

R R KABEL LIMITED

Standalone Balance Sheet as at March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant & equipment	2A	37,927.23	29,931.62
Capital work-in-progress	2B	1,537.21	4,261.98
Other intangible assets	2C	708.37	225.35
Right of use assets	2D	417.04	-
Financial assets			
Investments	3A	3,177.66	3,818.10
Loans	4A	157.42	148.03
Other financial assets	5A	7.01	15.21
Income tax assets (net)	6A	176.18	1,183.51
Other non-current assets	7A	1,161.87	1,942.04
		45,269.99	41,525.84
Current assets			
Inventories	8	37,520.95	35,270.88
Financial assets			
Investments	3B	18,881.87	15,523.34
Trade receivables	9	41,895.88	44,650.72
Cash and bank balances	10	1,127.78	584.22
Loans	4B	140.39	181.38
Other financial assets	5B	4,417.91	3,315.03
Income tax assets (net)	6B	974.43	-
Other current assets	7B	4,292.26	5,867.06
		109,251.47	105,392.63
Total Assets		154,521.46	146,918.47
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11A	2,339.53	2,339.53
Instrument entirely equity in nature	11B	40,000.00	40,000.00
Other equity	12	48,050.59	40,813.15
		90,390.12	83,152.68
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13A	6,828.15	2,252.50
Lease liabilities	14A	177.12	-
Provisions	16A	781.35	407.19
Deferred tax liabilities (net)	17	917.48	763.71
Other non-current liabilities	18A	1.76	2.20
		8,705.86	3,425.60
Current liabilities			
Financial liabilities			
Borrowings	13B	30,911.83	35,984.41
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	19	884.19	1,314.17
- total outstanding dues of creditors other than micro enterprises and small enterprises	19	17,202.01	17,723.02
Lease liabilities	14B	252.69	-
Other financial liabilities	15	4,425.75	3,738.48
Provisions	16B	128.87	89.04
Other current liabilities	18B	1,620.14	1,491.07
		55,425.48	60,340.19
Total Equity and Liabilities		154,521.46	146,918.47
Significant accounting policies	1		
See accompanying notes to the standalone financial statements	1-52		


As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
R R Kabel Limited
CIN: U28997MH1995PLC085294


Abhuvanprasad Kabra
Chairman
DIN : 00091375


Shreegopal Kabra
Managing Director
DIN : 00140598


Rupen Shah
Partner
Membership No. 116240


Partha Chakraborti
Chief Financial Officer
PAN:ACMPC9285D


Ananghar Parmar
Company Secretary
Membership No.FCS 10118

Place: Mumbai
Date: September 3, 2020

Place: Mumbai
Date: September 3, 2020

R R KABEL LIMITED

Standalone Statement of Profit and Loss for the year ended on March 31, 2020

(₹ in Lakhs)


Particulars	Note No.	2019-20	2018-19
Revenue From Operations	20		
Sale of products		243,045.33	235,288.30
Other operating revenues		4,197.74	3,518.28
Other income	21	2,701.81	2,468.03
Total Revenue		249,944.88	241,274.61
Cost of materials consumed	22A	182,395.11	190,896.65
Purchase of traded goods	22B	11,127.50	9,147.67
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	(1,309.42)	(11,793.20)
Employee benefits expense	24	13,576.56	10,715.48
Finance costs	25	3,524.64	3,831.38
Depreciation and amortization expense	26	3,880.38	3,057.60
Other expenses	27	20,974.80	22,177.46
Total expenses		234,169.57	228,033.04
Profit before tax		15,775.31	13,241.57
Tax expense:	17		
Current tax		3,275.34	4,652.66
Short/(excess tax) provision of earlier years		103.82	(5.10)
Deferred tax (credit)/charge		148.51	29.25
		3,527.67	4,676.81
Profit for the year		12,247.64	8,564.76
Other Comprehensive Income/(Loss)			
A) Items that will not be reclassified to Profit and Loss			
a) (i) Re-measurement of post employment benefits obligation		(117.67)	(10.19)
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		28.47	4.49
b) (i) Fair value gain/(loss) on investment in equity instrument through OCI		(640.44)	(861.91)
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		(33.74)	(16.49)
Total Comprehensive Income for the year		11,484.26	7,680.56
Earnings per equity Share (nominal value of ₹ 10/- each):	36		
Basic		44.11	32.30
Diluted		44.11	32.30
Significant accounting policies	1		
See accompanying notes to the standalone financial statements	1-52		


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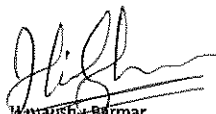
For and on behalf of the Board of Directors of
R R Kabel Limited
CIN: U28997MH1995PLC085294


