	**0**	**17**	**30**	**22**

8 Intangible Assets Under Development

(Rs. in lakhs)

Particulars	Gross Block (at cost)						Depreciation / Amortisation					Net Block	
	As at April 1, 2020 (1)	Additions during the year (2)	Deductions (3)	Incentive TRIFAC Subsidy (4) (Refer Note50)	Adjustment for Foreign Currency Translation (5)	As at March 31, 2021 (1+2-3-4+5)=6	Upto March 31, 2019 (7)	For the year (8)	Deductions (9)	Adjustment for Foreign Currency Translation (10)	Up to March 31, 2021 (7+8-9+10)=11	As at March 31, 2021 (6-11=12)	As at March 31, 2020 (1-7)=13
ERP Software	14	14	14		-	14	-	-	-		-	14	14
TOTAL	**14**	**14**	**14**	**-**	**-**	**14**	**-**	**-**	**-**	**-**	**-**	**14**	**14**

Notes annexed to and forming part of the Consolidated Financial statements

4.1 Property, plant and equipment are subject to charge to secure the company's borrowings as discussed in Note 21.

4.2 The amount of borrowing cost capitalised during the year ended March 31, 2021 was Rs. 58 lakhs (for the year March 31, 2020 Rs. 181 lakhs) on account of capacity expansion of plant.

4.3 The rate used to determine the amount of borrowing costs eligble for capitalisation was 8.30%, which is the effective interest rate of the borrowing.

4.4 The amount of expenditures recognised in the carrying amount of property, plant and equipment in the course of its construction is Rs. 130 lakhs (Previous Year Rs. 253 lakhs).

4.5 The disposals include loss of assets due to fire in the factory premises amounting to Rs. 32 lakhs for which insurance claim has been lodged .

4.6 The amount of contractual commitments for the acquisition of property, plant and equipment is Rs. 2775 lakhs (Previous Year Rs. 489 lakhs).

4.7 Freehold land admeasuring 27,890 Sq. Mtr. (Cost Rs. 21 lakhs) was revalued to Rs. 433 lakhs on the date of transition i.e. 01.04.2017 and has been considered as the deemed cost in accordance with Para D5 of Ind AS 101- First-time Adoption.

4.8 The aggregate deprciation and amortisation has been included under Depreciation and Amortisation Expenses in the Statement of Profit and Loss.

Notes annexed to and forming part of the Consolidated Financial statements

9 Other Financial Assets (Non Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Security Deposits		
Unsecured, Considered good	186	122
Total	**186**	**122**

10 Other Non-Current Assets

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Capital Advance		
Unsecured, Considered good	348	91
Total	**348**	**91**

11 Inventories

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Raw Material:	3,039	1,501
(b) Work-in-Progress;	552	534
(c) Finished Goods;	659	1,422
(d) Stock in Transit Finished Goods	309	148
(d) Scrap	-	1
(e) Stores & Spares	541	526
Total	**5,100**	**4,132**

a) Carrying amount of inventroy hypothecated to secure working capital facilities Rs. 5,100 lakhs (Previous Year Rs. 4,132 lakhs)

12 Trade Receivables

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Secured, Considered good		
Unsecured- Considered good:	11,661	8,373
Doubtful- (having significant increase in Credit Risk)	41	28
Receivable Credit Impaired	-	91
Total Receivables	**11,702**	**8,492**
Less: Credit Impaired and written off	**-**	**(91)**
Less: Allowance for bad & doubtful debts (Impairment for trade receivable)*	(41)	(28)
Current trade receivable	**11,661**	**8,373**

*The allowance for bad & doubtful debts (for impairment of trade receivable) has been made on the basis of Expected Credit Loss (ECL) method and other cases based on management's judgement. To the extent of ECL provision, the trade receivables have been classified as doubtful and the remaining have been considered as good.

Notes annexed to and forming part of the Consolidated Financial statements

13 Cash and Cash Equivalents

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Cash and Cash Equivalents		
(a) Cash on hand including Indian and Foreign Currency	9	10
(b) Balances with Banks		
Current Accounts	262	4
Total	**270**	**14**

14 Bank Balances

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Fixed Deposit Account held as margin money (with maturity less than 12 Months)	473	290
(b) Earmarked Balances with Bank		
(i) for Unpaid Dividend	7	6
(ii) for Fractional Shares*	-	-
Total	**480**	**295**

*Amount unpaid For Fractional Shares of Rs. 0.34 lakhs is on account issuance of Bonus Shares.

15 Loans (Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Loans Receivables- Secured, Considered good	-	-
(b) Loans Receivables-Unsecured, Considered good	-	183
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables-credit impaired	-	-
Total	**-**	**183**

16 Other financial assets (Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Interest Accrued on Fixed Deposits	2	2
Total	**2**	**2**

17 Current Tax Assets (Net)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Income Tax {(Net of Tax Provision Rs. 1,115 lakhs (Previous Year Rs. 719 lakhs}	10	18
Total	**10**	**18**

18 Other Current Assets

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Balance with Government Authorities	238	211
Others (Including advances recoverable in cash or kind)	520	467
Total	**758**	**678**

Notes annexed to and forming part of the Consolidated Financial statements

19 Share capital

(Rs. in lakhs)

(a)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Authorised				
Equity Shares	1,50,00,000	1,500	1,50,00,000	1,500
Issued, Subscribed & fully paid up				
Equity Shares	1,01,54,200	1,015	1,01,54,200	1,015
	1,01,54,200	**1,015**	**1,01,54,200**	**1,015**

(b) Par Value Per Share 10/- 10/-

(c) **Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year**

(Rs. in lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	(Rs. in lakhs)	Number	(Rs. in lakhs)
Shares outstanding at the beginning of the year	1,01,54,200	1,015	43,51,800	435
Bonus Share issued during the year	-	-	58,02,400	580
Shares outstanding at the end of the year	1,01,54,200	1,015	1,01,54,200	1,015

(d) Rajratan Investments Private Limited (Formerly Rajratan Investment Limited) together with Rajratan Resources Private Limited, Mr. Sunil Chordia and his family hold 65.00% (Previous Year 64.22%) of the paid up share capital and have control over the Company as defined in Ind AS-110 Consolidated Financial Statements. Accordingly Rajratan Private Investments Limited (Formerly Rajratan Investment Limited) is considered as the Holding company.

