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

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.

Notes annexed to and forming part of the standalone Financial statements

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:

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 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 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	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

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
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	As at 31st March-2020
	USD	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