Tribhuvanprasad Kabra
Chairman
DIN : 00091375


Shreegopal Kabra
Managing Director
DIN : 00140598


Rupen Shah
Partner
Membership No. 116240


Partha Chakraborti
Chief Financial Officer
PAN:ACMPC9285D


Wamisha Parmar
Company Secretary
Membership No.FCS 10118

Place: Mumbai
Date: September 3, 2020

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R R KABEL LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	(₹ In Lakhs)	
	2019-20	2018-19
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit Before Tax	15,775.31	13,241.57
Adjustments for:		
Depreciation & amortization	3,880.38	3,057.60
Grant related to property, plant & equipment	(92.38)	(81.10)
Finance costs	3,524.64	3,831.38
Interest income	(297.51)	(193.61)
Dividend income	(398.28)	(562.56)
Fair value gain on investment on mutual fund	(477.87)	-
Allowances for doubtful debts & Bad Debts	1,256.27	707.18
Property, plant & equipment written off	-	150.35
Unrealised foreign exchange loss / (gain) net	409.62	(495.43)
Gain on Sale of Property, Plant & Equipment	(25.94)	(7.52)
Operating profit before working capital changes	23,554.24	19,647.86
Adjustments for:		
Decrease in Trade receivables	1,994.83	501.57
Decrease/(Increase) in Financial assets	364.78	(465.23)
Decrease in Other assets	1,801.07	879.70
Increase in Inventories	(2,250.07)	(13,445.99)
Increase/(Decrease) in Trade payables	(1,272.40)	3,516.41
Increase in Financial liabilities	352.75	346.60
Increase/(Decrease) in Other liabilities & provision	359.92	(480.45)
Cash generation from operations	24,905.12	10,500.47
Income Taxes paid (net of refund)	(3,346.27)	(6,484.27)
Net cash generated from operating activities (A)	21,558.85	4,016.20
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of property, plant & equipment including changes in capital advance & capital creditors	(9,308.20)	(10,543.25)
Proceeds from sale of property, plant & equipment	95.31	37.54
Investment in fixed deposits with banks	(1,411.05)	(2,584.86)
Investment in Mutual Fund (net of redeemed)	(2,880.66)	(15,071.73)
Inter corporate deposit received back	-	300.00
Dividend received	398.28	110.95
Interest received	280.68	175.22
Net cash (used in) investing activities (B)	(12,825.64)	(27,576.13)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from non current borrowing	6,043.62	-
Repayment of non current borrowing	(1,429.10)	(1,877.40)
Proceeds from short term borrowing (net)	(5,152.58)	(765.21)
Issue of compulsory convertible preference shares	-	41,500.00
Buy back of equity shares	-	(9,971.46)
Finance costs paid	(3,404.76)	(3,790.87)
Dividend paid (inclusive of dividend tax)	(4,246.83)	(2,328.74)
Net cash generated from/(used in) financing activities (C)	(8,189.65)	22,766.32
Net increase/(decrease) in cash and equivalents (A+B+C)	543.56	(793.61)
Add : Cash and cash equivalents as at the beginning of the year	577.23	1,370.84
Cash and cash equivalents as at the end of the year (Note 10)	1,120.79	577.23

Note :

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

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Cash on hand	8.06	12.89
Balance with banks	1,111.73	152.75
Term deposits	1.00	411.59
Cash and cash equivalents in Cash Flow Statement	1,120.79	577.23



R R KABEL LIMITED

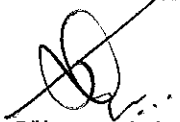
c) Reconciliation of liabilities arising from financing activities

Particulars	As at March 31, 2019	Cash Flow	Non Cash Changes			As at March 31, 2020
			Fair value changes	Forex difference	Current / Non-current classification	
Borrowings- Non Current	2,252.50	6,045.61	-	-	(1,469.96)	6,828.15
Borrowing Non Current (current maturities)	1,431.09	(1,431.09)	-	-	1,469.96	1,469.96
Borrowings- Current	33,559.30	(4,699.95)	-	-	-	28,859.35
Borrowings- Current- Buyer credit	2,425.11	(452.63)	80.01	-	-	2,052.49

Particulars	As at March 31, 2018	Cash Flow	Non Cash Changes			As at March 31, 2019
			Fair value changes	Forex difference	Current / Non-current classification	
Borrowings- Non Current	4,691.61	(1,010.35)	-	-	(1,428.76)	2,252.50
Borrowing Non Current (current maturities)	869.38	(869.38)	-	-	1,428.76	1,431.09
Borrowings- Current	31,838.86	1,720.44	-	2.33	-	33,559.30
Borrowings- Current- Buyer credit	5,042.33	(2,485.64)	(131.58)	-	-	2,425.11

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-160022

For and on behalf of the Board of Directors of
R R Kabel Limited
CIN: U28997MH1995PLC085294


Tribhuvanprasad Kabra
Chairman
DIN : 00091375


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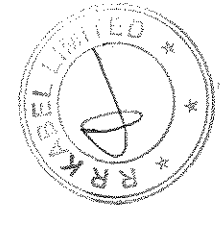
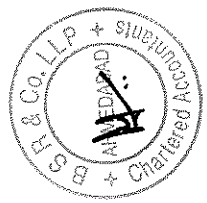
Place: Mumbai
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R R KABEL LIMITED