(e) **Equity Shares held by the each shareholders holding more than 5% shares in the Company are as follows:**

(Rs. in lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares				
Rajratan Investment Private Limited (Formerly Rajratan Investment Limited)	18,72,225	18.44	18,53,122	18.25
Rajratan Resources Pvt Limited	8,89,980	8.76	8,89,980	8.76
Mr. Yashovardhan Chordia	6,41,833	6.32	6,25,333	6.16
Sangita Chordia Family Trust	13,31,010	13.11	13,31,010	13.11
Sunil Chordia Family Trust	11,45,571	11.28	11,45,571	11.28
SBI Small and Midcap Fund	9,67,752	9.53	7,50,752	7.39

(f) **Terms / Rights to Shareholders**

(1) Equity Shares

(i) Voting

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

(ii) Dividends

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval by the shareholders of the company in the ensuing Annual General Meeting. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Liquidation

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes annexed to and forming part of the Consolidated Financial statements

20 Other Equity

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Securities Premium Reserve		
Balance as per last financial statement	260	840
Less: Redeemed during the year	-	(580)
(a)	**260**	**260**
(b) Retained Earnings- Surplus/(Deficit) as per the Statement of Profit and Loss		
Balance as per Last Financial statement	7,661	6,378
Add:		
Profit for the Year	5,313	3,305
Other Comprehensive Income for the Year	(11)	(52)
Change in Foreign Currency Translation Reserve	4	205
Transferred to General reserve	(1,000)	(1,825)
Dividend (Including Dividend Distribution Tax)	-	(350)
(b)	**11,967**	**7,661**
(c) General Reserve		
Balance as per Last Financial statement	8,000	6,175
Add: Additions during the year	1,000	1,825
(c)	**9,000**	**8,000**
(d) Revaluation Reserve		
Balance as per Last Financial statement	412	412
Add: Revaluation of Freehold Land		-
(d)	**412**	**412**
Total	**21,639**	**16,333**

Purpose of Each reserve within equity

20.1 Securities Premium

Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to "Securities Premium Account" and the utilization thereof is in accordance with the provisions of Section 52 of the Companies Act, 2013.

20.2 General Reserve

The General Reserves have been created out of retained earnings of the Company and are available for any purpose.

20.3 Revaluation Reserve

Revaluation Reserve is the amount ascertained due to revaluation of land carried out on the date of transition to Ind AS and has been recognised as a separate category of the equity and not as part of retained earnings. (See Note 4.6)

Financial Liabilities

21 Borrowings (Non Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
From Banks	5,924	5,357
Form Others	-	3
Total	**5,924**	**5,360**

Notes annexed to and forming part of the Consolidated Financial statements

21 Borrowings (Non Current) (contd)

21.1 SECURITY:

A. Term loans from State Bank of India, Indore is secured by way of first pari-pasu charge on fixed assets by way of equitable mortgage of land and building including freehold land situated at Khasara No. 145; 146;149/2;149/3 & 149/4 and leasehold land situated at Plot no. 199, 200A & 200 B, Sector-1 Pithampur and hypothecation of other fixed assets excluding vehicles (both present and future), and hypothecation of stock and receivables along with HDFC Bank Ltd and Citibank for their working capital limits and Second pari-passu charge on the company's entire stocks at company's factory premises or any other places including goods in transit, book debts & receivables and other current assets (both present and future) along with HDFC Bank Ltd and Citibank for their working capital limits.

B. Term loan from HDFC Bank Ltd, Indore is securred by way of pari-passu charge by way of hypothecation of entire current/ fixed assets of the Company with other working capital lenders and Second pari-passu charge on entire fixed assets (immovable and movable) of the Company, both present and future, with other working capital lenders and land situated at Plot No.199, Industrial Area Sector-1 Pithampur.

C. Both the Term loans are also secured by way of personal guarantee of the Chairman and Managing Director.

21.2 SECURITY: Rajratan Thai Wire Company Limited (Wholly Own Subsidiary)

A. The company's Land, existing buildings and future improvements thereon, together with the machinery and equipments have been mortgaged with certain banks to secure working and long term loans from financial institutions.

B. The Company's Land,Building and Plant & Machinery has been mortgaged to Bank of Ayudhya. Plc, Thailand to secure working capital and Term Loans from the bank.

C. The Company's Residential building no 145/961 has been mortgaged to Bank of Ayudhya. Plc, Thailand to secure long term housing loan from Bank of Ayudhya., PLC Thailand.

21.3 Foreign Currency Loan disclosure

Part of Term Loan from State Bank of India was converted into a foreign currency loan of USD 15.74 lakhs. The said foreign currency loan will again be coverted into Indian Currency on 18.06.2021. The said loan is hedged and premium paid for the year is charged to Statement of Profit & Loss.

21.4 Terms of Repayment of Long Term Borrowings

I. Repayment schedule of Rajratan Global Wire Ltd.

(Rs. in lakhs)

Particulars	Total Tenor of Loan	Frequency of Installment	No. of Installments Due as on 31.3.2021	Amount Outstanding (Rs. in lakhs)	Rate of Interest
State Bank of India	6 years	Quarterly	15	1278	8.45
HDFC Bank Ltd	7 years	Monthly	52	1973	7.55
HDFC Bank Ltd	7 years	Monthly	67	1934	7.50
HDFC Bank Ltd (GECL)	5 years	Monthly	48	1050	7.25
HDFC Bank Ltd (BMW)	5 years	Monthly	27	33	8.60

II. Repayment schedule of Rajratan Thai Wire Co. Ltd., Thailand

(Rs. in lakhs)

Particulars	Total Tenor of Loan	Frequency of Installment	No. of Installments Due as on 31.3.2020	Amount Outstanding (Rs. in lakhs)	Rate of Interest
UOB For Machines	5 years	Monthly	31	132	5.15
Toyota Leasing	4 years	Monthly	2	1	4.57
Honda Car Leasing	4 years	Monthly	9	2	3.58
Bay Term Loan	7 years	Monthly	69	738	4.08
Bank of Ayudhya	10 years	Monthly	77	58	4.83

Notes annexed to and forming part of the Consolidated Financial statements

22 Deferred Tax

22.1 Deferred Tax Liabilities (Net)

The Movement on the deferred tax account is as follows

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Opening Balance	1,133	865
Add: on account of IND AS Adustments		
Charge/(Credit) to Statement of Profit & Loss	(75)	268
Total	**1,058**	**1,133**

22.2 Component of Deferred Tax Liabilities/(Assets)

(Rs. in lakhs)

