

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

1. CORPORATE INFORMATION

Ramco Industries Limited is a Public Limited Company domiciled and headquartered in India and incorporated under the provisions of Companies Act 1956. The Registered office of the Company is located at No. 47 P.S.K Nagar, Rajapalayam - 626 108, Tamilnadu and corporate office of the company is located at "Auras corporate centre", VI Floor, 98A- Dr. Radhakrishnan Road, Mylapore, Chennai - 600 004, Tamil Nadu. The Company's shares are listed in BSE Limited and NSE Limited.

The Company is engaged in manufacture of Fiber Cement (FC) sheets and Calcium Silicate Boards (CSBs). The Company's segments are building products, Textiles and power generation from wind mills. The Company caters mainly to the domestic markets. The Company is also engaged in sale of surplus electricity generated from its windmills after meeting its captive requirements.

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in their meeting dated 24.05.2021

2. BASIS OF PREPARATION OF SEPARATE FINANCIAL STATEMENTS

- 2.1 The Company has prepared its financial statements in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time.
- 2.2 The significant accounting policies used in preparing the financial statements are set out in Note No.4
- 2.3 The Company has considered its operating cycle to be 12 months for the purpose of Current or Non-current classification of assets and liabilities.
- 2.4 An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle or held primarily for the purpose of trading or expected to be realised within 12 months after the reporting period or cash or cash equivalents unless restricted from being exchanged or used to settle a liability 12 months after the reporting period. All other assets are classified as non-current.
- 2.5 A liability is classified as current when it is expected to be settled in normal operating cycle or held primarily for the purpose of trading or due for settlement within 12 months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.
- 2.6 The financial statements are presented in Indian Rupees rounded off to the nearest Lakhs with two decimals. The amount below the round off norm adopted by the Company is denoted as ₹ 0.00 Lakhs.

3. BASIS OF MEASUREMENT

The financial statements have been prepared on accrual basis under historical cost convention except for certain financial instruments (Refer Note 4.18 - Accounting Policy for Financial Instruments) and defined benefit plan assets which are measured at fair value.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Inventories

- 4.1.1 Raw-materials, Stores & Spares, Fuel, Packing materials etc., are valued at cost, computed on a moving weighted average basis including the cost incurred in bringing the inventories to their present location and condition after providing for obsolescence and other losses or net realisable value whichever is lower. Inventories are usually written down to net realisable value, if the finished products, in which they will be used, are expected to be sold below cost. However, the inventories are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost.
- 4.1.2 Process stock is valued at moving weighted average cost including the cost of conversion with systematic allocation of production overheads, or net realisable value whichever is lower. Factory administration overheads to the extent attributable to bring the inventories to their present location and condition are also included in the valuation of Process stock.
- 4.1.3 Finished goods are valued at cost or net realisable value whichever is lower. Cost includes cost of conversion and other costs incurred in bringing the inventory to their present location and condition. Finished goods include stock-in-trade also which comprises cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.2 Cash Flow Statement

- 4.2.1 Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.
- 4.2.2 Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash.
- 4.2.3 Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

4.3 Dividend distribution to Equity shareholders

Final dividend distribution to shareholders is recognised in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend together with applicable taxes (If any) is recognised directly in Equity.

4.4 Income Taxes

- 4.4.1 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates, the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- 4.4.2 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the "MAT Credit Entitlement" at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period.
- 4.4.3 Current tax assets and liabilities are offset, when the Company has legally enforceable right to set off the recognised amounts and intends to settle the asset and the liability on a net basis.
- 4.4.4 Deferred tax is recognised using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.
- 4.4.5 Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year where the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- 4.4.6 Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the Company has legally enforceable right to set off current tax assets against current tax liabilities.
- 4.4.7 Both current tax and deferred tax relating to items recognised outside the Profit or Loss is recognised either in "Other Comprehensive Income" or directly in "Equity" as the case may be.

4.5 Property, Plant and Equipments (PPE)

- 4.5.1. PPEs are stated at cost of acquisition or construction (net of GST wherever eligible and applicable) less accumulated depreciation / amortisation and impairment losses if any, except freehold land which is carried at cost. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

The company identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. When each major inspection/overhauling is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/overhauling (as distinct from physical parts) is de-recognised.

Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria in accordance with Ind AS 16 are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Capital Expenditure on tangible assets for research and development is classified as PPE and is depreciated based on the estimated useful life. Other expenditure incurred for research and development are expensed under the respective heads of accounts in the year in which it is incurred.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.5.2 The Company follows the useful lives of the significant parts of certain class of PPE on best estimate basis upon technical advice, as detailed below, that are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013:

Asset type	Useful life ranging from
Buildings	3 to 60 years
Plant and Machinery	5 to 25 years
Windmills	5 to 25 years

4.5.3 PPE acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash transaction. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

4.5.4 PPEs are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such assets, are recognised in the Statement of Profit and Loss. Amount received towards PPE that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

4.5.5 Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value or any value whichever is less.

4.5.6 Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold.

4.5.7 The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

Capital Work in progress

4.5.8 Capital work in progress includes cost of property, plant and equipment under installation, under development including related expenses and attributable interest as at the reporting date

4.5.9 Advances given towards acquisition / construction of PPE, outstanding as at the reporting date are disclosed as 'Capital Advances' under 'Other Non-Current Assets'

4.6 Leases

4.6.1 The Company has adopted Ind AS 116 with effect from 01-04-2019 using the Modified Retrospective Approach and accordingly the comparative figures for the previous figures has not been restated and continue to be reported under Ind AS 17.

4.6.2 Ind AS 116 requires lessees to account for all leases under a single on-balance sheet model. The Company, as a lessee, upon transition to Ind AS 116, elected to measure the lease liability for all leases whose non-cancellable leases is more than 12 months, at the present value of remaining lease payments discounted using the incremental borrowing rate at the date of initial application and recognise the right-of-use asset at an amount equal to the lease liability, adjusted for prepaid lease payments recognised in the balance immediately before the date of initial application.

4.6.3 The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date whether fulfilment of arrangement is dependent on the use of an underlying asset and the arrangement conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

4.6.4 The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- 4.6.5 The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.
- 4.6.6 The estimated useful lives of right-of-use assets are determined on the same basis as those of Property Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.
- 4.6.7 The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, Plant and Equipment' and Lease liabilities in 'Financial Liabilities' in the Balance sheet.
- 4.6.8 The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a Lessor

- 4.6.9 The lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease. Operating lease receipts are recognised in the Statement of Profit and Loss on straight line basis over the lease terms except where the payments are structured to increase in line with the general inflation to compensate for the expected inflationary cost increases. The Company do not have any finance leases arrangements.

4.7 Revenue Recognition

- 4.7.1 Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

4.7.2 Revenue from Operations

The Company has adopted Ind AS 115 with effect from 01.04.2018 (i.e) from the date on which it become effective.

Sale of products

Revenue is recognised at the fair value of consideration received or receivable upon transfer of significant risks and rewards of ownership of goods which coincides with the delivery of goods. It comprises of invoice value of goods after deducting discounts, volume rebates and applicable taxes on sale including GST. The company provides discounts to customers on achievement of the performance criteria based on agreed terms and conditions. The company do not have any non-cash consideration.

Project Revenue recognition

Contract revenue from Project activity on fixed price contracts is recognized when the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using percentage of completion method. Percentage of completion is determined based on work certified by the customer.

Power generated from Windmills

Power generated from windmills that are covered under wheeling & banking arrangement with TANGEDCO/ BESCOM/PGVCL are consumed at factories and unutilized units are sold to concerned distribution companies. The monetary values of such power generated that are captively consumed are not recognised as revenue for the company.

Power generated from windmills that are covered under power purchase agreement with TANGEDCO /BESCOM/ PGVCL are sold to State Electricity Boards at the rate fixed by respective State Electricity Regulatory Commissions and the income is recognised as Sale of surplus power generated from windmills

Scrap sale

Scrap sale is recognised at the fair value of consideration received or receivable upon transfer of significant risk and rewards.

Industrial Promotion Assistance

This being in the nature of Government grants, which are recognised at fair value when the Company's right to receive the same is established with reasonable assurance.

4.7.3 Other Income

- a. Dividend income is recognised when the Company's right to receive dividend is established.
- b. Rental income from lease on investment properties is recognised on a straight line basis over the term of the relevant lease
- c. Value of Carbon credits are recognised when the Company's right to receive the same is established.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**4.8 Employee Benefits**

- 4.8.1 Short-term employee benefits viz., Salaries and Wages are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- 4.8.2 Defined Contribution Plan viz., Contributions to Provident Fund and Superannuation Fund are recognized as an expense in the Statement of Profit and Loss for the year in which the employees have rendered services.
- 4.8.3 The Company contributes monthly to Employees' Provident Fund & Employees' Pension Fund administered by the Employees' Provident Fund Organisation, Government of India, at 12% of employee's basic salary. The Company has no further obligations.
- 4.8.4 The Company also contributes for superannuation a sum equivalent to 15% of the eligible officer's annual basic salary. The company is being remitted contribution for superannuation subject to maximum of ₹ 1.5 Lakhs per annum to Ramco Industries Limited Officer's Superannuation Fund administered by trustees and managed by LIC of India. The balance amount if any is paid as salary to the employees. There are no further obligations in respect of the above contribution plan.
- 4.8.5 The Company has its own Defined Benefit Plan viz., an approved Gratuity Fund. It is in the form of lump sum payments to vested employees on resignation, retirement, death while in employment or on termination of employment, for an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of continuous service. The Company makes annual contributions to "Ramco Industries Limited Employees' Gratuity Fund" administered by trustees and managed by LIC of India, based on the Actuarial Valuation by an independent external Actuary as at the Balance Sheet date using Projected Unit Credit method.
- 4.8.6 The Company provides for expenses towards compensated absences provided to its employees. The expense is recognized at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance Sheet date, using Projected Unit Credit method.
- 4.8.7 Remeasurement of net defined benefit asset / liability comprising of actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to other comprehensive income in the period in which they arise and immediately transferred to retained earnings. Other costs are accounted in the Statement of Profit and Loss.

4.9 Government Grants

- 4.9.1 In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets".
- 4.9.2 Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under "Other Financial Assets".

4.10 Foreign currency transactions

- 4.10.1 The financial statements are presented in Indian Rupees, which is also the Company's functional currency.
- 4.10.2 All transactions in foreign currency are recorded on initial recognition at their functional currency exchange rates prevailing on that date.
- 4.10.3 Monetary assets and liabilities in foreign currencies outstanding at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.
- 4.10.4 Non-monetary items which are carried at historical cost denominated at functional currency are reported using the exchange rates at the date of transaction.

Foreign Branch Operations

Income and expenditure transactions are translated to functional currency using monthly moving average exchange rate.

Monetary assets and liabilities of foreign branch as at the reporting date are translated to the functional currency at the exchange rates prevailing on the reporting date and the resultant gains or losses are recognised during the year in the Statement of Profit and Loss.

Non-monetary items of foreign branch are carried at historical cost denominated at functional currency and are reported using the exchange rates at the transaction date.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.11 Borrowing Costs

4.11.1 Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

4.11.2 Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the general borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing cost eligible for capitalisation on that asset is determined as the actual borrowing costs incurred on that borrowing during the period less any income on the temporary investment of those borrowings. The amount of borrowing cost that the Company capitalises does not exceed the amount of borrowing cost incurred during that period. All other borrowings cost is expensed in the period in which they occur.

4.12 Earnings per Share

4.12.1 Net profit after tax is divided by the weighted average number of equity shares including un-allotted bonus shares outstanding if any, during the year.

4.12.2 Where an item of income or expense which is otherwise required to be recognised in the Statement of Profit and Loss is debited or credited to Equity, the amount in respect thereof is suitably adjusted in Net profit for the purpose of computing Earnings per share.

4.12.3 The Company do not have any potential equity shares.

4.13 Impairment of Non-Financial Assets

4.13.1 The carrying values of assets include property, plant and equipment, investment properties, cash generating units and intangible assets are reviewed for impairment at each Balance Sheet date, if there is any indication of impairment based on internal and external factors.

4.13.2 Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.

4.13.3 An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

4.13.4 An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

4.14 Provisions, Contingent Liabilities and Contingent Assets

4.14.1 Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits in respect of which a reliable estimate can be made.

4.14.2 Provisions are discounted if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

4.14.3 Insurance claims are accounted on the basis of claims admitted or expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection. Any subsequent change in the recoverability is provided for. Contingent Assets are not recognised.

4.14.4 Contingent liability is a possible obligation that may arise from past events and its existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the same are not recognised but disclosed in the financial statements.