Statement of Changes in Equity for the year ended on March 31, 2020

	Equity Shares		Compulsory Convertible Preference Shares		Retained Earnings	Equity Instruments through OCI (refer note c)	Share Suspense Account (refer note f)	Total
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)				
(A) SHARE CAPITAL								
Opening balance as at April 1, 2018	24,146,000	2,415	-	-				
Changes in share capital (refer Note 11.8 and 11.10)	(750,724)	(75)	3,702,572	40,000				
Closing balance as at March 31, 2019	23,395,276	2,340	3,702,572	40,000				
Changes in share capital	-	-	-	-				
Closing balance as at March 31, 2020	23,395,276	2,340	3,702,572	40,000				
(B) OTHER EQUITY								
Opening balance as at April 1, 2018	1,300.81	3,000.00	-	-	37,378.49	1,789.63	-	43,468.93
Pursuant to scheme of amalgamation (refer note 49)	-	-	-	1,269.12	(933.31)	-	52.88	388.69
Additions during the year	-	-	-	-	8,564.76	-	-	8,564.76
Profit for the year	-	-	-	(18.60)	-	-	1,518.60	1,500.00
Pursuant to scheme of amalgamation (refer note 49)	-	-	-	-	-	(878.40)	-	(884.10)
Other comprehensive income/(loss)	-	-	-	-	(5.70)	-	-	(884.10)
Total (B)	-	-	-	1,250.52	7,625.75	(878.40)	1,571.48	9,569.35
Reductions during the year								
Dividend (refer Note 31)	-	-	-	-	(1,931.68)	-	-	(1,931.68)
Tax on dividend distribution	-	-	-	-	(397.06)	-	-	(397.06)
Buy Back of equity shares	(1,300.81)	(3,000.00)	-	-	(3,734.41)	-	-	(8,035.22)
Tax on Distributed Income (Buyback of equity shares)	-	-	-	-	(1,861.17)	-	-	(1,861.17)
Capital Redemption reserve	-	-	75.07	-	(75.07)	-	-	-
Total (C)	(1,300.81)	(3,000.00)	75.07	1,250.52	(7,999.39)	911.23	1,571.48	(12,225.13)
Closing balance as at March 31, 2019	-	-	-	-	37,004.85	911.23	1,571.48	40,813.15
Additions during the year	-	-	-	-	12,247.64	(674.18)	-	12,247.64
Profit for the year	-	-	-	-	(89.20)	(674.18)	-	(763.38)
Other comprehensive income/(loss)	-	-	-	-	12,158.44	(674.18)	-	11,484.26
Total (E)	-	-	-	-	(1,490.38)	-	-	(1,490.38)
Dividends (refer Note 31)	-	-	-	-	(306.35)	-	-	(306.35)
Tax on dividend distribution	-	-	-	-	(2,032.34)	-	-	(2,032.34)
Interim dividends (refer Note 31)	-	-	-	-	(417.75)	-	-	(417.75)
Tax on dividend distribution	-	-	-	-	(4,246.82)	-	-	(4,246.82)
Total (F)	-	-	75.07	1,250.52	44,916.47	237.05	1,571.48	48,050.59
Closing balance as at March 31, 2020	-	-	75.07	1,250.52	44,916.47	237.05	1,571.48	48,050.59
(G) = (D+E+F)	-	-	75.07	1,250.52	44,916.47	237.05	1,571.48	48,050.59



R R KABEL LIMITED


Statement of Changes in Equity for the year ended on March 31, 2020


Note :


- (a) Securities Premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013
- (b) **General Reserve**
General Reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. Under the Companies Act, 2013 there is no mandatory requirement for transfer of a specific percentage of net profit to general reserve which was required under the erstwhile Companies Act, 1956.
- (c) **Equity Instruments through Other Comprehensive Income**
This represents the cumulative gains/(losses) arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, it will be reclassified to retained earnings when such assets are disposed off.
- (d) **Capital Redemption Reserve**
Capital redemption reserve of ₹ 75.07 Lakhs was created to the extent of share capital extinguished.
- (e) **Capital Reserve**
Capital reserve of ₹ 1,250.52 Lakhs was created pursuant to scheme of amalgamation (refer note 49)
- (f) **Share Suspense account**
Share Suspense account includes ₹ 52.88 Lakhs towards equity shares suspense account and ₹ 1,518.60 Lakhs towards compulsory convertible preference share suspense account created pursuant to scheme of amalgamation (refer note 49).


As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
R R Kabel Limited
CIN: U28397MH1995PLC085294


Tribhuvanprasad Kabra
Chairman
DIN : 00091375


Shreegopal Kabra
Managing Director
DIN : 00140598


Rupen Shah
Partner
Membership No. 116240


Partha Chakrabarti
Chief Financial Officer
PAN: ACMPQ285D


Company Secretary
Membership No.FCS 10118

Place: Mumbai
Date: September 3, 2020

Place: Mumbai
Date: September 3, 2020

Notes to Financial statements for the year ended March 31, 2020

STANDALONE CORPORATE INFORMATION

R R KABEL LIMITED ("the Company") is a Public Company is mainly into the manufacturing of PVC insulated wires and cables, power cables and special cables. The Company has four manufacturing sites in India. The first unit is situated in the UT of Dadra and Nagar Haveli, second unit is situated at Waghodia in the State of Gujarat, third unit of consumer electrical division at Roorkee and fourth unit of lighting business at Bengaluru. The company has strategically located its sales offices and depots PAN India.

The Scheme of Amalgamation of Ram Ratna Electricals Limited with R R Kabel Limited, has been approved by the National Company Law Tribunal, Mumbai Bench vide their orders dated August 19, 2020. The Company has carried out the accounting prescribed in the Scheme and made the required disclosure for Amalgamations in the nature of merger, as required under Appendix C of Ind AS 103 Business Combinations, for Business Combinations of entities under "Common Control". RREL is engaged in the business of manufacturing, trading and otherwise dealing in consumer electrical, such as fans and lights, and consumer appliances such as water heaters, heat convectors, electric irons and switches and similar products.

1. SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

(i) Statement of compliance

The Company prepared its Standalone Financial Statements to comply with the accounting standards specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. These Standalone financial statements includes Balance Sheet as at 31 March 2020, the Statement of Profit and Loss including Other Comprehensive Income, Cash flows Statement and Statement of changes in equity for the year ended 31 March 2020, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements").

(ii) Basis of Measurement:

The standalone financial statements for the year ended 31 March 2020 have been prepared on an accrual basis and a historical cost convention except for the following financial assets and liabilities which have been measured at fair value at the end of each reporting period:

- (a) Derivative financial instruments
- (b) Certain financial assets and liabilities (Refer note 37 for accounting policy regarding financial instruments)
- (c) Net defined benefit plan

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

Accounting policies and methods of computation followed in the standalone financial statements are same as compared with the annual standalone financial statements for the year ended 31 March 2019, except for adoption of new standard or any pronouncements effective from 1 April 2019.



Notes to Financial statements for the year ended March 31, 2020

(iii) Current/ Non- Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of product and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

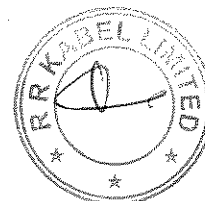
(iv) Functional and Presentation Currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The functional and presentation currency of the Company is Indian Rupees (₹).