Particulars	As at 31st March-2020	Charge/(credit) to Statement of Profit & Loss	As at 31st March-2021
Deferred Tax Liabilities/(Assets) in relation to :			
Property, Plant & Equipment	1,120	(65)	1,055
On Account of Expected Credit Loss	13	(10)	3
Total	**1,133**	**(75)**	**1,058**

23 Other Non Current Liabilities

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Long term benfits for employees	9	7
Total	**9**	**7**

24 Borrowings (Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Secured		
Loans repayable on demand		
(a) From Bank	6,633	7,949
Unsecured		
(b) Loans and advances from related parties	-	132
(c) Loans and advances from Others	398	213
Total	**7,031**	**8,294**

Security

A. Loans repayable on demand from State Bank of India, Indore are secured by first pari-passu charge by way of hypothecation on Company's entire stocks at the Company's facory premises or at any other places, book debts, receivables and other current assets (both present and future) along with HDFC Bank Ltd and Citibank for their working limits and First pari-passu charge on fixed assts by way of equitable mortgage of land & building and hypothecation of other fixed assets excluding vehicles (both present and future) situated at Plot no 199, 200-A & 200-B, Survey No.149/2, 149/3, 149/4, 145 and 146 at Dhanadkhurd (Dist Dhar) and any other places.

Facilities are also secured by personal guarantee of the Chairman and Managing Director.

Notes annexed to and forming part of the Consolidated Financial statements

24 Borrowings (Current) (contd)

C. Loans repayable on demand from HDFC Bank Ltd., Indore are working capital loans, which are secured by pari-passu charge by way of bypothecation of entire current assets of the Company with other working capital lenders and by second pari-passu charge on entire fixed assets (immovable and movable) of the Company; both present and future; with other working capital lenders and property at Plot No.199, Industrial Area Sector-1, Pithampur.

D. Working capital facilities from CITI Bank, Mumbai are secured by first pari-passu charge on present and future stocks and book debts. These working capital facilites and SBLC Facilities are further secured by second par-passu charge on present and future movable fixed assets including plant & machinery excluding vehicles specifically hypothecated to other banks, factory located at Plot No.200-A, 200-B and 199 Sector-1, Industrial Area, Pithampur and property located at Survey No.149/2, 149/3, 149/4, 145 and 146 situated at Dhanadkhurd (Dist Dhar).

SBLC Facilities of Rs. 15 crores is sanctioned by CITI Bank to Company which is utilised by Rajratan Thai Wire Company Limited (Wholly Owned Subsidiary)

Other Loans

Other loans payable on demand and advances received from related parties/directors are unsecured.

25 Trade Payables

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises,	27	4
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	4,884	4,028
Total	**4,911**	**4,032**

26 Other Financial Liabilities (Current)

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Current Maturities of Long Term debts	1,274	926
Interest accrued and due on borrowings	3	13
Interest accrued but not due on borrowings	24	20
Unpaid Amount of Fractional Shares*	-	-
Unpaid Dividends	7	6
Total	**1,307**	**965**

*Amount unpaid For Fractional Shares of Rs. 0.34 lakhs is on account issuance of Bonus Shares.

27 Other Current Liabilities

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
(i) Advance received from Customers	7	10
(ii) Creditors for Capital Goods (Includes NIL (Previous Year Rs. 307 lakhs) due to related party Refer Note No.41)	447	423
(iii) Statutory Due to Government	384	191
Total	**838**	**624**

Notes annexed to and forming part of the Consolidated Financial statements

28 Current Tax Liability

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Provision for Income Tax (Net of advance income tax Rs. 85 lakhs (Previous Year Rs. 10 lakhs)*	178	44
Total	**178**	**44**

The Income tax expenses for the year can be reconcilled to the accounting profits as follows:

(Rs. in lakhs)

Reconciliation of Tax Expenses	As at 31st March-2021	As at 31st March-2020
Profit Before Tax	6,626	4,371
Applicable Tax Rate	24.21%	29.02%
Computed Tax Expenses	1,604	1,269
Tax effect of:		
IndAS Adjustments	10	13
Exempted Income/ Income at Special Rate	580	818
Expenses diallowed	(401)	(802)
Deductions under chapter VIA	-	160
Tax at Special Rate on LTCG	-	
(Short)/Excess Provision of earlier years	19	(0)
Interest on Shortfall of Advance Tax	-	
Current Tax Provision (A)	**1,388**	**755**
Incremental Deferred Tax Liability on account of Tangible and Intengible Assets	(75)	312
Deferred Tax Provision (B)	**(75)**	**312**
Tax Expenses recognised in Statement of Profit and Loss (A+B)	**1,313**	**1,067**
Effective Tax Rate	**19.82%**	**24.41%**

29 Revenue from Operations

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1. Revenue from Contract with Customer		
a) Sale of Manufactured Goods	53,925	47,447
b) Sale of Traded Goods	719	513
c) Sale of Raw Material	-	58
2. Other Operating Revenue	10	3
Total	**54,654**	**48,021**

30 Other Income

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income	30	59
Other Non Operating Income		
Gain on Exchange Fluctuation	133	58
Total	**163**	**117**

Notes annexed to and forming part of the Consolidated Financial statements

31 Cost of Raw Material & Materials Consumed

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Wire Rod/Wire	31,804	28,045
Ancillary Raw Material	606	588
Total	**32,410**	**28,633**

32 Purchase of Stock in Trade

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Wire Rod/wires	676	-
Others	-	492
Total	**676**	**492**

33 Change in inventories of Finished Goods and & Work-in-progress

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Opening Stock		
Work-in-Progress	534	569
Scrap	1	1
Stock in Transit	148	235
Finished Goods	1,421	1,526
	2,104	2,331
Closing Stock		
Work-in-Progress	552	534
Scrap	-	1
Stock in Transit	300	148
Finished Goods	659	1,421
	1,511	2,104
Total	**593**	**227**

34 Employee Benefits Expense

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salary, Wages, Bonus & Allowances	2,554	2,405
Contribution to Provident Fund	108	113
Contribution to ESIC	18	21
Staff Welfare Expenses	90	130
Contribution to Gratuity Fund	27	24
Medical Expenses Reimbursement	13	12
Total	**2,810**	**2,705**

Notes annexed to and forming part of the Consolidated Financial statements

35 Finance Costs

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest (includes Interest Rs. 22.49 lakhs (Previous year Rs. 33.16 lakhs) paid to related party (Refer Note 41)	1,114	1,155
Deferred Premium on Foreign Currency Loan	37	-
Other Borrowing Costs	187	184
Total	**1,338**	**1,339**