4.15 Intangible Assets

4.15.1 The costs of computer software acquired and its subsequent improvements are capitalised. Internally generated software is not capitalized and the expenditure is recognized in the Statement of Profit and Loss in the year in which the expenditure is incurred.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.15.2 Intangible Assets are amortised over their estimated useful life on straight line method. The estimated useful lives of intangible assets are assessed by the internal technical team. Its accounting classification is given below:

Nature of Intangible assets	Estimated useful life
Computer software	5 years
Amortisation of Intangible assets	Accounting classification
Computer software	Depreciation & Amortisation

4.15.3 The intangible assets that are under development phase are carried at cost including related expenses and attributable interest, and are recognised as Intangible assets under development.

4.15.4 The residual values, useful lives and methods of depreciation of intangible asset are reviewed at each reporting date and adjusted prospectively, if appropriate.

4.16 Investment Properties

4.16.1 An investment in land or buildings both furnished and unfurnished, which are held for earning rentals or capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business, are classified as investment properties.

4.16.2 Investment properties are stated at cost, net of accumulated depreciation and impairment loss, if any except freehold land which is carried at cost.

4.16.3 The company identifies the significant parts of investment properties separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives determined on best estimate basis upon technical advice. The cost of replacement of significant parts are capitalised and the carrying amount of replaced parts are de-recognised. Other expenses including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalisation criteria, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

4.16.4 Depreciation on investment properties are calculated on straight-line method based on useful life of the significant components.

Asset type	Useful life ranging from
Buildings under Investment properties	60 years

4.16.5 Investment properties are eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from disposal, measured as the difference between the net disposal proceeds and the carrying amount of such investment properties, are recognised in the Statement of Profit and Loss. Amount received towards investment properties that are impaired and derecognized in the financial statements, are recognized in Statement of Profit and Loss, when the recognition criteria are met.

4.16.6 The residual values, useful lives and methods of depreciation of investment properties are reviewed at each reporting date and adjusted prospectively, if appropriate.

4.17 Operating Segments

Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker.

The Company has three operating/reportable segments viz. building products, textile and wind power generation.

The inter-segment transfers of units of power from windmills are recognized at the applicable tariff rates of the electricity boards for the purpose of segment reporting as per the relevant accounting standard.

Costs are allocated to the respective segment based upon the actual incidence of respective cost. Unallocated items include general other income and expenses which are not allocated to any business segment.

4.18 Financial Instruments

4.18.1 A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.18.2 Financial assets and liabilities are offset and the net amount is presented in the Balance sheet when and only when the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

4.18.3 The Company initially determines the classification of financial assets and liabilities. After initial recognition, no re-classification is made for financial assets which are categorised as equity instruments at FVTOCI and financial assets / liabilities that are specifically designated as FVTPL. However, other financial assets are re-classifiable when there is a change in the business model of the Company. When the Company reclassifies the financial assets, such reclassifications are done prospectively from the first day of the immediately next reporting period. The Company does not restate any previously recognised gains, losses including impairment gains or losses or interest.

Financial Assets

4.18.4 Financial assets comprises of investments in equity and mutual funds, trade receivables, cash and cash equivalents and other financial assets.

4.18.5 Investment in equity instrument and mutual funds are recognised based on the date of contract note where the transaction is entered through stock exchanges and based on date of allotment in respect of others.

4.18.6 Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:

- a) Amortised cost; or
- b) Fair value through other comprehensive income (FVTOCI); or
- c) Fair value through profit or loss (FVTPL)

Amortised cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.

4.18.7 The Company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets. Accordingly, financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Business Model
Amortised cost	The objective of the Company is to hold and collect the contractual cash flows till maturity. In other words, the Company do not intend to sell the instrument before its contractual maturity to realise its fair value changes.
FVTOCI	The objective of the Company is to collect its contractual cash flows and selling financial assets.

Investment in equity of subsidiary and associates are carried at cost (i.e) previous GAAP carrying amount as the date of transition to Ind AS. The Company has exercised an irrevocable option at time of initial recognition to measure the changes in fair value of other equity investments at FVTOCI. Accordingly, the Company classifies its financial assets for measurement as below:

Classification	Name of Financial Assets
Amortised cost	Trade receivables, Loans and advances to subsidiary company, employees and related parties, deposits, IPA receivable, interest receivable, unbilled revenue and other advances recoverable in cash or kind.
FVTOCI	Equity investments in companies other than Subsidiary & Associate as an option exercised at the time of initial recognition.
FVTPL	Investments in mutual funds, forward exchange contracts.

4.18.8 Financial assets are derecognised (i.e) removed from the financial statements, when its contractual rights to the cash flows expire or upon transfer of the said assets. The Company also derecognises when it has an obligation to adjust the cash flows arising from the financial asset with third party and either upon transfer of:

- a. significant risk and rewards of the financial asset, or
- b. control of the financial asset

However, the Company continue to recognise the transferred financial asset and its associated liability to the extent of its continuing involvement, which are measured on the basis of retainment of its rights and obligations of financial asset. The Company has applied the de-recognition requirements prospectively.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- 4.18.9 Upon derecognition of its financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognised in the Statement of Profit and Loss.
- 4.18.10 For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Name of Financial asset	Impairment testing methodology
Trade receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other Financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

- 4.18.11 Financial liabilities comprises of Borrowings from Banks, Trade payables, Derivative financial instruments, Financial guarantee obligation and other financial liabilities.
- 4.18.12 The Company measures its financial liabilities as below:

Measurement basis	Name of Financial liabilities
Amortised cost	Borrowings, Debentures, Trade payables, Interest accrued, Unclaimed / Disputed dividends, Security deposits and other financial liabilities not for trading,
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

- 4.18.13 Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Transaction cost of financial guarantee contracts that are directly attributable to the issuance of the guarantee are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.
- 4.18.14 Financial liabilities are derecognised when and only when it is extinguished (i.e) when the obligation specified in the contract is discharged or cancelled or expired.
- 4.18.15 Upon derecognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognised in the Statement of Profit and Loss.

4.19 Fair value measurement

- 4.19.1 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.
- 4.19.2 The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.19.3 All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.

4.19.4 For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

4.19.5 For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

4.19.6 The basis for fair value determination for measurement and / or disclosure purposes is detailed below:

Investments in Equity / Mutual Funds

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

Trade and other receivables

The fair value is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets.

Forward exchange contracts

The fair value of forward exchange contracts is based on the quoted price if available; otherwise it is estimated by discounting the difference between contractual forward price and current forward price for the residual maturity of the contract using government bond rates.

Non-derivative financial liabilities

The fair value of non-derivative financial liabilities viz, soft loan from government, deferred sales tax liability, borrowings are determined for disclosure purposes calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Financial guarantee obligation

The fair value of financial guarantee obligation with reference to loan availed by subsidiary/associates is determined on the basis of estimated cost involved in securing equivalent size of the guarantees from bank.

Investment Properties

The fair value is determined for disclosure purposes based on an annual evaluation performed by an internal technical team measured using the technique of quoted prices for similar assets in the active markets and further moderated by market corroborated inputs.

5. SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision or future periods, if the revision affects both current and future years.

Accordingly, the management has applied the following estimates / assumptions / judgements in preparation and presentation of financial statements:

Property, Plant and Equipment, Intangible Assets and Investment Properties

The residual values and estimated useful life of PPEs, Intangible Assets and Investment Properties are assessed by technical team duly reviewed by the management at each reporting date. Wherever the management believes that the assigned useful life and

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

residual value are appropriate, such recommendations are accepted and adopted for computation of depreciation/amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Revenue Recognition

Significant management judgement is exercised in determining the transaction price and discounts to customer which is based on market factors namely demand and supply. The Company offers credit period to customers for which there is no financing component.

Current Taxes

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Asset (Including MAT Credit Entitlement)

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Contingent Liabilities

Management judgement is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Impairment of Trade receivables

The impairment for financial assets are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE/Intangible Assets/Investment Properties)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Provisions

The timing of recognition requires application of judgement to existing facts and circumstances that may be subject to change. The litigations and claims to which the company is exposed are assessed by the management and in certain cases with the support of external experts. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

Defined Benefit Plans and Other long term benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value the inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Impairment of Investments in Subsidiaries / Associates

Significant management judgement is exercised in determining whether the investment in subsidiaries / associates are impaired or not is on the basis of its nature of long term strategic investments and business projections.

Interests in other entities

Significant management judgement is exercised in determining the interests in other entities. The management believes that wherever there is significant influence over certain companies belong to its group, such companies are treated as Associate companies even though it holds less than 20% of the voting rights.



NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in Lakhs

6. PROPERTY PLANT & EQUIPMENT

Particulars	YEAR	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK		
		As At 01-APR-2020	Additions	Withdrawals/ Adjustments	As At 31-MAR-2021	As At 01-APR-2020	For the year 2020-21	Withdrawals/ Adjustments	As At 31-MAR-2021	As At 01-APR-2020
LAND - FREEHOLD	2020-21	2,259.10	-	-	2,259.10	-	-	-	2,259.10	2,259.10
	2019-20	2,255.59	2.50	(1.01)	2,259.10	-	-	-	2,259.10	2,255.59
LAND - LEASE HOLD	2020-21	1,583.89	-	(184.54)	1,583.89	210.74	0.06	232.35	1,351.54	1,373.15
	2019-20	1,399.35	-	(184.54)	1,583.89	108.42	19.89	(82.43)	210.74	1,290.93
BUILDINGS	2020-21	17,353.85	546.55	56.10	17,844.30	5,869.27	435.21	22.24	6,282.24	11,484.58
	2019-20	17,004.51	404.16	54.82	17,353.85	5,469.22	425.80	25.75	5,869.27	11,484.58
RAILWAY SIDINGS	2020-21	20.68	-	-	20.68	19.65	-	-	19.65	1.03
	2019-20	20.68	-	-	20.68	19.65	-	-	19.65	1.03
PLANT & MACHINERY	2020-21	53,715.42	3,495.50	2,701.27	54,509.65	29,335.34	1,452.01	2,022.96	28,764.39	25,745.26
	2019-20	50,499.45	4,134.53	918.56	53,715.42	28,696.45	1,304.66	665.77	29,335.34	24,380.08
ELECTRICAL MACHINERY	2020-21	8,459.54	259.59	34.90	8,684.23	5,046.87	574.60	30.86	5,590.61	3,412.67
	2019-20	7,940.18	502.95	(16.41)	8,459.54	4,509.46	546.77	9.36	5,046.87	3,430.72
FURNITURE	2020-21	359.51	6.60	40.71	325.40	221.83	25.96	37.24	210.55	114.85
	2019-20	338.07	21.48	0.04	359.51	196.78	25.07	0.02	221.83	137.68
OFFICE EQUIPMENTS	2020-21	135.76	38.22	4.83	169.15	86.94	15.41	4.63	97.72	71.43
	2019-20	115.04	20.72	-	135.76	70.92	16.03	0.01	86.94	44.12
VEHICLES	2020-21	458.17	24.78	46.63	436.32	323.07	26.74	31.92	317.89	118.43
	2019-20	479.48	19.98	41.29	458.17	329.77	32.42	39.12	323.07	149.71
TOTAL TANGIBLE ASSETS	2020-21	84,345.92	4,371.24	2,884.44	85,832.72	41,113.71	2,551.60	2,149.91	41,515.40	44,317.32
	2019-20	80,052.35	5,106.32	812.75	84,345.92	39,400.67	2,370.64	657.60	41,113.71	40,651.68

CAPITAL WORK-IN-PROGRESS

CAPITAL WORK-IN-PROGRESS	2020-21	1,877.88	5,901.62	4,371.24	3,408.26	-	-	-	3,408.26	1,877.88
	2019-20	91.21	6,995.17	5,208.50	1,877.88	-	-	-	1,877.88	91.21

INTANGIBLE ASSETS

COMPUTER SOFTWARE	2020-21	1,218.49	-	-	1,218.49	643.45	210.11	-	853.56	364.93
	2019-20	1,187.26	102.18	70.95	1,218.49	436.65	206.62	(0.18)	643.45	750.61
TOTAL INTANGIBLE ASSETS	2020-21	1,218.49	-	-	1,218.49	643.45	210.11	-	853.56	364.93
	2019-20	1,187.26	102.18	70.95	1,218.49	436.65	206.62	(0.18)	643.45	750.61