(B) USE OF ESTIMATES AND JUDGEMENTS

In the course of applying the policies outlined in all notes, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its standalone financial statements:



Notes to Financial statements for the year ended March 31, 2020

(i) Useful lives of property, plant & equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in current and future periods.

(ii) Impairment of investment in joint- venture

Determining whether the investment in joint venture is impaired requires an estimate in the value in use of investments. The Company reviews its carrying value of investment carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. In considering the value in use, the Board of Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

(iii) Provision

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

(iv) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

(v) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (Refer note 37 for accounting policy on Fair value measurement of financial instruments).

(vi) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised,



Notes to Financial statements for the year ended March 31, 2020

based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(vii) Employee benefits

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

(viii) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

For the accounting year ended March 31, 2019

The Company as Lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the statement of profit and loss on straight line basis over the lease term unless

- another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset; or
- the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

The Company as Lessor

Lease rentals from the workers quarters are recognised in the statement of profit & loss on straight line basis.



Notes to Financial statements for the year ended March 31, 2020

(C) OTHER SIGNIFICANT ACCOUNTING POLICIES

(i) Revenue

Revenue from contracts with customers is recognised when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Company considers below, if any:

Variable Consideration: This includes trade discounts, rebates, returns and etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

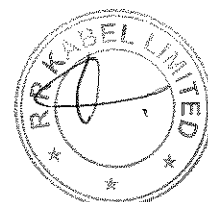
Consideration payable to a customer: Such Amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Company.

Trade Receivable: A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

(ii) Property, Plant and Equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to the costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount or rebate is deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.



Notes to Financial statements for the year ended March 31, 2020

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Capital work-in-progress includes cost of property, plant and equipment not ready for the intended use as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'capital advances' under other non-current assets.

The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or retirement of the property, plant & equipment and the resultant gains or losses are recognised in the statement of profit and loss. Property, Plant & Equipment to be disposed of is reported at the lower of the carrying value or the fair value less cost of sale.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per Previous GAAP as the deemed cost of the property, plant and equipment.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the Previous GAAP standalone financial statements in respect of which the Company has elected to recognise such exchange differences as a part of cost of assets as allowed under Ind AS 101. Such differences are added/deducted to/ from the cost of assets and are recognised in the statement of profit and loss on a systematic basis as depreciation over the balance life of the assets.

(iii) Intangible Assets

Intangible assets acquired are initially measured at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets with defined useful lives are carried at cost less accumulated amortization and accumulated impairment loss, if any. Internally generated intangibles are not capitalized, and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

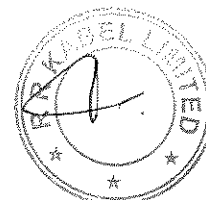
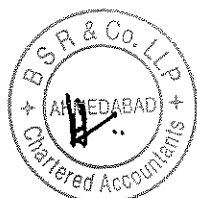
Computer Software an intangible asset is measured on initial recognition at cost. Costs comprise of license fees and cost of system integration services and development.

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. On de-recognition the intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the statement of profit and loss.

(iv) Depreciation on Property, Plant & Equipment and Amortisation of intangible Assets

Depreciation on property, plant and equipment is provided using the straight-line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 in consideration with useful life of the assets as estimated by the management.

Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.



Notes to Financial statements for the year ended March 31, 2020

The estimated useful lives and residual values are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if any.

The estimated useful life of items of property, plant and equipment and intangible Assets are:

Particulars	Years	Particulars	Years
Factory Buildings	30	Office & Other Equipments	5 to 10
Workers Quarters	60	Vehicles	8 to 10
Plant & Equipments	15	Computer / Laptop / Computer hardware	3
Furniture & Fixtures	10	Computer Servers	6
Electrical Installations	10	Computer Software	5

(v) Impairment of Assets

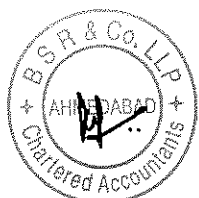
At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).

An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

(vi) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.



Notes to Financial statements for the year ended March 31, 2020

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

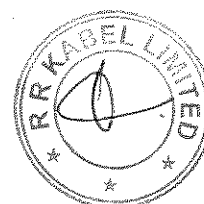
Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.



Notes to Financial statements for the year ended March 31, 2020

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying value as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of the Company's Annual Report for year ended 31 March 2019.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹ 417.04 lakhs and lease liability of ₹ 429.81 lakhs. The cumulative effect of applying the standard resulted in ₹ 9.56 lakhs being debited to retained earnings (net of deferred tax assets created of ₹ 3.21 lakhs). The effect of this adoption is insignificant on the profit for the period and earnings per share.

The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities.

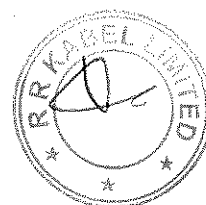
On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Others

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application, variable lease and low value asset.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- The effective interest rate for lease liabilities is 9.22% p.a, with maturity between 2021-2030.

(vii) Investments

Investment in joint venture is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investments is assessed and written down immediately to its recoverable amount. On disposal of investments in joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit & loss.



Notes to Financial statements for the year ended March 31, 2020

Investments in mutual funds are primarily held for the Company's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

Refer financial instruments accounting policy ix for methods of valuation.

(viii) Inventories:

Raw Materials, Work-in-progress and Finished goods are valued at the lower of cost or net realizable value. The cost is determined using FIFO method.

The cost of Inventories comprises the cost of purchases, the cost of conversion and the cost of packing materials in case of Finished Goods.

The cost of purchase comprises of the purchase price including duties and taxes (other than those subsequently recoverable by the Company from the taxing authorities), freight inward and other expenditure directly attributable to the acquisition but net of trade discount, rebates, duties for import under advance licenses and other similar items.