36 Depreciation & Amortization Expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment	1,388	1,194
Amortization on right of use assets	15	10
Amortization of intangible asset	7	5
Total (A)	**1,410**	**1,209**

37 Other Expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Power & Fuel	3,887	4,039
Less: Recovery of energy generated by Windmill	(84)	(113)
	3,803	**3,926**
Consumable Stores	1,194	1,218
Packing Material	385	353
Freight Inward	346	301
Freight Outwards	1,382	1,283
Rent	6	6
Repair to Building	21	26
Repair to Machinery	336	547
Insurance	19	17
Rates & Taxes, excluding taxes on income	17	6
Expectred Credit Loss	13	13
Export Expenses	704	512
Effluent Treatment Plant (ETP) Expenses	59	45
Legal & Professional charges	107	87
Corporate Social Responsibility (CSR) Expenditure	47	47
Miscellaneous Expenses (Below 1% of revenue from Operations)	515	775
Total	**8,954**	**9,162**

Notes annexed to and forming part of the Consolidated Financial statements

38 Other Comprehensive Income

(Rs. in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(A) Items that will not be reclassified into profit or loss		
(i) Remeasurement of defined benefit plans	(11)	(52)
Total (A)	**(11)**	**(52)**
(B) Items that will be reclassified to profit or loss		
(i) Exchange differences in translating the financial statements of foreign operation	4	205
Total (B)	**4**	**205**

39 As per IND AS 19 "Employee benefits", the disclosures as defined are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

(Rs. in lakhs)

Particulars	2020-21	2019-20
Employer's Contribution to Provident Fund For Holding Company Rajratan Global Wire Ltd	84	81
Social Security Welfare for Subsidiary Rajratan Thai Wire Co Ltd.	24	32

Defined Benefit Plan

I) **Reconciliation of opening and closing balances of Defined Benefit Obligation**

(Rs. in lakhs)

Particulars	Gratuity (Funded)	
	2020-21	2019-20
Defined Benefit Obligation at beginning of the year	382	304
Interest Cost	26	23
Current Service Cost	25	20
Benefits paid	(10)	(10)
Acturial (Gain)/Loss	10	45
Defined Benefit Obligation at year end	432	382

Reconciliation of Opening and Closing balances of fair value of Plan Assets

(Rs. in lakhs)

Particulars	Gratuity (Funded)	
	2020-21	2019-20
Fair value of Plan Assets at beginning of year	340	311
Return on Plan Assets excluding interest income	(1)	(6)
Expected Return on Plan Assets	24	24
Employer Contribution	66	22
Benefits Paid	(10)	(10)
Fair value of Plan Assets at year end	419	340

Reconciliation of fair Value of Assets and Obligations

(Rs. in lakhs)

Particulars	Gratuity (Funded)	
	As at 31st March 2021	As at 31st March 2020
Fair value of Plan Assets	419	340
Present Value of Obligation	432	382
Amount recognised in Balance Sheet (Surplus/(Deficit)	(13)	(42)

Notes annexed to and forming part of the Consolidated Financial statements

39 As per IND AS 19 "Employee benefits", the disclosures as defined are given below: (contd)

Expenses recognised during the year

(Rs. in lakhs)

Particulars	Gratuity (Funded)	
	2020-21	2019-20
In Income Statement		
Current Service Cost	25	20
Interest Cost	26	23
Return on Plan Assets	(24)	(24)
Net Cost	27	19
Other Comprehensive Income		
Actuarial (Gain)/Loss recognized for the period	10	45
Return on Plan Assets excluding net interest	1	6
Net (Income)/Expenses for the period recognised in OCI	11	52

Investment Details

(Rs. in lakhs)

	2020-21	2019-20
Gratuity Fund (LIC of India)	419	340
Total	**419**	**340**

Acturial Assumptions

(Rs. in lakhs)

Mortality Table (ALM)	Gratuity (Funded)	
	2020-21	2019-20
Discount Rate (Per Annum)	6.68%	6.77%
Rate of Escalation in Salary (Per annum)	7%	7%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflations, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Since the scheme funds are invested with LIC of India Expected Rate of Return is based on rate of return declared by fund managers.

The expected contribution for Defined Benefit Plan for the next financial year will be in line with FY 2020-21.

Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employment turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

(Rs. in lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Change in discounting rate	390	482	342	428
Change in rate of salary Escalation	481	390	427	343

Notes annexed to and forming part of the Consolidated Financial statements

40 Earning Per Shares (EPS)

(Rs. in lakhs)

		2020-21	2019-20
a)	**Earning per Equity Share for Continued Operation**		
(i)	Net Profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	5,313	3,305
(ii)	Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	1,01,54,200	1,01,54,200
(iii)	Weighted Average Potential Equity Shares	-	-
(iv)	Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	1,01,54,200	1,01,54,200
(v)	Basic Earnings Per Share (Rs.)	52.32	32.54
(vi)	Diluted Earning Per Share (Rs.)	52.32	32.54
(vii)	Face Value per Equity Share (Rs.)	10.00	10.00

41 Related Parties Disclosures

(i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Sr. No.	Name of Related Party	Relationship
1)	**Key Managerial Personnel (KMP)**	
(i)	Shri Sunil Chordia	Chairman and Managing Director
(ii)	Shri Yashovardhan Chordia	Executive Director
(iii)	Smt. Mohini Chordia	Executive Director
(iv)	Shri B. K. Reddy	Executive Director
(v)	Shri Hitesh Jain	Chief Financal Officer
(vi)	Shri Shubham Jain	Company Secretory
2)	**Relatives of KMP**	
(i)	Smt. Sangita Chordia	Key Managerial Personnel (KMP) Upto 22.07.2019 and Relatives of KMP
(ii)	Smt. Shantadevi Chordia/Shri Chandanmal Chordia	Relative of KMP
(iii)	Ms Shubhika Chordia	Relative of KMP
(iv)	Shri P. K. Reddy	Relative of KMP
3)	**Holding Company**	
(i)	M/s Rajratan Investment Pvt. Ltd. (Formerly Rajratan Investment Ltd.)	Holding Company
4)	**Enterprises over which Key Managerial Personnel are able to exercise significant influence**	
(i)	M/s Rajratan Resources Pvt Ltd.	
(ii)	M/s Rajratan Foundation	
5)	**Independent/Non-Independent Director**	
(i)	Shri Purshottam Das Nagar	Non Independent Director Upto 31.03.2019
(ii)	Shri Abhishek Dalmia	Non Independent Director
(iii)	Shri Chandrashekhar Bobra	Independent Director Upto 22.07.2019
(iv)	Shri Surendra Singh Maru	Independent Director Upto 22.07.2019
(v)	Shri Shiv Singh Mehta	Independent Director
(vi)	Shri Rajesh Mittal	Independent Director (w.e.f 22.07.2019)
(Vii)	Smt. Aparna Sharma	Independent Director (w.e.f 22.07.2019)
6)	**Enterprises over which Non Independent Director are able to exercise significant influence**	
(i)	M/s Semac Construction LLP	