Note: The carrying amount of movable fixed assets of the company have been hypothecated by the way of pari passu first charge as security for Long Term Borrowings.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	As at 31.03.2021 ₹ In Lakhs	As at 31.03.2020 ₹ In Lakhs
7. INVESTMENT PROPERTY		
Gross Block		
As at the beginning of the year	283.33	283.33
Add: Additions during the year	-	-
Less: Sold during the year	-	-
As at the end of the year	<u>283.33</u>	<u>283.33</u>
Depreciation and impairment		
As at the beginning of the year	218.17	216.98
Add: Additions during the year	-	-
Less: Sold during the year	-	-
Add: Depreciation during the year	1.19	1.19
As at the end of the year	<u>219.36</u>	<u>218.17</u>
Net Block		
As at the end of the year	63.97	65.16
Information regarding income and expenditure of Investment property		
Rental Income from Investment Properties	23.08	27.20
Direct Operating Expenses	12.33	12.33
Profit arising from Investment Properties before Depreciation and indirect expenses	10.75	14.87
Less: Depreciation	1.19	1.19
Profit arising from Investment Properties	9.56	13.68
Fair Value of Investment property	283.33	283.33

- a. The Company's investment property consists of a commercial property at Chennai (Tamilnadu) and Pipe plant Building at Maksi(Madhya Pradesh).
- b. The Company has no restrictions on the disposal of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- c. The fair valuation of these investment properties are determined by an internal technical team, measured using the technique of quoted prices for similar assets in the active markets and further moderated by market corroborated inputs. In the current financials, the fair value of the investment property approximates to the historical cost at which it is carried.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

8. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

₹ in Lakhs

	Name of the Company	Face Value per share ₹	As at 31-03-2021		As at 31-03-2020	
			Number	Amount	Number	Amount
A.	Quoted Investment - Fully paid Equity shares					
	The Ramco Cements Limited	1	4,99,00,245	10,777.56	4,95,89,420	7,809.63
	Rajapalayam Mills Limited	10	1,27,360	61.79	1,27,360	61.79
	Ramco Systems Limited	10	54,67,376	13,216.19	54,67,376	13,216.19
	Sub-Total (A)			24,055.54		21,087.61
	Unquoted Investment - Fully paid Equity shares					
	Associate Companies					
	Ramco Industrial and Technology Services Ltd	10	50,000	5.00	50,000	5.00
	Madurai Trans carrier Ltd	1	3,09,00,000	309.00	3,09,00,000	309.00
	Lynks Logistics Limited	1	28,52,84,587	2,852.85	17,69,00,000	1,769.00
	Sub-Total			3,166.85		2,083.00
	Subsidiaries					
	Sudharsanam Investments Limited	10	42,50,000	425.00	42,50,000	425.00
	Sri Ramco Lanka (Private) Ltd, Srilanka	SLR 10	2,30,00,000	1,365.32	2,30,00,000	1,365.32
	Sri Ramco roofings Lanka (Private) Ltd, Srilanka	SLR 10	12,90,000	54.27	12,90,000	54.27
	Sub-Total			1,844.59		1,844.59
	Sub-Total (B)			5,011.44		3,927.59
	Total Investments in Subsidiaries and Associates C= (A+B)			29,066.98		25,015.20
	Aggregate Market Value of Quoted Investments			5,30,136.87		2,58,963.60
B.	Other Investment					
	Quoted Investment - Fully paid Equity shares (designated at FVTOCI)					
	Indian Bank	10	1,391	1.61	1,391	0.60
	HDFC Limited	2	1,79,200	4,476.60	1,79,200	2,926.52
	HDFC Bank Limited	1	11,000	164.30	11,000	94.81
	Sub-Total (A)			4,642.51		3,021.93
	Investments in Mutual Funds (measured at FVTPL)					
	HDFC Mutual Fund	10	2,40,419	30.50	2,40,419	20.51
	Sub-Total (B)			30.50		20.51
	Unquoted Investment - Fully paid Equity shares					
	ARS Energy Private Limited	1	-	-	3,850	0.39
	Sub-Total (C)			-		0.39
C.	Other Non-Current Investments, Non-Trade - Unquoted					
	Ramco Industries Employees Co-op Stores Limited		2,500	0.02	2,500	0.02
	Sub-Total (D)			0.02		0.02
	Total Other Investments (A+B+C+D)			4,673.03		3,042.85

- The Company has accounted investments in Subsidiaries and Associates at Cost.
- The carrying amount of Investment in Subsidiaries / Associates is tested for impairment in accordance with Ind AS 36. These investments are strategic and long term in nature. Hence considering the long term prospects, no impairment is considered necessary as at the reporting date.
- During the year, the company invested ₹ 2967.93 lakhs (3,10,825 equity shares) in The Ramco Cements Limited.
- During the year, the Company has made strategic investments in equity shares of Lynks Logistics Limited for ₹ 1083.85 Lakhs (10,83,84,587 Equity shares). The investee company have proposed to apply this funds for expansion of their business.
- During the year, the company applied for 21227 equity shares in the rights issue of Rajapalayam Mills ltd during March 2021 and the allotment is pending as on 31.03.2021.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	As at 31.03.2021 ₹ In Lakhs	As at 31.03.2020 ₹ In Lakhs
9. LOANS AND OTHER FINANCIAL ASSETS [Non Current]		
Loan given to related parties - Considered good	217.78	331.77
Security deposit with Electricity Board	742.09	767.19
	<u>959.87</u>	<u>1,098.96</u>

Loan given to related party represents loan given to our wholly owned subsidiary company, M/s.Sudharsanam Investments Ltd - ₹ 217.78 lakhs [PY: ₹ 281.77 lakhs] and loan given to M/s. Raja Charity Trust, an associate entity - NIL [PY: ₹ 50 lakhs]

10. OTHER NON CURRENT ASSETS

Secured and considered good		
Advances towards Capital goods	312.32	494.54
Advances to Others	1.10	17.77
	<u>313.42</u>	<u>512.31</u>

11 INVENTORIES

Raw materials	18,946.24	15,813.64
Raw Materials in Transit	3,253.06	2,906.42
Work-in-progress	2,924.10	2,497.56
Finished goods	7,187.16	9,397.94
Stores and spares	1,092.08	1,088.29
Asset held for Sale	1.27	6.42
	<u>33,403.91</u>	<u>31,710.27</u>

a. Inventories are valued as per company's accounting policy. [Note No. 4.1 of accounting policies]

b. The total carrying cost of inventories as at the reporting date has been hypothecated as security for Short term Borrowings.

c. A Flat at Indore purchased in 1997 was held for sale, sold during the year. During the year, some of the assets with book value of ₹ 17.28 lakhs are impaired and the loss of impairment of ₹ 16.01 is accounted.

d. Losses due to decrease in net realisable value of Raw material recognised is NIL [PY ₹ 123.28 lakhs].

12. TRADE RECEIVABLES [Current]

Trade receivables, considered good - Unsecured	8,292.24	7,357.52
Trade receivables, which have significant increase in Credit Risk	438.27	468.23
Trade receivables, provision for Credit Risk	(438.27)	(468.23)
Trade receivables, considered good -unsecured - Related Parties	600.60	460.68
	<u>8,892.84</u>	<u>7,818.20</u>

a. Trade receivables are non-interest bearing and are generally on terms of 30 to 45 days.

b. No trade receivable are due from directors or other officers of the company either severally or jointly with any other person.

c. Trade receivable from related parties represents of Royalty receivable from our subsidiaries ₹ 600.07 lakhs [PY: ₹ 428.85 lakhs] and receivables from Associate Companies ₹ 0.53 lakhs [PY: ₹ 31.83 lakhs]. These dues are not more than 6 months.

d. The total carrying amount of trade receivables has been hypothecated as security for Short term Borrowings.

13. CASH AND CASH EQUIVALENTS

Cash on Hand	3.38	5.03
Balance With Bank Current account	591.59	1,602.88
Margin Money	88.77	86.49
Balance with Bank - Unpaid Dividend Warrant Account	76.73	11.61
	<u>760.47</u>	<u>1,706.01</u>

Refer Note 45 for information about risk profile of Cash and Cash equivalents under Financial Risk Management.

TDS on Dividend paid included in Unpaid Warrant Account and it is paid on due date.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	As at 31.03.2021 ₹ In Lakhs	As at 31.03.2020 ₹ In Lakhs
14. OTHER FINANCIAL ASSETS [Current]		
Security Deposit - Others	180.37	178.82
Asset - Foreign exchange forward contracts	-	10.13
	<u>180.37</u>	<u>188.95</u>
15. OTHER CURRENT ASSETS		
Tax Credit - Indirect Taxes	730.48	821.94
Advance to Suppliers	1,913.65	2,069.57
Advance to Employees	20.39	21.89
Prepaid Expenses	603.23	356.53
Other Current Assets	117.60	86.40
	<u>3,385.35</u>	<u>3,356.33</u>

16. EQUITY SHARE CAPITAL

Particulars	As at 31-03-2021		As at 31-03-2020	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Capital	20,00,00,000	2,000.00	20,00,00,000	2,000.00
Issued & Subscribed and Fully paid up shares of ₹ 1/- each	8,66,63,060	866.63	8,66,63,060	866.63

A. Reconciliation of the number of Shares

Number of Shares at the beginning	866,63,060	866.63	866,63,060	866.63
Changes in Equity Share capital during the year	-	-	-	-
Number of Shares at the end	8,66,63,060	866.63	8,66,63,060	866.63

B. Terms / Rights / Restrictions attached to Equity shares

The Company has one class of equity shares having a face value of ₹ 1/- each. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. The details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31-03-2021		As at 31-03-2020	
	No. of Shares	% held	No. of Shares	% held
The Ramco Cements Ltd	1,33,72,500	15.43	1,33,72,500	15.43
Rajapalayam Mills Limited	84,01,680	9.69	84,01,680	9.69
Shri.P.R.Venketrama Raja	62,20,655	7.18	62,20,655	7.18
Smt.Nalina Ramalakshmi	63,00,655	7.27	63,00,655	7.27
Smt.Saradha Deepa	52,63,655	6.07	52,63,655	6.07
Shri. Govindlal M Parikh*	51,96,136	6.00	46,38,996	5.35
	4,47,55,281	51.64	4,41,98,141	50.99

* - Shri. Govindlal M Parikh holding jointly with Smt. Chinmay G Parikh

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	As at 31.03.2021 ₹ In Lakhs	As at 31.03.2020 ₹ In Lakhs
17. OTHER EQUITY		
A. Capital Reserve		
Balance as at beginning and end of the year	<u>1,260.71</u>	<u>1,260.71</u>
Represents the incentives received under “Kutch Development Scheme 2001” in respect of Fibre Cement Plant at Anjar, Bhuj in the State of Gujarat. The Scheme, inter-alia, stipulates investment of the amount equivalent to 50% of the Incentives availed in the new project in the State of Gujarat within a period of 10 years from the date of commencement of commercial production.		
B. Share premium		
Balance as at beginning and end of the year	<u>209.53</u>	<u>209.53</u>
Represents excess of share subscription money received over par value of shares.		
C. General Reserve		
Balance as at beginning of the year	46,373.46	45,473.46
Add: Amount transferred from Retained Earnings	<u>1,900.00</u>	900.00
Balance as at end of the year	<u>48,273.46</u>	<u>46,373.46</u>
The general reserve is used from time to time to transfer profits from retained profits. There is no policy of regular transfer.		
D. Retained Earnings		
Balance as at beginning of the year	26,674.23	22,058.96
Add: Profit for the year	11,077.75	6,551.40
Less: Adjustment as per Ind AS 116	-	(91.65)
Add: Transfer from FVTOCI Reserve	<u>(2.51)</u>	<u>(77.84)</u>
Balance available for Appropriations	<u>37,749.47</u>	<u>28,440.87</u>
Less: Appropriations		
Dividend Distributed	<u>(866.64)</u>	<u>(866.64)</u>
Amount transferred to General Reserve	<u>(1,900.00)</u>	<u>(900.00)</u>
Balance as at end of the year	<u>34,982.83</u>	<u>26,674.23</u>
Represents that portion of the net income of the Company that has been retained by the Company.		
E. Fair Value through Other Comprehensive Income Reserve (FVTOCI Reserve)		
Balance as at beginning of the year	3,085.91	3,648.01
Other Comprehensive Income for the year	<u>1,429.27</u>	<u>(639.94)</u>
	4,515.18	3,008.07
Less: Transfer to Retained Earnings	<u>(2.51)</u>	<u>(77.84)</u>
	<u>4,517.69</u>	<u>3,085.91</u>