The cost of conversion comprises of depreciation on factory buildings and plant & machineries, power & fuel, factory management and administration expenses, repairs & maintenance and consumable stores & spares.

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

Scrap is valued at net realizable value.

(ix) Financial Instruments

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

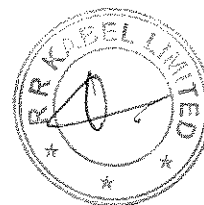
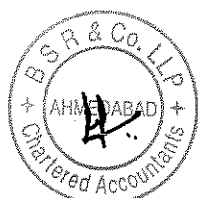
The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to / deducted from the fair value on initial recognition.

a) Financial Assets

Cash and bank balances

Cash and bank balances consist of:

- **Cash and cash equivalents** - which includes cash on hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- **Other bank balances** - which includes balances and deposits with banks that are restricted for withdrawal and usage.



Notes to Financial statements for the year ended March 31, 2020

Financial assets carried at amortised cost

A financial asset is are subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, using the Effective Interest Rate (EIR) method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the statement of profit and loss.

Financial assets measured at fair value

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognised in the other comprehensive income.

The Company in respect of equity instruments (other than equity instruments of joint venture) which are not held for trading has made an irrevocable election to present the subsequent changes in fair value of such equity instruments in other comprehensive income. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments. On de-recognition, cumulative gain or loss previously recognised in other comprehensive income is reclassified from the equity to retained earnings in the statement of changes in equity.

A financial asset not classified as either amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit & loss.

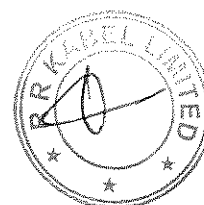
Impairment of financial assets

The Company applies loss allowance using the expected credit loss (ECL) model for the financial assets which are measured at amortised cost and fair value through other comprehensive income. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to 12-month ECL, unless there has been a significant increase in credit risk for initial recognition in which case those are measured at lifetime ECL.

De-recognition of Financial Assets

A financial asset is de-recognised only when

- The contractual rights to cash flows from the financial asset expires
- The Company has transferred the contractual rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.



Notes to Financial statements for the year ended March 31, 2020

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

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

b) Financial Liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

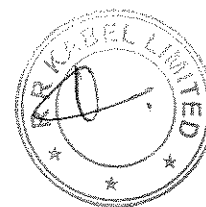
Interest bearing loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost using effective interest rate method. Any difference between proceeds (net of transaction cost) and the settlement amount of borrowing is recognised over the terms of the borrowings in the statement of profit and loss.

De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or has expired.

c) Financial Guarantee Contracts

Financial guarantee contracts are those contracts that require specific payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.



Notes to Financial statements for the year ended March 31, 2020

d) Derivative financial instruments

The Company enters into derivative financial contracts in the nature of forward currency contracts with banks to reduce business risks which arise from its exposures to foreign exchange. The instruments are employed as hedges of transactions included in the standalone financial statements or for highly probable forecast transactions/firm contractual commitments.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any change therein is generally recognised in the statement of profit and loss. Derivatives are carried as financial assets when fair value is positive & as financial liabilities when fair value is negative.

e) Offsetting Financial Instruments

Financial assets and liabilities are off-set and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

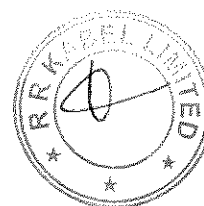
(x) Fair Value Measurement

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows :

- Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.



Notes to Financial statements for the year ended March 31, 2020

(xi) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognised nor disclosed in the standalone financial statements.

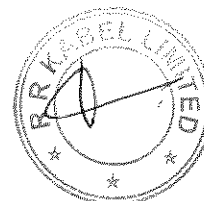
(xii) Government Grant

Government grants are recognised when there is reasonable assurance that the grant will be received, and the company will comply with all the attached conditions. When the grant relates to revenue expense, it is recognised as an income on a systematic basis over the period necessary to match it with the expenses that it is intended to compensate. Government grant related to expenditure on property, plant & equipment is included as cost of property, plant & equipment and is credited to the statement of profit & loss over the useful lives of qualifying assets or credited to the statement of profit & loss over the period in which the corresponding export obligation is fulfilled. Total grants availed less the amounts credited to the statement of profit and loss at the balance sheet date is included in the balance sheet as deferred income.

(xiii) Employee Benefits

a) Short Term Obligations

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.



Notes to Financial statements for the year ended March 31, 2020

b) Post-Employment Benefits

(i) Defined benefit plan

The Company's net obligation in respect of an approved gratuity plan, which is defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability / (asset) is recognized in the statement of profit and loss. Past service cost is immediately recognized in the statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

ii) Defined contribution plan

A Defined Contribution Plan is plan under which the Company makes contribution to Employee's Provident Fund and Employees State Insurance Contribution Fund administrated by the Central Government. The Company's contribution is charged to the Statement of Profit & Loss.

c) Other Long-Term Employee Benefits – Compensated absence and earned leave

The liability towards leave salary which is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related services is recognized based on actuarial valuation carried out using the Projected Unit Credit Method.

(xiv) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

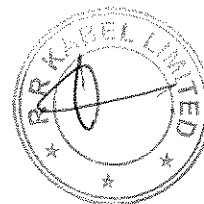
(xv) Income Taxes

Tax expenses for the year comprises current tax and deferred tax.

Current Tax

Current tax is the amount of income tax payable in respect of taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit & loss because taxable profit is adjusted for items of income or expenses which are taxable or deductible in other years and also for items which are never taxable or deductible under the Income Tax Act, 1961("the IT Act").

The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted by the end of reporting period.