Notes annexed to and forming part of the Consolidated Financial statements

41 Related Parties Disclosures (contd)

(ii) Transaction during the year with related parties:

(Rs. In lakhs)

Sr. No.	Nature of Transactions	Key Managerial Personnel	Relatives of KMP	Enterprises Over Which Key Managerial Personnel	Enterprises Over Which Non Independent Director are able to exercise significant influence	Independent and Non Independent Director	Holding Company	Total
1	Rent	- (-)"	2 (2)	- (-)	- (-)	- (-)	- (-)	2 (2)
2	Interest Paid	12 (11)	1 (2)	1 (1)	- (-)	8 (12)	1 (6)	23 (33)
3	Remuneration	204 (206)	53 (46)	- (-)	- (-)	- (-)	- (-)	257 (252)
4	Unsecured Loan received	484 (280)	- (33)	- (25)	- (-)	- (-)	- (46)	484 (384)
5	Unsecured Loan Repaid	547 (464)	14 (29)	29 (4)	- (-)	25 (40)	36 (60)	651 (597)
6	Sitting Fees	- (-)	- (-)	- (-)	- (-)	4 (4)	- (-)	4 (4)
7	Purchase of Tangible Assets	- (-)	- (-)	- (-)	103 (1322)	- (-)	- (-)	103 (1322)
8	Purchase of Other Goods	- (-)	- (-)	- (-)	- (1)	- (-)"	- (-)	- (1)
9	CSR Activity	- (-)	- (-)	30 (22)	- (-)	- (-)	- (-)	30 (22)
10	Counsultancy Charges	24 (36)	- (-)	- (-)	- (-)	- (-)	- (-)	24 (36)

Balances as at 31st March 2021

(Rs. In lakhs)

Sr. No.	Nature of Transactions	Key Managerial Personnel	Relatives of KMP	Enterprises Over Which Key Managerial Personnel	Enterprises Over Which Non Independent Director are able to exercise significant influence	Independent and Non Independent Director	Holding Company	Total
1	Unsecured Loan	- (55)	- (13)	- (28)	- (-)	70 (88)	- (35)	70 (219)
2	Creditors for Capital Goods	- (-)	- (-)	- (-)	- (307)	- (-) "	- (-) "	- (307)
3	Deposit for Rented Property	- (-)	5 (5)	- (-)	- (-)	- (-)	- (-)	5 (5)

Notes annexed to and forming part of the Consolidated Financial statements

41 Related Parties Disclosures (contd)

(iii) Disclosure in Respect of Major Related Party Transactions during the year:

(Rs. In lakhs)

	Particulars	Relationship	2020-21	2019-20
1	**Rent**			
	(i) Smt. Sangita Chordia	Relatives of KMP	1.08	1.08
	(ii) Smt. Shantadevi Chordia/Shri Chandanmal Chordia	Relatives of KMP	1.08	1.08
2	**Interest Paid**			-
	(i) Shri Sunil Chordia	KMP	5.57	5.45
	(ii) Smt. Sangita Chordia	Relatives of KMP	0.60	2.15
	(iii) Shri Yashowardhan Chordia	KMP	4.67	3.70
	(iv) Smt. Mohini Chordia	Relatives of KMP	1.88	1.97
	(vi) Rajratan Resources Pvt Ltd	Enterprises Which KMP are able to exercise significant influence	0.86	1.44
	(vii) M/s Rajratan Investment Pvt. Ltd. (Formerly Rajratan Investment Ltd.)	Holding Company	0.66	6.43
	(vi) Shri Purshottam Das Nagar	Non Independent Director (Up to 31/03/2019)	8.25	12.03
3	**Remuneration**			-
	(i) Shri Sunil Chordia	KMP	100.98	100.96
	(ii) Smt Sangita Chordia	KMP	-	6.30
	(iii) Shri Yashowardhan Chordia	KMP	54.88	53.34
	(iv) Shri Hitesh Jain	KMP	13.76	12.04
	(v) Smt. Mohini chordia	KMP	27.95	27.08
	(vi) Shri Shubham Jain	KMP	6.76	6.34
	(viii) Smt Sangita Chordia	Relatives of KMP	20.16	13.95
	(ix) Ms Shubhika Chordia	Relatives of KMP	-	5.81
	(x) Shri P.K. Reddy	Relatives of KMP	32.02	25.85
4	**Unsecured Loan Received**			
	(i) Shri Sunil Chordia	KMP	257.00	227.79
	(ii) Smt. Sangita Chordia	Relatives of KMP	-	33.10
	(iii) Shri Yashowardhan Chordia	KMP	206.02	31.36
	(iv) Smt. Mohini Chordia	KMP	21.06	20.65
	(v) Shri Purshottam Das Nagar	Non Independent Director (Up to 31/03/2019)	-	-
	(vi) Rajratan Resources Pvt Ltd	Enterprises Which KMP are able to exercise significant influence	-	25.00
	(vii) M/s Rajratan Investment Pvt. Ltd. (Formerly Rajratan Investment Ltd.)	Holding Company	-	45.65
5	**Unsecured Loan Repaid**			
	(i) Shri Sunil Chordia	KMP	274.38	266.50
	(ii) Smt. Sangita Chordia	Relatives of KMP	13.70	29.15
	(iii) Shri Yashowardhan Chordia	KMP	235.41	129.27
	(iv) Smt. Mohini Chordia	KMP	37.44	67.75
	(v) Rajratan Resources Pvt Ltd	Enterprises Which KMP are able to exercise significant influence	29.15	4.00

Notes annexed to and forming part of the Consolidated Financial statements

41 Related Parties Disclosures (contd)

(Rs. In lakhs)