Fair Value through Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company has opted to recognise the changes in the fair value of certain investments in equity instruments and remeasurement of defined benefit obligations in OCI. The Company transfers amounts from this reserve to Retained Earnings in case of actuarial loss / gain and in case of fair value recognition of equity instrument, the same will be transferred when the respective equity instruments are derecognised.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	As at 31.03.2021 ₹ In Lakhs	As at 31.03.2020 ₹ In Lakhs
18. BORROWINGS [NON CURRENT]		
Secured:		
Term Loan from Banks	2,355.17	2,573.76
	<u>2,355.17</u>	<u>2,573.76</u>
a. Long term Borrowings from Banks are secured by pari-passu first charge on all movable Fixed Assets of the Company.		
b. During the year, the Company preclases Term Loans to the tune of ₹ 589.30 lakhs		
c. The Long Term Borrowings from Banks are repayable in quarterly installments. The year wise repayment is as follows:		
2024-25	261.67	189.85
2023-24	1,046.75	759.12
2022-23	1,046.75	759.12
2021-22	-	868.34
Processing charges to be absorbed over the period of loan	-	(2.67)
	<u>2,355.17</u>	<u>2,573.76</u>
19. OTHER NON CURRENT FINANCIAL LIABILITIES		
Lease land Rental Liability	219.41	213.67
	<u>219.41</u>	<u>213.67</u>
20. DEFERRED TAX LIABILITY (NET)		
<u>Deferred Tax Liabilities</u>		
Tax effect on difference between book depreciation and depreciation under the Income Tax Act, 1961	7,043.90	6,539.90
Tax effect on Fair Value measurement and Other Items allowable under the Income Tax Act, 1961	118.17	(76.29)
Tax effect of Lease hold land	(53.66)	(49.22)
<u>Deferred Tax Assets</u>		
Tax effect -provision for Bonus and Leave encashment	(510.88)	(414.51)
Unused MAT credit entitlement	(2,275.04)	(4,019.94)
Disallowances under the Income Tax Act, 1961.	(153.13)	(167.50)
Net Deferred Tax Liability	<u>4,169.36</u>	<u>1,812.44</u>
Reconciliation of deferred tax Liabilities (net)		
Opening balance as on 1 st April	1,812.44	812.43
Tax (income)/Expense during the period recognised in statement of Profit and Loss	423.22	874.42
Used / (Unused) MAT credit entitlement	1,764.19	208.37
MAT Credit entitlement - Previous year tax adjustment	(19.29)	(8.26)
Deferred Tax charge/(credit) on OCI recognised during the year	188.80	(74.52)
Closing balance as on 31 st March	<u>4,169.36</u>	<u>1,812.44</u>
21. DEFERRED GOVERNMENT GRANTS		
Deferred Government Grants	115.74	127.43

Industrial Promotion Assistance (IPA) of ₹ 134.31 lakhs provided by Department of Industries of Government of Bihar and ₹ 150.00 lakhs provided by Government of West Bengal towards creation of infrastructure facilities is recognised as 'Industrial Promotion assistance' over the useful life of the underlying PPE.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	As at 31.03.2021 ₹ In Lakhs	As at 31.03.2020 ₹ In Lakhs
22. BORROWINGS [CURRENT]		
Secured:		
Loan from banks	5,857.87	1,642.14
Unsecured:		
Loan from banks	925.90	7,988.90
Commercial Papers	5,000.00	8,500.00
Loans and Advances from Directors	61.17	37.63
	<u>11,844.94</u>	<u>18,168.67</u>

- a. Borrowings from Banks are secured by pari-passu first charge on trade receivables and inventories of the Company, present and future.
- b. Loans and advances from Directors represents amount due to Managing Director, which carries an interest. Interest rate have quarterly rest and is equivalent to interest rate of Short term borrowings.

23. TRADE PAYABLES

Trade Payables		
Dues of Micro and Small Enterprises	337.51	328.24
Dues of creditors other than Micro and Small Enterprises	6,212.46	5,690.14
Dues of Related parties	133.31	28.45
	<u>6,683.28</u>	<u>6,046.83</u>

- a. Trade payables are non-interest bearing and are normally settled in 10 to 30 days, except where credit term as per contractual is more than 30 days.
- b. The dues to Micro and Small Enterprises as at 31-03-2021 is ₹ 337.51 lakhs (PY: ₹ 328.24 lakhs). This has been determined to the extent such parties have been identified on the basis of information available with the Company.
- c. The dues to related parties are dues to Associate entities and due not more than 45 days.

24. OTHER FINANCIAL LIABILITIES [CURRENT]

Current Maturities of Long Term Debt - Secured	1,046.75	3,025.37
Unpaid dividends	13.62	11.61
Financial Guarantee Obligation	23.34	23.34
Lease land Rental Liability	19.02	18.12
Security Deposit from Customers	3,275.71	3,172.59
Other Liabilities	4,519.12	3,374.43
	<u>8,897.56</u>	<u>9,625.46</u>

- a. Unpaid dividends represent amount not due for transfer to Investor Education and Protection Fund.
- b. Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates with certain payables / receivables in foreign currencies.
- c. The Company has recognised financial guarantee obligation at fair value towards the corporate guarantees issued to the bankers on behalf of Related parties, and the same is recognised as other income over the tenure of the corporate guarantee.
- d. Provision for interest on delayed payment to MSME Suppliers - ₹ 2.29 lakhs (PY - ₹ 2.12 lakhs), included in Other Liabilities

25. OTHER CURRENT LIABILITIES

Statutory Duties and Taxes recovery repayable	1,275.87	706.41
Advance Received for sale of Property Plant Equipment	-	5.00
Advance received from Customers	2,616.00	1,190.85
	<u>3,891.87</u>	<u>1,902.26</u>

- a. Advance from Customers are received in the normal course of business and adjusted against subsequent supplies.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
26. PROVISIONS [CURRENT]		
Provision for Leave encashment	1,039.95	913.96
Provision for Gratuity	149.51	208.21
Provision for Taxation	<u>7,200.61</u>	<u>6,088.79</u>
	<u>8,390.07</u>	<u>7,210.96</u>

- a. The Company provides for expenses towards compensated absences provided to its employees. The expense is recognised at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance sheet date, using Projected Unit Credit method.
- b. The company maintains Gratuity fund account in LIC of India. The Company provides for expenses towards Gratuity to its employees. The expense is recognised at the present value of the amount payable determined based on an independent external actuarial valuation as at the Balance sheet date, using Projected Unit Credit method.

26A BREAKUP OF PROVISION FOR TAXATION

Opening balance	6,088.79	6,115.72
Additions		
Current year provisions	4,555.72	1,512.61
Additional provision for Previous year (Net)	(14.53)	185.32
MAT Credit availment	(1,764.19)	(208.37)
Adjusted during the year		
Adjusted due to assessment completion	(1,665.18)	(1,516.49)
Closing balance	<u>7,200.61</u>	<u>6,088.79</u>

27. REVENUE FROM OPERATIONS

Sale Revenue	97,837.67	80,776.08
Other operating revenue		
Industrial promotion assistance	11.70	42.46
Royalty Received	2,293.09	1,639.99
Income from Wind power generation {Net of inter-divisional transfer of ₹ 1304.51 lakhs (PY ₹ 1386.21 lakhs)}	<u>150.93</u>	<u>172.80</u>
	<u>1,00,293.39</u>	<u>82,631.33</u>

- (a) As per the Guidance Note on Division II, Ind AS Schedule III to the Companies Act, 2013 issued by ICAI, Revenue includes only the gross inflows of economic benefits received and receivable by the entity on its own account. Amounts collected such as sales taxes, goods and services taxes and value added taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they have been excluded from revenue.
- (b) Industrial Promotion Assistance from:
 - Government of Rajasthan - ₹ NIL [PY - ₹ 30.76]
 - Deferred Grant recognised as income - ₹ 11.70 lakhs [PY-₹ 11.70 lakhs]
- (c) Out of 238.69 lakhs units [PY - 257.18 lakhs units] generated by our windmills, 46.46 lakhs units [PY - 52.74 lakhs units] were sold to concerned state Electricity Board, 193.78 lakhs units [PY - 205.23 lakhs units] were consumed at our plant and 2.90 lakhs units [PY - 4.45 lakhs units] remain unadjusted.
- (d) The Company's Revenue from sale of products is recognised upon transfer of control of such products to the customer at a point of time. Revenue from windmills is recognised upon transmission of energy to the grids of state electricity boards. The revenue from project contract is recognised on using percentage of completion method.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
28. OTHER INCOME		
Dividend Income	1,533.67	2,763.41
Dividend Income from Subsidiaries	2,558.99	1,808.95
Profit on Sale of Assets	149.37	147.40
Other Miscellaneous Income	355.17	439.53
	<u>4,597.20</u>	<u>5,159.29</u>
29. OTHER FINANCIAL INCOME		
Interest Income	60.85	182.42
30. COST OF MATERIALS CONSUMED		
Material consumed for Building Products	40,535.44	34,628.68
Material consumed for Textile Products	7,577.14	7,892.81
	<u>48,112.58</u>	<u>42,521.49</u>
31. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Closing Stock of Finished Goods	7,187.16	9,397.94
Closing Stock of Process Stock	2,924.10	2,497.56
	<u>10,111.26</u>	<u>11,895.50</u>
Opening Stock of Finished Goods	9,397.94	7,419.66
Opening Stock of Process Stock	2,497.56	2,289.74
	<u>11,895.50</u>	<u>9,709.40</u>
(Increase) / Decrease	<u>1,784.24</u>	<u>(2,186.10)</u>
32. EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	8,830.41	7,900.65
Contribution to and provision for		
- Provident Fund	464.13	470.59
- Gratuity Fund	146.99	130.37
- Superannuation Fund	28.49	30.44
Staff welfare	567.58	620.71
	<u>10,037.60</u>	<u>9,152.76</u>
Refer Note 40 for disclosures required under Ind AS 19.		
33. FINANCE COSTS		
Interest on Bank borrowings	694.08	1,143.02
* Others	255.24	316.71
	<u>949.32</u>	<u>1,459.73</u>

* Others includes Interest on Security deposit from Customers.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
34. OTHER EXPENSES		
Manufacturing Expenses		
Stores Consumed	2,178.37	2,094.23
Power & Fuel (net off power from Wind Mills)	4,485.91	4,957.45
Repairs & Maintenance - Building	415.38	216.14
Repairs & Maintenance - General	527.27	589.33
Repairs & Maintenance - Plant & Machinery	3,028.23	3,384.34
Establishment Expenses		
Repairs & Maintenance - Vehicle / Aircraft	421.76	626.31
Insurance	246.91	141.59
Travelling expenses	235.01	735.44
Rates & Taxes	371.81	610.90
Exchange fluctuation in foreign currency loss	80.38	65.56
Mark to Market Loss on Inventories	-	123.28
Rent	178.53	188.91
Managing Director Remuneration	824.63	401.04
Printing & Stationery	33.74	37.42
Communication Expenses	47.33	70.71
Donation [see Note : 34 (a)]	470.20	401.91
Corporate Social Responsibility [see Note : 34 (b)]	165.63	69.67
Legal & Consultancy Expenses	347.87	336.65
Loss on Sale of Assets	219.58	0.61
Directors Sitting fees	30.00	26.40
Audit Fees & Expenses [see Note : 34 (c)]	23.60	20.01
Selling & Distribution Expenses		
Agency Commission	834.67	668.86
Advertisement Expenses	174.47	1,008.22
Bad and Doubtful Debts	66.20	57.27
Transportation and Handling Expenses	9,120.39	8,183.15
Miscellaneous Expenses	707.27	714.46
	<u>25,251.15</u>	<u>25,729.86</u>
34 (a) DONATION		
Donation to Educational Trust / Institutions	134.05	74.76
Donation to Political Parties	300.00	-
Electoral Bonds	-	300.00
Donation to Trusts, promoting Arts, Culture, Education	36.15	27.15
	<u>470.20</u>	<u>401.91</u>
34 (b) CORPORATE SOCIAL RESPONSIBILITIES		
Health care	2.97	0.70
Art and culture	128.47	19.19
Poverty, hunger, malnutrition	9.19	2.14
Training to promote sports	9.46	6.90
Rural development projects	3.38	1.31
Safe drinking water	0.06	0.37
Environmental sustainability	2.20	7.23
Education	9.31	14.36
Senior citizens' welfare	0.59	-
Slum area development	-	15.22
Sanitation	-	0.25
Animal welfare	-	2.00
	<u>165.63</u>	<u>69.67</u>