Notes to Financial statements for the year ended March 31, 2020

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit under the I T Act.

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

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

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

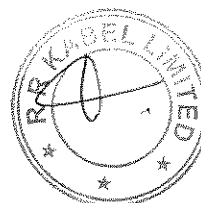
Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(xvi) Segment Reporting

Operating segment is a component of an entity whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decision about resource to be allocated to the segment and assess its performance and accordingly information of two reportable segments (Wires & Cables and Consumer Electricals) have been disclosed.



Notes to Financial statements for the year ended March 31, 2020

(xvii) Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effect of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of cash flow statement cash and cash equivalents consist of cash and short-term deposits, as defined above.

(xviii) Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions which existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(xix) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the period.

For the purpose calculating Diluted Earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

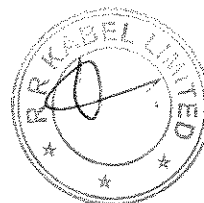
(xx) Research and Development

Research and Development expenditure of a revenue nature is expensed out under the respective heads of account in the year in which it is incurred.

Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Property, plant & equipment and Intangible Assets.

(xxi) Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.



Notes to Financial statements for the year ended March 31, 2020

Export entitlements are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

(xxii) Recent Ind AS

Ministry of Corporate Affairs notified the amendments to existing standards on 24 July 2020 which are effective for annual period beginning after 1st April, 2020. The Company intends to adopt these standards or amendments from the effective date. The following amendments to existing standards are not expected to have a significant impact on the Company's standalone financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective amended standards.

Amendment to existing Ind AS

Ind AS 103 – Business Combination

The amendments provide change in definition of business. The amendments are intended to assist entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The new definition is narrower but may require a complex assessment.

Ind AS 116 – Leases

The amendment provides the practical expedient in Ind AS 116 for accounting for rent concessions.

Ind AS 107 – Financial Instruments: Disclosures, Ind AS 109 – Financial Instruments

The specific hedge accounting requirements have been amended to provide relief from the potential effects of the uncertainty caused by IBOR reform.

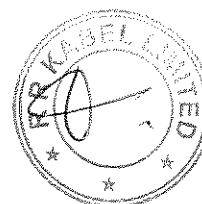
Ind AS 1 – Presentation of Financial Statements, Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, Ind AS 10 – Events after the Reporting Period.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendments provide refined definition of material. The refinements are not intended to alter the concept of materiality and are expected to make it easier to understand.

(xxiii) Recent pronouncements

The Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as per the amendment notified in the official Gazette. Accordingly, the Company has recognized Provision for Income Tax for the year ended 31 March 2020 and re-measured its Deferred Tax Assets or Liabilities basis the reduced tax rate prescribed in the said section.



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Note : 2

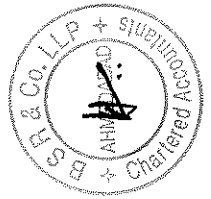
A) PROPERTY, PLANT & EQUIPMENT

TANGIBLE ASSETS

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2019	Adjustment pursuant to Scheme of Amalgamation (deemed cost) (Refer note 49)	Additions	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the year 2019-20	Deductions / Adjustments	As at March 31, 2020	As at March 31, 2020
Land - Free Hold Buildings	3,256.58	-	632.17	-	3,888.75	-	-	-	-	3,888.75
Factory Buildings	1,514.01	-	-	-	1,514.01	24.12	-	-	75.24	1,438.77
Worker's Quarters	9,079.65	-	2,042.40	-	11,122.05	424.06	-	-	1,312.61	9,809.44
Plant & Machinery	526.79	-	-	-	526.79	9.32	-	-	37.22	489.57
Electric Installations	19,273.51	-	7,726.90	110.79	26,889.62	2,605.75	76.96	-	7,898.51	18,991.11
Furniture & Fixtures	1,079.54	-	769.29	1.43	1,847.40	153.78	-	-	435.04	1,412.36
Office & Other Equipments	680.20	-	174.21	0.75	853.66	80.75	0.11	-	251.79	601.87
Vehicles	606.24	-	189.84	1.66	794.42	134.50	0.82	-	414.27	380.15
	1,459.48	-	154.40	75.72	1,538.16	191.91	43.07	-	622.95	915.21
Total	37,476.00	-	11,689.21	190.35	48,974.86	3,624.19	120.96	-	11,047.63	37,927.23
B) Capital Work - in - Progress	4,261.98	-	2,953.45	5,678.22	1,537.21	-	-	-	-	1,537.21

TANGIBLE ASSETS

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2018	Adjustment pursuant to Scheme of Amalgamation (deemed cost) (Refer note 49)	Additions	Deductions / Adjustments	As at March 31, 2019	As at April 1, 2018	For the year 2018-19	Deductions / Adjustments	As at March 31, 2019	As at March 31, 2019
Land - Free Hold Buildings	1,729.18	147.31	1,380.09	-	3,256.58	-	-	-	-	3,256.58
Factory Buildings	1,423.89	-	90.12	-	1,514.01	27.14	23.98	-	51.12	1,462.89
Worker's Quarters	7,428.01	492.07	1,159.57	-	9,079.65	521.60	366.95	-	888.55	8,191.10
Plant & Machinery	526.79	-	-	-	526.79	18.60	9.30	-	27.90	498.89
Electric Installations	15,012.77	688.58	3,593.52	21.36	19,273.51	3,280.98	2,096.81	8.07	5,369.72	13,903.79
Furniture & Fixtures	732.21	69.93	277.40	-	1,079.54	168.39	112.87	-	281.26	798.28
Office & Other Equipments	501.49	44.28	134.43	-	680.20	104.54	66.61	-	171.15	509.05
Vehicles	442.23	41.78	122.55	0.32	606.24	168.41	112.36	0.18	280.59	325.65
	1,272.47	34.94	185.24	33.17	1,459.48	298.51	192.18	16.60	474.09	985.39
Total - (i)	29,069.04	1,518.89	6,942.92	54.85	37,476.00	4,588.17	2,981.06	24.85	7,544.38	29,931.62
CSR Assets	150.34	-	-	150.34	-	-	-	-	-	-
Total - (ii)	150.34	-	-	150.34	-	-	-	-	-	-
Total - (i+ii)	29,219.38	1,518.89	6,942.92	205.19	37,476.00	4,588.17	2,981.06	24.85	7,544.38	29,931.62
B) Capital Work - in - Progress	524.07	-	4,757.98	1,019.17	4,261.98	-	-	-	-	4,261.98