	Particulars	Relationship	2020-21	2019-20
	(vi) M/s Rajratan Investment Pvt. Ltd. (Formerly Rajratan Investment Ltd.)	Holding Company	35.80	59.50
	(vii) Shri Purshottam Das Nagar	Non Independent Director (upto 31.03.2019)	25.00	40.00
6	**Purchase of Tangible Assets**			
	M/s Semac Construction LLP	Enterprises over which non inpependent Director are able to exercise significant influence	102.59	1,321.72
7	**Purchase of Other Goods**			
	M/s Semac Construction LLP	Enterprises over which non inpependent Director are able to exercise significant influence	-	0.95
8	**Consultancy Charges**			
	Shri B. K. Reddy	KMP	23.96	35.93
9	**CSR Activity**			
	Rajratan Foundataion	Enterprises over which KMP are able to exercise significant influence	29.50	22.25
10	**Sitting Fees**			
	(i) Shri Chandrashekhar Bobra	Independent Director upto 22.07.2019	-	0.50
	(ii) Shri Abhishek Dalmia	Non Independent Director	0.60	0.55
	(iii) Shri Surendra Singh Maru	Independent Director upto 22.07.2019	-	0.20
	(iv) Shri Shiv Singh Mehta	Independent Director	1.20	1.25
	(v) Shri Rajesh Mittal	Independent Director	1.20	0.60
	(vi) Smt. Aparna Sharma	Independent Director	1.20	0.90

(iv) Balances as at 31st March, 2020

(Rs. In lakhs)

	Particulars	Relationship	31.03.2021	31.03.2020
1	**Unsecured Loan**			
	(i) Shri Sunil Chordia	KMP	-	12
	(ii) Smt Sangita Chordia	Relatives of KMP	-	13
	(iii) Shri Yashowardhan Chordia	KMP	-	27
	(iv) Smt Mohini Chordia	KMP	-	16
	(v) Shri Purshottam Das Nagar	Non Independent Director (Up to 31/03/2019)	70	88
	(v) M/s Rajratan Resources Pvt Ltd	Enterprises Which KMP are able to exercise significant influence	-	28
	(vii) M/s Rajratan Investment Pvt. Ltd. (Formerly Rajratan Investment Ltd.)	Holding Co.	-	35
2	**Security Deposits**			
	(i) Smt. Sangita Chordia	Relatives of KMP	2	2
	(ii) Smt. Shantadevi Chordia/Shri Chandanmal Chordia	Relatives of KMP	2	2
3	**Trade Payable**			
	(i) M/s Semac Construction Technologies India LLP	Enterprises over which non inpependent Director are able to exercise significant influence	-	307

Notes annexed to and forming part of the Consolidated Financial statements

41 Related Parties Disclosures (contd)

(v) Compensation of Key Management Personnel

The remuneration of director and other member of Key Management personnel during the year was as follows:-

(Rs. in lakhs)

	2020-21	2019-20
(i) Short-term benefits	257	252
Total	**257**	**252**

Certain KMP's also participate in post employment benefits plans prepared by the Company. The amount in respect of these towards the KMP's cannot be segregated as these are based on actuarial valuation for all employees of the Company.

42 Contingent Liabilities And Commitments

42.1 Contingent Liabilities

(A) Claims against the Company/disputed liabilities not acknowledged as debts

Madhya Pradesh Paschim Khestra Vidhyut Vitran Company Ltd. (MPPKVVCL) has raised a supplementary bill on the Company for Rs. 226 lakhs for non-adjustment of solar units in Time Of Day (TOD) manner. The Company has not accepted the demand and is contesting the same. The case is sub-judice before Division Bench of MP High Court. Out of the aforesaid total demand raised, the Company has agreements with the suppliers of the solar power to reimburse Rs. 190 lakhs. The Company has deposited a sum of Rs. 160 lakhs with MPPKVVCL. The net net liability to the Company will be at the most Rs. 36 lakhs which has been charged to the Statement of Profit and Loss. The balance sum of Rs. 124 lakhs is classified as current asset.

(B) Guarantees

(Rs. in lakhs)

	31.03.2021	31.03.2020
(i) Guarantees issued by Bank extended to third parties and other Guarantees.	14	214
(ii) Standby Letter of Credit issued to M/s Rajratan Thai Wire Co. Ltd., Thailand (Wholly Owned Subsidiary) under Clean Credit facilities sanctioned to company by CitiBank NA.	USD 2.1 Mn	USD 2.1 Mn
(iii) Letter of Guarantees issued by local banks to Thailand	TBH 63.08 Mn	TBH 79.81 Mn

(C) Other Money for which the Company is contingently liable

(Rs. in lakhs)

	31.03.2021	31.03.2020
(i) Liability in respect of bills discounted with Banks (including third party bills discounting)	NIL	NIL

(ii) Appeals for which no provision is considered required as the company is hopeful of successful outcome in the appeals. There are uncertainties about the amount or timing of those outflows as it depend on completion of the appellate process. There is no assumption made and the amount is based on demand raised by the Departments.

Particulars	Financial year	(Rs. in lakhs)	Forum Where dispute is pending
VAT	2014-15	4	ACCT(A), Indore
Income Tax	2018-19	16	National Faceless Appeal Centre

42.2 Commitments

(Rs. in lakhs)

	31.03.2021	31.03.2020
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for: (Rs. in lakhs)	2,775	489

Notes annexed to and forming part of the Consolidated Financial statements

43 Promotional Privileges

I) The wholly owned subsidiary Rajratan Thai Wire Company Limited has been granted promotional privileges approved by the Board of Investment under the Investment Promotion Act 8.E.2520 for manufacturing TYRE BEAD WIRE (15775 MT per annum),vide their Certificate No.61-0026-1-00-'1-0 dated July 25,2017. The edit application for change in quantity lo 14,575 MT per annum is under consideration by BOI. subject to certain conditions, the main privileges include the following:

a) Permission to bring into the Kingdom,foreign nationals who are skilled workers or experts.

b) Permission to own land as approved by the Board.

c) Exemption from payment of import duties on machineries as approved by the Board.

d) Exemption from import for raw material and necessary materials needed to be import from overseas for using in production of products for export for the period of one year beginning from the first import.

e) Exemption from import duty for products imported by the promoted person for reexportation for the period of one year from the first import.

f) Permission to bring or remit money in foreign currency out of the Kingdom.

g) Exemption from payment of juristic person income tax for net profit derived from the promoted business with the total of not exceeding 100% of the investment fund excluding land and working capital for the period of eight years from the date the income is accrued to the said business.

h) Exemption from income tax on dividends paid from the profits of the promoted operations for which corporate income tax is exempted, throughout the corporate income tax exemption.