Details of CSR expenditure are furnished in Annexure VI of the Director's report.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
34 (c) AUDIT FEES AND EXPENSES		
1. Statutory Auditors:		
a. for statutory audit	7.00	7.00
b. for Taxation matters	1.00	1.00
c. for certification work and other related fee	6.09	0.66
d. for other fee and reimbursement of expenses	4.01	5.85
2. Cost Auditor:		
a. for Cost audit	2.50	2.50
3. Secretarial Auditor		
a. for Secretarial Audit	3.00	3.00
	23.60	20.01
35. EXCEPTIONAL ITEMS		
Profit on Sale of Assets	-	236.27
Profit on Sale of shares	-	269.42
	<u>-</u>	<u>505.69</u>
During previous year, land at Karur sold for ₹ 135.29 lakhs, flat at Kolkatta sold for ₹ 128.38 lakhs and sale of shares for ₹ 272.42 lakhs.		
36. INCOME TAX EXPENSES		
Reconciliation of Tax Expenses and Accounting Profit		
Accounting Profit before Income Tax	16,042.16	9,123.75
At India's statutory Income Tax Rate of 2020-21: 34.944% (2019-20 : 34.944%)	5,605.77	3,188.20
Effects of:		
Tax effects on differences between book depreciation and depreciations under the Income Tax act ,1961	(480.21)	(462.95)
Profit/(loss) on Sale of Property ,Plant and equipment	45.25	(228.00)
Dividend from Foreign Company	(894.21)	(632.12)
Utilisation of previously unrecognised tax losses	-	(71.23)
Other non-deductible expenses (timing Difference)	276.77	(769.02)
Other Deduction claimed	(444.76)	(36.70)
Net effective income tax under Regular method (A)	<u>4,108.61</u>	<u>988.18</u>
B. 115BBD Tax working (Spl rate of Tax)		
Dividend from Foreign Company- (2020-21: 17.472%)(2019-20: 17.472%)	2,558.99	1,808.95
Net effective income tax u/s 115BBD (B)	<u>447.11</u>	<u>316.06</u>
Income Tax Under MAT		
Accounting Profit before Income Tax	16,042.16	9,123.75
At India's statutory Income Tax Rate of 2020-21: 17.472% (2019-20: 17.472%)	2,802.89	1,594.10
Adjustments as per Income Tax	(11.36)	(498.23)
Net effective income tax (C)	<u>2,791.53</u>	<u>1,095.87</u>
Tax applicable higher of (A and B) or C	4,555.72	1,304.24
Previous year tax adjustment	(14.53)	393.69
	<u>4,541.19</u>	<u>1,697.93</u>
Deferred Tax Recognised in the Statement of Profit and Loss		
Tax effect on difference between book depreciation and depreciation under the Income Tax Act, 1961	504.00	927.23
Tax effect on Fair Value measurement and other non deductible expenses	(80.78)	(52.81)
	<u>423.22</u>	<u>874.42</u>
MAT Credit		
Net effective income tax excluding interest	2,791.53	1,095.87
Income tax expense under Regular Method	4,555.72	1,304.24
MAT Credit utilisation	<u>1,764.19</u>	<u>208.37</u>

As per Section 115BAA in the Income Tax Act, 1961, the Company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives, deductions and accumulated MAT credit. The Company has not exercised this option for the financial year 2020-21 in view of the benefits available under the existing tax regime.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ In Lakhs

37.	COMMITMENTS	As at 31-03-2021	As at 31-03-2020
	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Capital Advances)	3,598.46	1,667.19

38.	CONTINGENT LIABILITIES	As at 31-03-2021	As at 31-03-2020
38.1	Guarantees given by the bankers on behalf of company	497.49	419.41
	Letters of Credits to the extent , bills not accepted	2,399.36	2,075.66

38.2	Demands / Claims not acknowledged as Debts in respect of matters in appeals relating to -		
	Income Tax (Ref Note 38.2.1 and 38.2.2)	1,915.49	1,915.49
	VAT & Input Tax Credit, CST (Ref Note 38.2.3 and 38.2.4)	-	0.72
	Entry tax (Refer 38.2.5)	-	-
	GST (Refer 38.2.6)	-	-
	Other demands (Ref Note 38.2.7 to 38.2.9)	291.87	319.28

38.2.1 Income tax demand amounting to ₹ 3,362.89 Lakhs (PY ₹ 3,189.92 Lakhs) have been disputed by the company and the company has preferred appeals before appellate authorities in respect of various disallowances in assessments and the appeals are pending. Out of this demand ₹ 1,447.40 Lakhs (PY ₹ 1,274.43 Lakhs) is provided in books of accounts. Balance amount of ₹ 1915.49 Lakhs (PY ₹ 1915.49 Lakhs) is not acknowledged as Debts by company. In the opinion of the Management, there may not be any further tax liability with regard this contingent liability and due to this no provision has been considered necessary.

38.2.2 Govt. has announced in the Budget 2020-21 that a new Direct tax Vivad se Vishwas (VSV) Scheme launched. Taxpayer would be required to pay only the amount of the disputed taxes. The taxpayer will get a full waiver of interest and penalty on comply Scheme conditions. We have opted for this scheme for six assessment year as mentioned below for settling the disputes which is pending for very long time

Assessment Year	Value of Disputed amount	Value of disputed Tax portion to be settled (excluding Interest and penalty)
AY 2001-02	283.32	112.05
AY 2002-03	52.67	18.80
AY 2003-04	38.76	14.24
AY 2004-05	35.33	12.68
AY 2005-06	144.06	52.71
AY 2012-13	65.26	21.17
TOTAL dispute to be settled	619.40	231.66

38.2.3 Sales tax demand amounting to ₹ 362.81 Lakhs (PY ₹ 374.25Lakhs) have been disputed by the company and the company has preferred appeals before appellate authorities in respect of various disallowances in several assessments and the appeals are pending. Out of this demand ₹ 362.81 Lakhs (PY ₹ 373.53 Lakhs) is provided in books of accounts. Balance amount of ₹ Nil (PY ₹ 0.72 Lakhs) is not acknowledged as Debts by Company. In the opinion of the Management, there may not be any further tax liability with regard this contingent liability and due to this no provision has been considered necessary.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- 38.2.4 The Company had put up a plant in Silvassa in The Union Territory of Daman, Diu, Dadra and Nagar Haveli in the year 1998 and availed VAT and CST exemption for the period of 15 years ending on March 2013 based on a certificate of exemption given by appropriate authority in exercise of powers conferred on it by relevant provision of the CST Act, 1956. This power of granting exemption was withdrawn with retrospective effect by an amendment in Finance Act 2002 and the sales tax department has followed it up by issuing a circular for compulsory production of concessional sales tax forms for availing CST exemption. The differential sales tax liability for the year 1998 to the year 2002 works out to ₹ 37 Crores. However, the Company was not in receipt of any demand from the appropriate authority. Aggrieved by the department circular and as an additional precaution, the Company had filed an appeal with Bombay High Court and the Bombay High Court has quashed the circular issued by the Commercial tax department, Silvassa, The Union Territory of Daman, Diu, Dadra and Nagar Haveli thereby allowing continuance of CST exemption even after amendment of relevant provision of CST Act, 1956 by the Finance Act, 2002. But the department of Commercial Tax, Silvassa has preferred an appeal against the Bombay High Court order before the Honourable Supreme Court and the adjudication and the court hearing is in process pending final disposal by the Honourable Supreme Court.
- Based on the decision of Bombay High Court and interpretations of other relevant provisions, the Company has been legally advised that there will not be any demand likely to be raised or if the demand is raised it is likely to be deleted or substantially reduced and accordingly no provision is considered necessary.
- 38.2.5 Entry tax demand amounting to ₹ 19.69 Lakhs (PY ₹ 21.31 Lakhs) have been disputed by the company and the company has preferred appeals before appellate authorities in respect of this disallowances and the appeal are pending. This demand ₹ 19.69 Lakhs (PY ₹ 21.31 Lakhs) is provided in books of accounts. Balance amount of ₹ Nil (PY ₹ Nil) is not acknowledged as Debts by Company.
- The Government of West Bengal enacted “The West Bengal Tax on Entry of goods into Local Areas Act, 2012” and writ petitions was filed by RIL challenging the validity of the said Act. The Calcutta High Court passed order on 20.04.2017 stating that it is no longer retains the jurisdiction over the subject writ petition and directed “West Bengal Taxation tribunal” to decide the case. The Company has filed additional petition with “West Bengal Taxation tribunal” during the FY 2018-19. Provision has been made in the books of accounts to the extent of interest ₹ 427.81 Lakhs (Previous year ₹ 356.92 Lakhs)
- 38.2.6 GST demands amounting to ₹ 0.99 Lakhs (Previous year: Nil) have been disputed by the Company and necessary appeals have been filed and provision made in the books of accounts. Balance amount of Nil (PY Nil) is not acknowledged as Debts by Company.
- 38.2.7 In respect of the electricity matters relating to our Textile Division, the Company has filed appeals / writ petition for ₹ 291.87 lakhs (PY 31-03-2020: ₹ 319.28 lakhs) against various subject to the matter of the appeal and the same is pending with Tamilnadu Electricity Regulatory Commission (TNERC) / Honourable High Court / Honourable Supreme Court for resolution. The Company is confident of resolving the matter in its favour and hence no provision is made in the books of accounts.
- 38.2.8 The Company had received two letters from Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) in the year 2000 and 2003 respectively claiming an amount totalling to ₹ 27.41 lakhs towards alleged violation of the terms and conditions of supply of electricity. The Company has deposited entire amount ie. ₹ 27.41 lakhs on various dates and settled the case during the year.
- 38.2.9 Under Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligations) Regulations 2010, consumers owning grid connected captive power generating plants and open access consumers with a sanctioned demand of more than 2 MVA are obligated to consume a minimum of 0.5% of their energy requirements from solar sources. The non-complainants are required to purchase Renewable Energy Certificates (REC) from markets @ 1 REC per 1,000 units of shortage or deposit an equivalent amount in a separate designated fund. Even though the Company is consuming wind energy generated from its own wind farms, it has been excluded for reckoning the obligatory consumption, since the Company has wheeling and banking arrangement with TNEB. Aggrieved, the Company including other affected producers have approached the Honourable High court of Madras and obtained an interim stay against the implementation of the said regulation.
- 38.2.10 The Company received a notice from the Department of Revenue Intelligence (DRI) for an amount of ₹ 41.23 lakhs excluding interest and penalty pertaining to the year 2009-10 for short payment of customs duty to the extent of utilization of DEPB Scrip’s purchased in the open market by the Company and which were originally obtained by the ultimate export firms fraudulently as alleged by the DRI. The Company had denied the allegations made in the notice in so far as they relate to the Company’s role is concerned and also the obligation to pay the duty demanded in the notice vide its letter dated August 4, 2014. We attended the personal hearing before the assistant commissioner of customs JNPT Mumbai during October 2016 and awaiting for the favorable order. The Management is confident of resolving the matter in favour of the Company and hence no provision is considered necessary.

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- 38.3 (A) The Company is eligible for incentives under the “Bihar Industrial Incentive Policy 2006 “in respect of its Fibre Cement Plant at Bihiya in the State of Bihar. During the year under review,
- We have recognised a sum of ₹ 11.70 lakhs (PY 11.70 lakhs) due to fair valuation of Govt. Grants as per Ind AS.
 - Incentive Scheme under GST regime from 1st July, 2017 has been announced by the Gov. of Bihar. Company has applied for the same and is awaiting for approval form Govt.
- (B) The company is eligible for incentive under the “Rajasthan Investment Promotion Scheme 2010” in respect of its Calcium Silicate Board Plant at Kotputli in the state of Rajasthan, during the year under review,
- A sum of ₹ Nil (Previous year: 30.76 lakhs) received as Industrial Promotion Assistance has been credited to Profit and loss Account which was received as per VAT scheme.
 - Incentive Scheme under GST regime has been announced by Govt of Rajasthan. Government is yet to made available Online Portal facility for submission of application. Once the portal is ready company will make application under the incentive scheme for eligible amount.

₹ In Lakhs

39. FINANCIAL GUARANTEES	As at	As at
	31-03-2021	31-03-2020
Guarantees given to banks to avail loan facilities by Related parties:		
- Sri Harini Textiles Limited	4,629.00	4,629.00

Notes:

- a. There were no fresh guarantees given on behalf of related parties during the year
- b. The loan balance with Banks by the related party, on the strength of the above Corporate Guarantees given by the Group are furnished below:

₹ In Lakhs

Financial guarantees	As at	As at
	31-03-2021	31-03-2020
- Sri Harini Textiles Limited	706.30	1,016.92

- c. The related party is prompt in servicing the above said loan.