R R KABEL LIMITED

- 2.1 : Additions to Property, Plant & Equipment includes items aggregating to ₹ 22.78 Lakhs (P.Y. ₹ 526.22 Lakhs) pertaining to Research and Development activities of the Company.
 2.2 : The Title deeds of property (building) located at Kolkata aggregating to ₹ 364.23 Lakhs (P.Y. ₹ 364.23 Lakhs) are under process of registration.
 2.3 : There are no interest costs capitalized during the year (P.Y. Nil).
 2.4 : The Company has capitalized foreign exchange fluctuation of ₹ 10.98 Lakhs (P.Y. ₹ 55.23 Lakhs) Lakhs on account of the policy change under para 46A of erstwhile regime of Accounting Standard.
 2.5 : The details of property, plant & equipment pledged against borrowings are presented in Note 13.4, 13.5, 13.6.
 2.6 : The amount of contractual commitments for the acquisition of property, plant & equipment is disclosed in Note 28 B (i)
 2.7 : Addition during the FY 19-20 includes addition of plant & machineries Rs. 214.19 Lakhs, offices & other equipments Rs. 17.74 Lakhs and Furnitures & Fixtures Rs. 39.86 Lakhs through business combination (Refer note 50)
 2.8 : Adjustments pursuant to scheme of Amalgamation represents property, plant and equipments included on net block basis i.e. WDV as at 1st April 2018.

C) INTANGIBLE ASSETS

Particulars	Gross Block				Accumulated Amortisation				Net Block
	As at April 1, 2019	Adjustment pursuant to Scheme of Amalgamation (deemed cost) (Refer note 49)	Additions	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the year 2019-20	Deductions / Adjustments	As at March 31, 2020
Software	358.82	-	28.52	-	387.34	133.47	75.50	-	208.97
Brand of Arraystrom	-	-	530.00	-	530.00	-	-	-	530.00
Total	358.82	-	558.52	-	917.34	133.47	75.50	-	708.37

Particulars	Gross Block				Accumulated Amortisation				Net Block
	As at April 1, 2018	Adjustment pursuant to Scheme of Amalgamation (deemed cost) (Refer note 49)	Additions	Deductions / Adjustments	As at March 31, 2019	As at April 1, 2018	For the year 2018-19	Deductions / Adjustments	As at March 31, 2019
Software	312.84	37.09	8.89	-	358.82	56.95	76.52	-	225.35
Total	312.84	37.09	8.89	-	358.82	56.95	76.52	-	225.35

2.8 : Addition during the FY 19-20 includes addition of Software Rs. 10.20 Lakhs through business combination (Refer note 50)

D) RIGHT OF USE ASSETS

Particulars	Gross Block				Accumulated Amortisation				Net Block
	As at April 1, 2019	Adjustment pursuant to Scheme of Amalgamation (deemed cost) (Refer note 49)	Additions	Deductions / Adjustments	As at March 31, 2020	As at April 1, 2019	For the year 2019-20	Deductions / Adjustments	As at March 31, 2020
Right of use Asset (Refer note 40)	-	-	597.73	-	597.73	-	180.69	-	417.04
Total	-	-	597.73	-	597.73	-	180.69	-	417.04

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



R R KABEL LIMITED

Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 3A: INVESTMENTS	Nos.	Face Value	Non-Current	
			As at March 31, 2020	As at March 31, 2019
Investments in equity instruments				
i) Quoted equity shares (fully paid up)				
Other entity (measured at fair value and designated as fair value through other comprehensive Income)				
Ram Ratna Wires Limited	1,410,768 (P.Y.1,410,768)	₹ 5	629.20	1,417.82
Comfort Intech Limited	2,500 (P.Y.2,500)	₹ 10	0.06	0.18
ii) Unquoted equity shares (fully paid up)				
a) Joint venture (measured at cost, Note 1 (c) (vii))				
RR-Imperial Electricals Limited - Bangladesh (35%)	22,190,854 (P.Y. 22,190,854)	Taka 10	1,637.31	1,637.31
b) Other entity (measured at fair value and designated as fair value through other comprehensive income)				
MEW Electricals Limited	50,000 (P.Y.50,000)	₹ 100	911.09	762.79
			3,177.66	3,818.10
Aggregate market value of quoted investments			629.26	1,418.00
Aggregate amount of unquoted investments at cost			1,637.31	1,637.31
Aggregate of unquoted investments at fair value			911.09	762.79

(₹ in Lakhs)

Note 3B: INVESTMENTS	Current	
	As at March 31, 2020	As at March 31, 2019
Investments in mutual fund instruments* (Fair Value through Profit & Loss)		
i) UTI Liquid Cash Plan - Regular Plan - Growth	10,788.33	10,280.94
ii) Axis Liquid Fund Growth	8,093.54	5,242.40
Aggregate amount of mutual fund investments	18,881.87	15,523.34

* The above investments are highly liquid in nature.