Company has started Commercial production w.e.f. November, 2017, which will be considered as reference date for calculation of Tax-Free Income from Promoted operations as per BOI Promotion Certificate No, 61-0026-1-00-1-0 dated Juty 25,2017 .

II) Previously the Company was granted prgmotional privileges approved by the Board of Investment under the Thai Investment Promotion Act B.E. 2520, for producing TYRE BEAD WIRE, under certificate No. 1080(2)/2550 dated January 26,2007. subject to certain imposed conditions, the main privileges include the following:

a) Permission to own land as approved by the Board.

b) Exemption from import duty on imported machinery for use in production as approved by Board.

c) Exemption from corporate income tax on net profits for a period of 7 years commencing as from the date of first earning operating income. The tax exempted shall not over 100% of the total investments excluded from cost of land and related working capital and the exemption is unable to apply to the income earned from selling of Tyre Bead Wire which has not been drawing or stretching.

d) Exemption from income tax on dividends paid from the profits of the promoted operations for which corporate income tax is exempted, throughout the corporate income tax exemption.

e) Exemption from import duty on essential raw materials and supplies imported for manufacturing products for export sale for a period of 1 year commencing as from the first date of importing of such materials.

Company had started Commercial production w.e.f. 1't June 2008 for Part Production Process and started Commercial Production w.e.f. 1't August 2008 for its Full Production Process, which will be considered as reference date for calculation of Tax-Free Income from Promoted operations as per BOI Promotion Certificate No. 1080(2)i2550 dated January 26,2007. The BOI privilege period for tax-free income from promoted operations ended on 31't July 2015.

44 Capital Management

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

a) Maintain financial strength to attain AAA ratings domestically and investment grade ratings internationally.

b) Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

c) Proactively manage group exposure in forex, interest and commodities to mitigate risk to earnings.

d) Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

Notes annexed to and forming part of the Consolidated Financial statements

44 Capital Management (contd)

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

The gearing ratio at end of the reporting period was as follows.

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Non-Current Liabilities (Other than DTL)	5,924	5,360
Current maturities of Long Term debts	1,274	926
Gross Debt	7,198	6,286
Cash and Cash Equivalents	270	14
Net Debt (A)	6,927	6,272
Total Equity (As per Balance Sheet) (B)	22,654	17,349
Gearing Ratio (A/B)	0.31	0.36

45 Financial Instruments

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

(a) The fair value of Forward Foreign Exchange contracts and is determind using forward exchange rates at the Balance Sheet date.

(b) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair Value measurement hierarchy:

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Financial Assets		
At Amortised Cost		
Trade Receivables	11,661	8,373
Cash and Bank Balances	750	309
Loans	186	305
Other Financial Assets	2	2
At FVTPL		
Investments	-	-
Financial Liabilities		
Borrowings	6,633	7,949
Trade Payables	4,911	4,032
Other Financial Liabilities	1,705	1,309

Foreign Currency Risk:

The following table shows foreign currency exposures in USD and EUR on financial instruments at the end of the reporting period.

The exposure to foreign currency for all other currencies are not material.

Foreign Currency Exposure

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
	USD	USD
FCNR (B) DL	16	-
Trade and Other Payables	1	12
Trade and Other receivables	(18)	(8)
Net Exposure	**(1)**	**4**

Notes annexed to and forming part of the Consolidated Financial statements

45 Financial Instruments (contd)

There are no measure transaction in other foreign currency.

The net exposures have natural hedges in the form of future foreign currency earnings and earnings linked to foreign currency for which the company may follow hedge accounting.

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges is as under:-

Foreign Currency Sensitivity

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
	USD	USD
1% Depreciation in Rs.		
Impact on P & L	(1)	3
Total	**(1)**	**3**
1% Appreciation in Rs.		
Impact on P & L	1	(3)
Total	**1**	**(3)**

Interest Rate Risk

The exposure of the company's borrowing and derivatives to interest rate changes at the end of the reporting period are as follows:-

Interest Rate Exposure

(Rs. in lakhs)

Particulars	As at 31st March-2021	As at 31st March-2020
Loans		
Long Term Floating Loan	5,924	5,357
Short Term Unsecured Loan	398	345
Short Term Loan	7,906	8,875
Total	**14,229**	**14,577**

Impact on Interest Expenses for the year on 1% change in Interest rate.

Interest rate Sensitivity

(Rs. in lakhs)

Particulars	As at 31st March-2021		As at 31st March-2020	
	Up Move	Down Move	Up Move	Down Move
Impact on P & L	142	142	142	142
Total Impact	**142**	**142**	**142**	**142**

Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw material. The company has a risk management framework aimed at prudently managing the risk arising from the volatility in raw material prices and freight costs.

The company's commodity risk is managed centrally through well-established trading operations and control processes. In accordance with the risk management policy, the Company carefully caliberates the timing and the quantity of purchase.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises mainly from the outstanding receivables from customers.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The credit ratings/market standing of the customers are evaluated on a regular basis.

Notes annexed to and forming part of the Consolidated Financial statements

45 Financial Instruments (contd)

Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities . The Company maintains adequate cash and cash equivalents alongwith the need based credit limits to meet the liquidity needs.

Hedge Accounting

The Company avails Foreign Currency Demand Loans from bank time to time to reduce the interest cost. The Company takes forward cover to hedge against the foreign currency risks. The amount of foreign currency risks and forward cover are as under:

(Rs. in lakhs)

Particulars	31-Mar-21	31-Mar-20
Foreign Currency Loan (USD)	16	-
Forward Cover (USD)	16	-

The forward cover was an effective hedge.

46 In accordance with Ind AS 108-'Operating Segments',The Group has identified 'Tyre Bead Wire' as the only reportable segment.

(Rs. in lakhs)

Revenue from External Customers	2020-21	2019-20
With in India	36,029	30,920
Outside India	18,625	17,101
Total	**54,654**	**48,021**

Details of Revenue from Singal Customer more than 10%

Revenues from 3 customers of bead wire segment amounting to Rs. 8,173 lakhs (Previous Year Rs. 7,161 lakhs), Rs. 6,756 lakhs (Previous Year 5,679 lakhs) and Rs. 6,326 lakhs (Previous Year Rs. 4,403 lakhs) each exceeding 10% of the total revenue of the company for FY 2020-21.