40. As per Ind AS 19, the disclosures pertaining to “Employee Benefits” are given below:

Defined Contribution Plan

₹ In Lakhs

Particulars	31-03-2021	31-03-2020
Employer’s Contribution to Provident Fund	464.13	470.59
Employer’s Contribution to Superannuation Fund	28.49	30.44

Principal Actuarial Assumptions (Expressed as weighted averages)

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Discount Rate	6.54%	6.50%	6.54%	6.50%
Rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Attrition Rate	7.95%	7.95%	7.95%	7.95%
Expected rate of return on Plan Assets	6.50%	6.50%	0.00%	0.00%

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Changes in the Present Value of the Obligation (PVO)

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
PVO as at the beginning of the period	1,453.65	1,262.79	913.96	702.28
Interest Cost	92.44	89.11	56.17	47.44
Current service cost	140.23	124.44	73.21	62.47
Past service cost	-	-	-	-
Benefits paid	(63.12)	(107.55)	(99.70)	(117.05)
Actuarial loss/(gain) on obligation (balancing figure)	9.39	84.86	96.31	218.82
PVO as at the end of the period	1,632.59	1,453.65	1,039.95	913.96

Changes in the Fair Value of Plan Assets - Reconciliation of Opening and Closing Balances:

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Fair value of plan assets as at the beginning of the period	1,245.44	1,101.85	-	-
Expected return on plan assets	85.67	83.17	-	-
Contributions	208.21	160.95	99.70	117.05
Benefits paid	(63.12)	(107.55)	(99.70)	(117.05)
Actuarial gain/(loss) on plan assets [balancing figure]	6.88	7.02	-	-
Fair value of plan assets as at the end of the period	1,483.08	1,245.44	-	-

Actual Return on Plan Assets

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Expected return on plan assets	85.67	83.17	-	-
Actuarial gain (loss) on plan assets	6.88	7.02	-	-
Actual return on plan assets	92.55	90.19	-	-

Actuarial Gains and Losses Recognized

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Actuarial gain (loss) for year - obligation	(9.39)	(84.86)	(96.31)	(218.82)
Actuarial gain (loss) for year - plan assets	6.88	7.02	-	-
Subtotal	(2.51)	(77.84)	(96.31)	(218.82)
Actuarial (gain) / loss recognized	2.51	77.84	96.31	218.82
Unrecognized actuarial gains (losses) at the end of the period	-	-	-	-

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Amounts Recognised in the Balance Sheet and Related Analyses

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Present value of the obligation	1,632.59	1,453.65	1,039.95	913.96
Fair value of plan assets	1,483.08	1,245.44	-	-
Amount determined under Para 63 of Ind AS 19	149.51	208.21	-	-
Net Defined Benefit Liability recognized in the balance sheet	149.51	208.21	1,039.95	913.96
Present value of future reduction in contribution under Para 65 of Ind AS 19	-	-	-	-
Net Defined Benefit Asset recognised under Para 64 of Ind AS19	-	-	-	-

Expenses Recognised in the Statement of Profit and Loss:

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Current service cost	140.23	124.44	73.21	62.47
Net Interest on Net Defined Benefit Obligations	6.76	5.93	56.17	47.44
Net actuarial (gain)/loss recognised during the period	-	-	96.31	218.82
Past service cost	-	-	-	-
Expenses recognized in the statement of profit and loss	146.99	130.37	225.69	328.73

Amount Recognized for the Current Period in the Statement of Other Comprehensive Income [OCI]

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Actuarial (gain)/loss on Plan Obligations	9.39	84.86	-	-
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	(6.88)	(7.02)	-	-
Effect of Balance Sheet asset limit	-	-	-	-
Amount recognized in OCI for the current period	2.51	77.84	-	-

Movements in the Liability Recognized in the Balance Sheet

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Opening net liability adjusted for effect of balance sheet limit	208.21	160.95	913.96	702.28
Amount recognised in Profit and Loss	146.99	130.37	225.69	328.73
Amount recognised in OCI	2.51	77.84	-	-
Contribution paid	(208.21)	(160.95)	(99.70)	(117.05)
Closing net liability	149.51	208.21	1,039.95	913.96

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Amount for the Current Period

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Present Value of obligation	1,632.59	1,453.65	1,039.95	913.96
Plan Assets	1,483.08	1,245.44	-	-
Surplus (Deficit)	(149.51)	(208.21)	(1,039.95)	(913.96)
Experience adjustments on plan liabilities -(loss)/gain	(13.27)	(10.45)	(98.71)	(174.00)
Impact of Change in Assumptions on Plan Liabilities-(loss)/gain	3.87	(74.40)	2.40	(44.81)
Experience adjustments on plan assets -(loss)/gain	6.88	7.02	-	-

Major Categories of Plan Assets (As Percentage of Total Plan Assets)

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Funds managed by Insurer (LIC)	100.00%	100.00%	0.00%	0.00%

Enterprise's Best Estimate of Contribution during Next Year

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Enterprise's Best Estimate Of Contribution During Next Year	NA	NA	-	-

Sensitivity Analyses

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
A. Discount Rate + 50 BP	7.04%	7.00%	7.04%	7.00%
Defined Benefit Obligation [PVO]	1,585.66	1,410.00	1,010.90	887.67
Current Service Cost	142.75	135.03	72.35	70.77
B. Discount Rate - 50 BP	6.04%	6.00%	6.04%	6.00%
Defined Benefit Obligation [PVO]	1,682.23	1,499.86	1,070.73	941.83
Current Service Cost	153.51	145.78	77.30	75.82
C. Salary Escalation Rate +50 BP	6.50%	6.50%	6.50%	6.50%
Defined Benefit Obligation [PVO]	1,684.49	1,501.94	1,070.75	941.83
Current Service Cost	153.75	146.01	77.30	75.82
D. Salary Escalation Rate -50 BP	5.50%	5.50%	5.50%	5.50%
Defined Benefit Obligation [PVO]	1,583.08	1,407.63	1,010.62	887.42
Current Service Cost	142.48	134.77	72.33	70.75

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Expected Contributions in Following Years

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Year 1	NA	NA	101.58	87.97
Year 2	NA	NA	167.17	140.27
Year 3	NA	NA	100.13	77.44
Year 4	NA	NA	123.16	82.46
Year 5	NA	NA	96.00	104.07
Next 5 Years	NA	NA	336.72	319.21

Expected Benefit Payments in Following Years

₹ In Lakhs

Particulars	Gratuity Plan (Funded)		Compensated Absences (Un-funded)	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Year 1	166.08	145.33	101.58	87.97
Year 2	282.63	220.85	167.17	140.27
Year 3	191.44	155.18	100.13	77.44
Year 4	227.82	164.59	123.16	82.46
Year 5	187.84	197.19	96.00	104.07
Next 5 Years	692.45	650.23	336.72	319.21

41. EARNINGS PER SHARE

₹ In Lakhs

Particulars	31-03-2021	31-03-2020
Net profit after tax (A)	11,077.75	6,551.40
Weighted average number of Equity shares including un-allotted Bonus shares (B) [In Lakhs]	866.63	866.63
Nominal value per equity share (in Rs)	1	1
Basic & Diluted Earnings per share (A)/(B) in ₹	12.78	7.56

42. Information on names of Related parties and nature of Relationship as required by Ind AS 24 on Related party disclosures for the year ended 31st March 2021:

(a) Subsidiary

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-03-2021	31-03-2020
Sudharsanam Investments Limited	India	100.00	100.00
Sri Ramco Lanka (Private) Ltd	Sri Lanka	99.99	99.99
Sri Ramco Roofings Lanka (Private) Ltd*	Sri Lanka	1.27	1.27
*Step down subsidiary			
Sri Ramco Lanka (Private) Ltd holding in Sri Ramco Roofings (Private) Ltd	Sri Lanka	98.73	98.73

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(b) Associates

Name of the Company	Country of Incorporation	% of Shareholding as at	
		31-03-2021	31-03-2020
The Ramco Cements Limited	India	21.15	21.05
Ramco Systems Limited	India	17.80	17.87
Rajapalayam Mills Limited	India	1.73	1.73
Ramco Industrial and Technology Services Limited *	India	1.05	1.05
Madurai Trans Carrier Limited	India	17.17	17.17
Lynks Logistics Limited	India	23.78	20.44

* Previously known as Ontime Industrial Services Limited.

(c) Key Management Personnel and Directors

Name of the Key Management Personnel	Designation
P.R. Venketrama Raja	Chairman
P.V. Abinav Ramasubramaniam Raja	Managing Director
Prem G Shanker	Chief Executive Officer
K. Sankaranarayanan	Chief Financial Officer
S. Balamurugasundaram	Company Secretary and legal head
S.S. Ramachandra Raja	Non-Executive & Non Independent Director
N.K. Shrikantan Raja	Non-Executive & Non Independent Director
K.T. Ramachandran - up to (31-08-2020)	Independent Director
Suresh Subramaniam - from (20-09-2020)	Independent Director
R.S. Agarwal	Independent Director
V. Santhanaraman	Independent Director
Smt. Justice Chitra Venkataraman (Retd.)	Independent Director

(d) Relative of Key Management Personnel

Name of the Relative of KMP	Relationship
P.V. Abinav Ramasubramaniam Raja	Son of P.R. Venketrama Raja
P.V. Nirmala	Wife of P.R. Venketrama Raja
R. Sudarsanam	Mother of P.R. Venketrama Raja
P.V. Srisandhya	Daughter of P.R. Venketrama Raja
Ramaraju	Son in Law of P.R. Venketrama Raja
Saradha Deepa	Sister of P.R. Venketrama Raja
Nalina Ramalakshmi	Sister of P.R. Venketrama Raja

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(e) Companies over which KMP/Relatives of KMP exercise significant influence

Ramco Company	R. Sudarsanam & Co
Gowrihouse Metal Works LLP	Gowri Shankar Screws
Timeous, USA	Lotus Knitting Mills
Sudarasana Farms Private Limited	Rajapalayam Farms Private Limited
Ramco Private Limited	Sri Sandhya Farms (India) Private Limited
Ramamandiram Agricultural Estate Private Limited	Nalina Agricultural Farms Private Limited
Sri Saradha Deepa Farms Private Limited	Sri Nithyalakshmi Farms Private Limited
Nirmala Shankar Farms & Estates Private Limited	Ram Sandhya Farms Private Limited
RCDC Securities and Investments Private Limited	Ramco Management Private Limited
Ramco Agencies Private Limited	Barefoot Dance Company Private Limited
Sound Investment & Leasing Private Limited	Satmala Agro-Farms Private Limited
Bharani Bio-Tech Private Limited	Parimala Chemicals Private Limited
Pranahita Power Generation Private Limited	Barefoot Media & Entertainment Private Limited
The Ramco Cements Limited	Rajapalayam Mills Limited
The Ramaraju Surgical Cotton Mills Limited	Sri Vishnu Shankar Mills Limited
Sandhya Spinning Mill Limited	Rajapalayam Textile Limited
Ramco Systems Limited	Lynks Logistics Limited
Vinvent Chemilab Private Limited	JKR Enterprises Limited
Shri Harini Media Limited	N.R.K.Herbotec Network
Sri Harini Textiles Limited	

(f) Employee Benefit Funds where control exists

Ramco Industries Limited Officers' Superannuation Fund
Ramco Industries Limited Employees' Gratuity Fund

(g) Other entities over which there is a significant influence

Smt. Lingammal Ramaraju Shastra Prathishta Trust	The Ramco Cements Limited Educational and Charitable Trust
PACR Sethurammam Charity Trust	PACR Sethurammam Charities
Ramco Welfare Trust	PAC Ramasamy Raja Education Charity Trust
Raja Charity Trust	Rajapalayam Rotary Trust
Sri Abhinava Vidyatheertha Seva Trust	Ramco Debate And Research Educational And Charitable Trust
Sastra Prakasika Trust	PAC Ramasamy Raja Centenary Trust
Thangavilas Estate	

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

43. Disclosure in respect of Related Party Transactions (excluding Reimbursements) during the year and outstanding balances including commitments as at the reporting date:

a. Transactions during the year ₹ In Lakhs

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2021	31-03-2020
1	Sale of Goods		
	<i>Associates</i>		
	The Ramco Cements Limited	24.61	36.64
	Rajapalayam Mills Limited	543.61	577.80
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Rajapalayam Textile Limited	200.31	423.98
	The Ramaraju Surgical Cotton Mills Limited	471.71	368.42
	Sri Vishnu Shankar Mills Limited	247.09	79.05
	Sandhya Spinning Mill Limited	494.33	33.98
	Sri Harini Textiles Limited	294.32	295.79
	N.R.K.Herbotec Network	0.12	-
	<i>Subsidiary</i>		
	Sri Ramco Lanka (Private) Ltd	-	17.33
	Sri Ramco Roofings Lanka (Private) Ltd	2.97	8.43
	Total	2,279.07	1,841.42
2	Sale of Machinery		
	<i>Associates</i>		
	Rajapalayam Mills Limited	153.45	252.05
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Rajapalayam Textile Limited	58.76	-
	Sri Vishnu Shankar Mills Limited	188.85	222.31
	The Ramaraju Surgical Cotton Mills Limited	-	12.32
	Sandhya Spinning Mill Limited	100.81	-
	Total	501.87	486.68
3	Purchase of Goods		
	<i>Associates</i>		
	The Ramco Cements Limited	1,093.34	1,238.41
	Rajapalayam Mills Limited	777.45	571.07
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	The Ramaraju Surgical Cotton Mills Limited	522.90	600.20
	Sri Vishnu Shankar Mills Limited	1800.07	1,522.61
	Rajapalayam Textiles Limited	67.43	31.99
	Sandhya Spinning Mill Limited	397.66	407.23
	Vincent Chemilab Private Limited	21.24	61.68
	Gowrihouse Metal Works LLP	0.31	-
	<i>Other entities over which there is a significant influence</i>		
	PACR Sethurammam Charity Trust	19.25	26.31
Total	4,699.65	4,459.50	

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2021	31-03-2020
4	Purchase of Machinery		
	<i>Associates</i>		
	Rajapalayam Mills Limited	0.89	-
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Sri Vishnu Shankar Mills Limited	-	3.40
	Sandhya Spinning Mill Limited	-	12.84
	Rajapalayam Textile Limited	19.26	-
	Total	20.15	16.24
5	Services Received		
	<i>Associates</i>		
	Rajapalayam Mills Limited	17.29	113.74
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Rajapalayam Textile Limited	-	0.24
	Sri Vishnu Shankar Mills Limited	0.65	4.62
	Sandhya Spinning Mill Limited	-	3.49
	<i>Other entities over which there is a significant influence</i>		
	Raja Charity Trust	834.67	668.86
Total	852.61	790.95	
6	Services Rendered - Execution of Contract		
	<i>Associates</i>		
	Rajapalayam Mills Limited	4.39	65.67
	Total	4.39	65.67
7	Services Rendered		
	<i>Associates</i>		
	Rajapalayam Mills Limited	56.23	116.95
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Rajapalayam Textile Limited	1.29	0.05
	The Ramaraju Surgical Cotton Mills Limited	0.57	1.88
	Sandhya Spinning Mill Limited	3.34	6.45
	Sri Vishnu Shankar Mills Limited	1.57	4.09
Total	63.00	129.42	
8	Services Rendered - Royalty		
	<i>Subsidiary</i>		
	Sri Ramco Lanka (Private) Ltd	1,135.07	792.35
	Sri Ramco Roofings Lanka (Private) Ltd	1,158.02	847.64
	Total	2,293.09	1,639.99
9	Services Received - Software Related Services		
	<i>Associates</i>		
	Ramco Systems Limited	73.41	193.06
	Total	73.41	193.06

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2021	31-03-2020
10	Services Received - Advertisement		
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Shri Harini Media Limited	4.04	5.15
	Total	4.04	5.15
11	Services Received - Manpower Supply		
	<i>Other entities over which there is a significant influence</i>		
	Raja Charity Trust	190.58	187.90
	Total	190.58	187.90
12	Services Received - Aircraft Charter Services		
	<i>Other entities over which there is a significant influence</i>		
	Madurai Trans Carrier Limited	343.70	501.36
	Total	343.70	501.36
13	Leasing Arrangements - Rent Received		
	Associates		
	The Ramco Cements Limited	12.78	12.82
	Rajapalayam Mills Limited	0.53	-
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Rajapalayam Textile Limited	0.32	-
	Sri Vishnu Shankar Mills Limited	3.09	-
	<i>Other entities over which there is a significant influence</i>		
	Sri Abhinava Vidhyatheertha Seva Trust	0.04	0.03
	Total	16.76	12.85
14	Leasing Arrangement - Rent Received on Spares		
	Associates		
	Rajapalayam Mills Limited.	1.07	4.24
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Rajapalayam Textile Limited	0.10	8.85
	The Ramaraju Surgical Cotton Mills Limited	-	3.47
	Sri Vishnu Shankar Mills Limited	3.88	3.23
	Sandhya Spinning Mill Limited	0.32	0.22
	Total	5.37	20.01
15	Leasing arrangement - Rent on Store Material Paid		
	Associates		
	Rajapalayam Mills Limited	8.17	8.93
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Rajapalayam Textile Limited	0.67	-
	Sandhya Spinning Mill Limited	0.34	0.26
	Sri Vishnu Shankar Mills Limited	0.40	-
	Total	9.58	9.19

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2021	31-03-2020
16	Leasing Arrangements - Rent & Amenities Paid		
	Associates		
	The Ramco Cements Limited	20.96	20.96
	Subsidiary		
	Sri Ramco Lanka Private Ltd.	0.54	0.60
	Total	21.50	21.56
17	Share of Expenses - Paid		
	Associates		
	The Ramco Cements Limited	4.78	-
	Rajapalayam Mills Limited	43.66	-
	Total	48.44	-
18	Share of Expenses - Received		
	Associates		
	The Ramco Cements Limited	7.07	7.02
	Rajapalayam Mills Limited	0.66	-
	Total	7.73	7.02
19	Dividend received		
	Subsidiary		
	Sri Ramco Lanka (Private) Ltd	2,538.59	1,788.87
	Sri Ramco Roofings Lanka (Private) Ltd	20.40	20.09
	Associates		
	The Ramco Cements Limited	1,582.44	2,887.59
	Rajapalayam Mills Limited	1.27	5.09
	Total	4,142.70	4,701.64
20	Dividend Paid		
	Associates		
	The Ramco Cements Limited	133.73	133.73
	Rajapalayam Mills Limited	84.02	84.02
	Other entities over which there is a significant influence		
	The Ramaraju Surgical Cotton Mills Limited	1.36	1.36
	RCDC Securities and Investments Private Limited	0.43	0.43
	Ramco Management Private Limited	18.99	18.99
	Ramco Industrial and Technologies Services Private Limited	0.90	0.90
	Ramco Private Limited	0.40	0.40
	Ramco Agencies Private Limited	0.22	0.22
	Key Management Personnel (Other than Sitting Fees)		
	P.R. Venketrana Raja, Chairman	62.21	62.21
	P.V. Abinav Ramasubramaniam Raja, Managing Director	0.40	0.40
	Prem G shanker	0.11	0.11
Total	302.77	302.77	

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2021	31-03-2020
21	Remuneration to Key Management Personnel (Other than Sitting Fees)		
	P.V. Abinav Ramasubramaniam Raja, Managing Director	824.63	401.04
	Prem G Shanker, Chief Executive Officer	300.58	238.36
	K. Sankaranarayanan, Chief Financial Officer	79.06	69.26
	S. Balamurugasundaram, Company Secretary and legal Head	36.35	30.85
	Total	1,240.62	739.51
22	Directors' Sitting Fees		
	<i>Key Management Personnel</i>		
	P.R. Venketrana Raja, Chairman	5.20	4.80
	P.V. Abinav Ramasubramaniam Raja	2.80	2.00
	S.S. Ramachandra Raja	2.00	2.00
	N.K. Shrikantan Raja	2.80	2.80
	K.T. Ramachandran	2.00	4.80
	R.S. Agarwal	5.60	5.20
	V. Santhanaraman	3.20	2.40
	Smt. Justice Chitra Venkataraman (Retd.)	4.80	2.40
	Suresh Subramaniam	1.60	-
	Total	30.00	26.40
	23	Interest Received	
Subsidiary			
Sudharsanam Investments Limited		13.06	33.15
Total		13.06	33.15
24	Interest Paid		
	<i>Key Managerial Personnel</i>		
	P V Abinav Ramasubramaniam Raja, Managing Director	3.18	1.86
	Total	3.18	1.86
25	Purchase of Shares		
	<i>Associates</i>		
	Lynks Logistics Limited	1,083.85	1,750.00
	The Ramco Cements Limited	2,967.93	993.30
	Total	4,051.78	2,743.30
26	Maximum amount of loans and advances outstanding during the year		
	<i>Subsidiary</i>		
	Sudharsanam Investments Limited	298.72	421.99
	<i>Associates - Rent Advance Paid</i>		
	The Ramco Cements Limited	8.40	8.40
	<i>Other entities over which there is a significant influence</i>		
	Raja Charity Trust	-	50.00
	Total	307.12	480.39

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

S.No.	Nature of Transaction, Name of the Related Party and Relationship	31-03-2021	31-03-2020
27	Loan Outstanding		
	<i>Subsidiary</i>		
	Sudharsanam Investments Limited	217.78	281.77
	Other entities over which there is a significant influence		
	Raja Charity Trust	-	50.00
	Total	217.78	331.77
28	Contribution to Superannuation Fund / Gratuity Fund		
	Employee Benefit Funds where Control Exists		
	Ramco Industries Limited Officers' Superannuation Fund	28.49	30.44
	Ramco Industries Limited Employees' Gratuity Fund	149.51	208.21
	Total	178.00	238.65

b. Outstanding balances including commitment

₹ In Lakhs

S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2021	31-03-2020
1	Trade Receivables		
	<i>Subsidiaries</i>		
	Sri Ramco Lanka (Private) Ltd	317.43	204.06
	Sri Ramco Roofings Lanka (Private) Ltd	282.64	224.79
	<i>Associates</i>		
	The Ramco Cements Ltd	0.53	-
	Rajapalayam Mills Limited	-	31.83
	Total	600.60	460.68
2	Payables		
	<i>Associates</i>		
	The Ramco Cement Limited	29.58	-
	<i>Companies over which KMP / Relatives of KMP exercise significant influence</i>		
	Vinvent Chemilab Private Limited	0.90	0.25
	<i>Other entities over which there is a significant influence</i>		
	Raja Charity Trust	101.08	26.42
	PACR Sethurammam Charity Trust	1.75	1.78
Total	133.31	28.45	
3	Other Financial Liabilities		
	<i>Associates</i>		
	The Ramco Cement Limited	5.41	5.43
	<i>Key Managerial Person</i>		
	P.V.Abinav Ramasubramaniam Raja, Managing Director	61.17	37.63
Total	66.58	43.06	

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in Lakhs

S.No	Nature of Outstanding Balances, Name of the Related Party and Relationship	31-03-2021	31-03-2020
4	Corporate Guarantees given to lenders of Related parties		
	Companies over which KMP / Relatives of KMP exercise significant influence		
	Sri Harini Textiles Limited	4,629.00	4,629.00
	Total	4,629.00	4,629.00

Note:

- The above figures are inclusive of all applicable taxes
- The above outstanding balances at the respective reporting dates are unsecured and settlement occurs in cash or through provision of goods / services, in case of unadjusted advances

Disclosure of Key Management Personnel compensation in total and for each of the following categories: ₹ in Lakhs

Particulars	31-03-2021	31-03-2020
Short - Term Benefits (1)		
Defined Contribution Plan (2)	1,243.42	741.51
Defined Benefit Plan / Other Long-term benefits(3)		
Total	1,243.42	741.51

- It includes bonus, sitting fees, and value of perquisites.
- It includes contribution to Provident fund and Superannuation fund
- As the liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

44. DISCLOSURE OF FAIR VALUE MEASUREMENTS

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

Financial Instruments by category

₹ in Lakhs

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2021					
Financial Assets					
Other Investments	3,042.46	9.99	1,620.58	4,673.03	4,673.03
Loans and Advances	217.78	-	-	217.78	217.78
Trade Receivables	8,892.84	-	-	8,892.84	8,892.84
Cash and Bank Balances	760.47	-	-	760.47	760.47
Other Financial Assets	922.46	-	-	922.46	922.46
Borrowings	15,185.69	-	-	15,185.69	15,185.69
Trade Payables	6,683.28	-	-	6,683.28	6,683.28
Other Financial Liabilities	9116.97	-	-	9,116.97	9,116.97
As at 31-03-2020					

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in Lakhs

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
Financial Assets					
Other Investments	3,687.86	(8.39)	(636.62)	3,042.85	3,042.85
Loans and Advances	331.77	-	-	331.77	331.77
Trade Receivables	7,818.20	-	-	7,818.20	7,818.20
Cash and Bank Balances	1,706.01	-	-	1,706.01	1,706.01
Other Financial Assets	956.14	-	-	956.14	956.14
Financial Liabilities					
Borrowings	23,730.17	-	-	23,730.17	23,730.17
Trade Payables	6,046.83	-	-	6,046.83	6,046.83
Other Financial Liabilities	9,839.13	-	-	9,839.13	9,839.13

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The details of financial instruments that are measured at fair value on recurring basis are given below: ₹ in Lakhs

Particulars	Level 1	Level 2	Level 3	Total
Financial Instruments at FVTOCI				
Investments in listed equity securities				
As at 31-03-2021	1,620.58	-	-	1,620.58
As at 31-03-2020	(636.62)	-	-	(636.62)
Actuarial Values				
As at 31-03-2021	-	-	(2.51)	(2.51)
As at 31-03-2020	-	-	(77.84)	(77.84)
Financial Instruments at FVTPL				
Investment in mutual funds				
As at 31-03-2021	9.99	-	-	9.99
As at 31-03-2020	(8.39)	-	-	(8.39)
Foreign exchange forward contracts				
As at 31-03-2021	-	-	-	-
As at 31-03-2020	-	10.13	-	10.13

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Valuation techniques used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instrument	Valuation Technique	Remarks
Investment in Listed securities / Mutual Funds	Market Value	Closing Price as at 31 st March in Stock Exchange
Investment in Unlisted securities	Adjusted Net Assets	Net Assets plus Cost Savings in operations of business based on Discounted cash flow method
Foreign exchange forward contracts	Mark to Market	Based on MTM valuations provided by the Banker
Financial Guarantee Obligation	Differential Interest Rate	Interest rates quote have been obtained from the Banker

45. FINANCIAL RISK MANAGEMENT

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company’s risk management framework and thus established a risk management policy to identify and analyses the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company’s activities. The Company through its training and management standards and procedures develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee oversees how management monitors compliance with the Company’s risk management policies and procedures, and reviews the risk management framework. The Audit committee is assisted in the oversight role by Internal Audit. Internal Audit undertakes reviews of the risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has the following financial risks:

Categories of Risk	Nature of Risk
Credit Risk	Receivables
	Financial Instruments and Cash deposits
Liquidity Risk	Fund Management
Market Risk	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company’s receivables, treasury operations and other operations that are in the nature of lease.