(Rs. in lakhs)

Particulars	2020-21	2019-20
(Other than financial instruments; Post Employment benefits; Deffered Tax Assets; and right arising under insurance contracts)		
With in India		
Property, Plant & Equipments	12,723	11,599
Capital Work in Progress	729	983
Security Deposits	183	122
Capital Advance	142	69
Outside India		
Property, Plant & Equipments	11,472	11,261
Capital Work in Progress	118	8
Security Deposits	3	1
Capital Advance	206	22
Total	**25,576**	**24,065**

Notes annexed to and forming part of the Consolidated Financial statements

47 Details of Subsidiary

The detail of information of subsidiaries required to be disclosed pursuant to clause (iv) of General Circular No.2/2011 dated 8th Februarty, 2011 issued by Government of India Ministry of Croporate Affairs, are as under:-

(Rs. in lakhs)

Name of Subsidiary	Rajratan Thai Wire Co. Ltd. 20-21	Rajratan Thai Wire Co. Ltd. 19-20
Paid Up Share Capital	7,254	5,983
Reserves and Surplus	2,001	427
Total Assets	17,662	15,575
Total Liabilities	17,662	15,575
Investments	-	-
Turnover	20,921	19,441
Profit Before Taxation	1,880	1,092
Provision for Tax (Current Tax)	263	54
Deferred Tax	-	44
Profit After Taxation	1,616	994
Proposed Dividend	-	-

The above figures of Rajratan Thai Wire Co. Ltd. have been translated from Thai Baht into Indian National Rupee using the following basis:-

The assets and liabilities, both monetary and non monetary at the closing rate which was 1 Thai Baht= Rs. 2.340043

Income and expenses at the average rate which was 1 Thai Baht= Rs. 2.391628083 Supplementary Information.

The detail of information of subsidiaries required to be disclosed pursuant to Schedule III of the Companies Act 2013, of enterprises consolidated as subsidiary

(Rs. in lakhs)

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Parent Indian								
Rajratan Global Wire Ltd., India	66.62	18,468	69.58	3,697	154.26	(11)	69.47	3,686
Subsidiary								
Foreign								
Rajratan Thai Wire Company Ltd. Thailand	33.38	9,255	30.42	1,616	(54.26)	4	30.53	1,620
Non controlling interest in all subsidiaries Associates (Investment as per equity method)	Nil		Nil		Nil		Nil	
Total		**27,723**		**5,313**		**(7)**		**5,306**

Notes annexed to and forming part of the Consolidated Financial statements

48 The research and development expenditure for the year ended March 2021 amounts to Rs. 73 lakhs (Previous Year Rs. 97 lakhs).

49 Goodwill

The erstwhile Wholly Owned Subsidiary M/s Cee Cee Engineering Industries Private Limited was merged vide oreder dated 16th January 2018 of the Hon'ble National Company Law Tribunal, Ahmedabad Bench on 1st April 2017 as the Appointed Date. As per the approved scheme all the assets and liabilities of the Wholly Owned Subsidiary appearing in the Balance Sheet as at 31st March 2017, drawn up as per IND AS, have been merged with the Holding Company as on 1st April 2017. The Goodwill on amalgamation is carried in the financial statements and is tested for impairment at each reporting date. No impairment has been recognised till date.

50 Subsidy

During the year, Madhya Pradesh Industrial Development Corporation Limited, a Government of Madhya Pradesh Undertaking, has approved a sum of Rs. 1,974 lakhs as Investment Promition Assistance against eligible investment of Rs. 5,235 lakhs. The toal assistance is to be spread over a period of seven years, subject to compliance with the terms and conditions.

Out of the above sum of Rs. 1,974 lakhs, the State Level Empowered Committee (SLEC) has sanctioned a sum of Rs. 282 lakhs as Investment Promotion Assistance (IPA) under the Investment Promotion (IPA) Scheme of Government of Madhya Pradesh. The same has been reduced from the carrying cost of the eligible assets (Plant & Machinery and Factory Building on prorata basis) and such reduced cost of the assets are depreciated over their useful lives.

51 Estimation of uncertainties relating to the global health pandemic COVID-19

The Company has been regularly assessing the market conditions as most of its customers being primarily into manufacturing tyres for two wheelers, passenger cars and other transport vehicles and being vulnerable to a disruption in supply chain and demand erosion. The Company has considered such impact to the extent known and available. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

The leases that the Company entered with lessors towards properties used as industrial land are long-term in nature and no significant changes in the terms of those leases are expected due to the COVID-19. Other leases for office premises are for the short-term and not involving any material amounts.

52 Proposed Dividend

The Board of Directors have proposed a dividend of Rs. 8/- per share to the equity shareholders of the Company. The cumulative amount would be Rs. 812 lakhs

53 Approval of Financial Statements

The consolidated financial statements were approved for issue by the Board of Directors of parent Company in it's meeting held on 24th April , 2021.

As per our Audit Report of even dated
FOR D S MULCHANDANI & Co.
CHARTERED ACCOUNTANTS
FRN: 021781C

FOR AND ON BEHALF OF BOARD
RAJRATAN GLOBAL WIRE LIMITED

(CA. DEEPAK S MULCHANDANI)
PROPRIETOR
M. No. 404709

(SUNIL CHORDIA)
CHAIRMAN & MANAGING DIRECTOR
DIN:00144786

(SHIV SINGH MEHTA)
DIRECTOR
DIN:00023523

INDORE
Dated:24th April, 2021

(SHUBHAM JAIN)
COMPANY SECRETARY

(HITESH JAIN)
CHIEF FINANCIAL OFFICER

Notes

Notes

Notes

Corporate Information

Rajratan India

Board of Directors

Mr. S. S. Mehta	Director
Mr. Abhishek Dalmia	Director
Mr. Rajesh Mittal	Director
Mrs. Aparna Sharma	Director
Mr. Yashovardhan Chordia	Director
Mr. Sunil Chordia	Chairman & Managing Director

Auditors

M/s D.S. Mulchandani & Co.
Chartered Accountants, Indore

Chief Financial Officer

Mr. Hitesh Jain

Company Secretary

CS Shubham Jain

Rajratan Thailand

Board of Directors

Mr. Rajesh Mittal	Director
Mr. Sunil Chordia	Director
Mr. B. K. Reddy	Director
Mr. Yashovardhan Chordia	Executive Director
Mrs. Mohini Chordia	Executive Director

Auditors

B1, Auditing Group Co. Ltd. Thailand

RAJRATAN

OUTPERFORM