Receivables

The Company’s exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extends credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company maintains adequate security deposits from its customers in case of wholesale and retail segment. The exposures with the Government are generally unsecured but they are considered as good. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company and where there is a probability of default, the company creates a provision based on Expected Credit Loss for trade receivables under simplified approach as below:

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ In Lakhs

As at 31-03-2021	Building products	Textile Division	Windmill	Total
Gross carrying amount	4,848.70	4,363.04	119.36	9,331.10
Expected Loss Rate	7.18%	-	75.42%	4.70%
Expected Credit Losses	348.24	-	90.02	438.26
Carrying amount of trade receivables net of impairment	4,500.46	4,363.04	29.34	8,892.84

₹ In Lakhs

As at 31-03-2020	Building Products	Textile Division	Windmill	Total
Gross carrying amount	5,532.07	2,660.64	93.72	8,286.43
Expected Loss Rate	6.94%	-	89.83%	5.65%
Expected Credit Losses	384.04	-	84.19	468.23
Carrying amount of trade receivables net of impairment	5,148.03	2,660.64	9.53	7,818.20

Financial Instruments and Cash deposits

Investments of surplus funds are made only with the approved counterparties. The Company is presently exposed to counter party risk relating to short term and medium term deposits placed with banks, and also investments made in mutual funds. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

Liquidity Risk

Liquidity Risks are those risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the company's operations and to mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available. The Company has laid well defined policies and procedures facilitated by robust information system for timely and qualitative decision making by the management including its day to day operations.

Financial arrangements

The Company has access to the following undrawn borrowing facilities:

₹ In Lakhs

Particulars	31-03-2021	31-03-2020
Expiring within one year		
Bank Overdraft and other facilities	44,351.00	24,829.00
Term Loans	362.00	-
Expiring beyond year		
Term Loans	-	-

Maturities of Financial Liabilities

₹ in Lakhs

Nature of Financial Liability	< 1 Year	1 - 5 Years	>5 years	Total
As at 31-03-2021				
Borrowings from Banks	12,830.52	2,355.17	-	15,185.69
Trade payables	6,683.28	-	-	6,683.28
Security Deposits payable	3,275.71	-	-	3,275.71
Other Financial Liabilities (Incl. Interest)	4519.12	-	-	4519.12

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in Lakhs

Nature of Financial Liability	< 1 Year	1 - 5 Years	>5 years	Total
As at 31-03-2020				
Borrowings from Banks	21,156.41	2,573.76	-	23,730.17
Trade payables	6,046.83	-	-	6,046.83
Security Deposits payable	3,172.59	-	-	3,172.59
Other Financial Liabilities (Incl. Interest)	3,374.43	-	-	3,374.43

Foreign Currency Risk

The Company's exposure in USD and other foreign currency denominated transactions in connection with import of raw material, capital goods and spares, besides exports of finished goods and borrowings in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, (both interest and exchange rate risk) and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/ outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.

The Company's exposure to foreign currency risk (un-hedged) as detailed below:

Currency	Trade Payables	Trade and other Receivables	Balance with Banks	Foreign Currency Loan
USD in Millions				
As at 31-03-2021	1.55	3.00	0.26	1.30
As at 31-03-2020	0.34	2.53	0.17	1.86

Risk sensitivity on foreign currency fluctuation

₹ in Lakhs

Foreign Currency	31-03-2021		31-03-2020	
	1% Increase	1% decrease	1% increase	1% decrease
USD	44.70	(44.70)	35.85	(35.85)
LKR	-	-	-	-

Cash flow and fair value interest rate risk

Interest rate risk arises from long term borrowings with variable rates which exposed the company to cash flow interest rate risk. The Company's fixed rate borrowing are carried at amortized cost and therefore are not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of the change in market interest rates. The Company is exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing, which is mainly addressed through the management of the fixed/ floating ratio of financial liabilities. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost. The Company believes that it can source funds for both short term and long term at a competitive rate considering its strong fundamentals on its financial position. Sensitivity on interest rate fluctuation.

Interest rate risk exposure

₹ in Lakhs

Particulars	31-03-2021	31-03-2020
Variable rate borrowings	11,783.77	18,131.04
Fixed rate borrowings	3,401.92	5,599.13

The Company does not have any interest rate swap contracts.

Sensitivity on Interest rate fluctuation

₹ in Lakhs

Total Interest Cost works out to	31-03-2021	31-03-2020
1% Increase in Interest Rate	545.59	1,192.86
1% Decrease in Interest Rate	379.76	924.72

46. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholders' wealth.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus Debt.

₹ in Lakhs

Particulars	31-03-2021	31-03-2020
Long Term Borrowings	2,355.17	2,573.76
Current maturities of Long term borrowings	1,046.75	3,025.37
Short Term Borrowings	11,783.77	18,131.04
Less: Cash and Cash Equivalents	760.47	1,706.01
Net Debt (A)	14,425.22	22,024.16
Equity Share Capital	866.63	866.63
Other Equity	89,244.22	77,603.84
Total Equity (B)	90,110.85	78,470.47
Total Capital Employed (C) = (A) + (B)	1,04,536.07	1,00,494.63
Capital Gearing Ratio (A) / (C)	13.80%	21.92%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans/borrowing. The Company has been consistently focusing on reduction in long term borrowings. There are no significant changes in the objectives, policies or processes for managing capital during the years ended 31-03-2021 and 31-03-2020.

47. PROJECT REVENUE RECOGNITION

Disclosure as per Indian Accounting Standard - 11 in respect of projects in progress

- [a] Contract Revenue during the year ₹ 129.73 Lakhs [PY: ₹ 494.83 Lakhs]
- [b] Aggregate amount of cost incurred ₹ 134.05 Lakhs [PY: ₹ 425.10 Lakhs] and recognised loss ₹ (4.32) Lakhs [PY: ₹ 69.73 Lakhs] (less recognised losses) to date
- [c] Advances received [Outstanding] ₹ 13.30 Lakhs [PY: ₹ 54.52 Lakhs]
- [d] Retention Money [Outstanding] ₹ 40.49 Lakhs [PY: ₹ 9.75 Lakhs] *
- [e] Gross Amount due from Customers for Contract Work [including Retention at (d) above] ₹ 98.60 Lakhs [PY: ₹ 357.95 Lakhs]
- [f] Gross Amount due to Customers for Contract Work [other than advances at (c) above] - Nil.
- [g] Unbilled revenue - Nil [PY: Nil].

* Retention Money [Outstanding] is after adjusting amounts released against furnishing of Bank Guarantees.

Unbilled Revenue represents revenue recognised based on percentage of completion method over and above the amount due from the customers as per the agreed payment plans.

48. THE CODE ON SOCIAL SECURITY, 2020 AND INDUSTRIAL RELATIONS CODE, 2020

The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 (“the codes”) in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees including post-employment period. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes if any will be assessed and recognised post notification of relevant provisions

49. IMPACT ON COVID 19 PANDEMIC

The second wave of COVID 19 has impacted the demand for the product as the pandemic is now affecting rural areas also. The Company is continuing its operations in compliance with the directives issued by the Government Authorities. The company is monitoring the situation closely and is taking necessary steps to continue operations in due compliance with applicable regulations.

The Company has considered the possible effects that may result from the pandemic relating to COVID19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and nonfinancial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including economic forecasts and expects that the carrying amount of these assets will be recovered. However, the final impact may differ from the current estimates made as at the date of approval of the financial statements for the year ended 31-03-2021 considering the prevailing uncertainties.





NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

50. SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

₹ in Lakhs

As required under Ind AS 108, the Segment-wise Revenue, Results and Capital employed are furnished below:-

Particulars	Building Products		Textiles		Windmill		Others		Consolidated	
	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2021	Year Ended 31.03.2020
1. Revenue/Income from operations										
External Customers	84,670.12	68,402.64	13,179.25	12,415.91	1,455.44	1,559.01	2,293.09	1,639.98	1,01,597.90	84,017.54
Inter-segment	-	-	-	-	(1,304.51)	(1,386.21)	-	-	(1,304.51)	(1,386.21)
Total Revenue	84,670.12	68,402.64	13,179.25	12,415.91	150.93	172.80	2,293.09	1,639.98	1,00,293.39	82,631.33
2. Results:										
Segment results										
Unallocated Corporate Expenses										
Operating Profit / (Loss)	10,703.56	3,969.04	349.71	(1.49)	843.43	981.41	2,431.39	(83.47)	14,328.09	4,865.49
Interest expenses									949.32	1,459.73
Other Income / Dividend Income									4,092.66	4,572.36
Income Tax - Current (MAT)									4,541.19	1,697.93
- Deferred									423.22	874.42
- MAT credit entitlement									-	-
Profit from Ordinary activities									12,507.02	5,405.77
Exceptional items									-	505.69
Net Profit									12,507.02	5,911.46
3. Other Information:										
Segment Assets	69,522.94	65,172.47	16,459.57	15,951.02	1,370.16	1,478.34	49,337.28	43,561.82	1,36,689.95	1,26,163.65
Unallocated corporate assets										
Total Assets	69,522.94	65,172.47	16,459.57	15,951.02	1,370.16	1,478.34	49,337.28	43,561.82	1,36,689.95	1,26,163.65
Segment Liabilities	15,642.32	12,817.55	5,685.28	5,310.92	206.32	174.18	25,045.17	29,390.53	46,579.09	47,693.18
Unallocated corporate liabilities										
Total Liabilities	15,642.32	12,817.55	5,685.28	5,310.92	206.32	174.18	25,045.17	29,390.53	46,579.09	47,693.18
Capital Expenditure	1,477.68	2,080.39	2,761.16	2,769.67	-	2.50	132.40	355.95	4,371.24	5,208.51
Depreciation	2,155.50	2,077.76	492.01	383.82	113.90	115.38	0.29	0.29	2,761.70	2,577.25
Non - cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-

Segmental Assets includes Tax Assets

NOTES ACCOMPANYING SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

51. The previous period figures have been re-grouped / restated wherever considered necessary.

As per our Report Annexed

For M/s. SRSV & Associates
Chartered Accountants
Firm Registration No.: 015041S
G. CHELLA KRISHNA
Partner
Membership No.: 210474
UDIN: 21210474AAAABK8753
Place : Chennai
Date : 24th May, 2021

For M/s. Ramakrishna Raja and Co.,
Chartered Accountants
Firm Registration No.: 005333S
C. KESAVAN
Partner
Membership No.227833
UDIN: 21227833AAAAMR7497

For and on behalf of the Board

P.R. VENKETRAMA RAJA
Chairman
P.V. ABINAV RAMASUBRAMANIAM RAJA
Managing Director
PREM.G.SHANKER
Chief Executive Officer
K. SANKARANARAYANAN
Chief Financial Officer
S. BALAMURUGASUNDARAM
Company Secretary & Legal Head