(₹ in Lakhs)

Note 4A: LOANS	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good :		
Security deposits (Note 4.1)	132.37	128.77
Loans to employees	25.05	19.26
	157.42	148.03

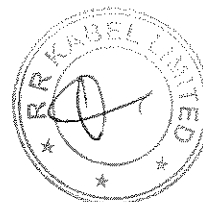
(₹ in Lakhs)

Note 4B: LOANS	Current	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good :		
Security deposits (Note 4.1)	74.88	86.94
Loans to employees	65.51	94.44
	140.39	181.38

Note 4.1 Security deposit includes:	As at March 31, 2020	As at March 31, 2019
Deposits given to directors, relatives of directors & firms in which director is a partner	73.00	73.00
Deposits given to a private limited company in which some of the directors are director or the member	3.68	3.68

(₹ in Lakhs)

Note 5A: OTHER FINANCIAL ASSETS	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Share application money - RR-Imperial Electricals Limited - Bangladesh (joint venture)	-	8.20
Term deposits held as margin money or security against borrowing, guarantees or other commitments	7.01	7.01
	7.01	15.21



R R KABEL LIMITED
Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 5B: OTHER FINANCIAL ASSETS	Current	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Share application money - RR-Imperial Electricals Limited - Bangladesh (Joint venture)	8.20	-
Term deposits held as margin money or security against borrowing, guarantees or other commitments	4,169.73	2,758.69
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	57.94	41.12
Forward contract receivables	166.03	495.57
Others (Insurance claim and recoverable expenses)	16.01	19.65
	4,417.91	3,315.03

(₹ in Lakhs)

Note 6A: NON CURRENT TAX ASSETS (Net)	As at March 31, 2020	As at March 31, 2019
Income tax (net of provisions)	176.18	1,183.51
	176.18	1,183.51

(₹ in Lakhs)

Note 6B: CURRENT TAX ASSETS (Net)	As at March 31, 2020	As at March 31, 2019
Income tax (net of provisions)	974.43	-
	974.43	-

(₹ in Lakhs)

Note 7A: OTHER ASSETS	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Capital advances	935.22	1,489.12
Balances with government authorities :		
- Value added tax	178.89	314.78
- Service tax and excise duty paid under protest	36.52	36.52
Prepaid expenses	11.24	21.27
Gratuity (Note 35)	-	80.35
	1,161.87	1,942.04

(₹ in Lakhs)

Note 7B: OTHER ASSETS	Current	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Balances with government authorities:		
- Excise duty	42.02	348.96
- Value added tax	136.66	244.79
- Goods and services tax	1,382.56	1,683.32
- Export incentives & duty scripts	785.29	611.67
Prepaid expenses	297.98	521.85
Advances to suppliers	1,631.90	2,443.75
Advance to employees	15.85	12.72
	4,292.26	5,867.06

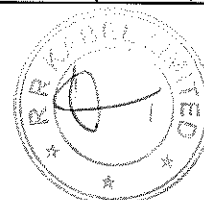
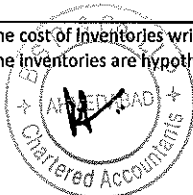
During the current year, the Company has filed a writ petition in Honorable Gujarat High Court to ascertain eligibility of credit for taxes paid on certain expenditures incurred in the normal course of business. Based on the management's internal assessment and on the basis of legal view obtained, management expects a favorable outcome from this writ petition and accordingly does not expect any impact on the financial statements or possible / probable outflow of resources on account of this writ petition.

(₹ in Lakhs)

Note 8: INVENTORIES	As at March 31, 2020	As at March 31, 2019
Raw materials (In transit ₹ 3,301.71 Lakhs ; P.Y. ₹ 2,540.82 Lakhs)	7,702.07	6,887.67
Work-in-progress	9,491.83	8,190.58
Finished goods	16,069.64	16,296.56
Stock in trade	3,463.89	3,215.79
Finished Goods-in-Transit	-	0.83
Others:		
Packing materials	309.61	300.60
Scrap	81.89	94.90
Consumable stores and spares	391.72	280.29
Fuel	10.30	3.66
	37,520.95	35,270.88

8.1 The cost of inventories written down during the year ₹ 580.86 Lakhs (P.Y. ₹ NIL)

8.2 The inventories are hypothecated as a security as disclosed in Note 13.4, 13.5, 13.6.



R R KABEL LIMITED
Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 9: TRADE RECEIVABLES	Current	
	As at March 31, 2020	As at March 31, 2019
Secured, considered good	8,055.14	8,038.59
Unsecured, considered good	36,693.37	38,696.13
Unsecured, credit impaired	219.30	106.28
	44,967.81	46,841.00
Less: allowance for credit impaired	219.30	106.28
Less: allowance on expected credit loss	2,852.63	2,084.00
	41,895.88	44,650.72

The Company's exposure to credit risk, currency risk and market risk related to trade receivables are disclosed in note 37 (C).

Note : Trade receivables includes debts due from group companies ₹ 2,254.48 Lakhs (P.Y. ₹ 3,191.80 Lakhs)

Note 9.1 Dues from directors or firms or private companies	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Due from private companies in which director is director or member	13.57	75.83
Due from firm in which director is partner	689.80	243.05

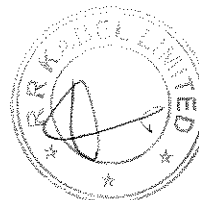
Note 10: CASH AND BANK BALANCES	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
(A) Cash and cash equivalents		
Balances with banks	1,111.73	152.75
Cash on hand	8.06	12.89
Term deposits (with original maturity of 3 months or less)	1.00	411.59
(B) Balance other than Cash and cash equivalents		
Earmarked balance with Bank for unclaimed dividend	6.99	6.99
	1,127.78	584.22

Note 11A: EQUITY SHARE CAPITAL	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Authorised Capital		
27,000,000 (P.Y. 27,000,000) Equity Shares of ₹ 10 each	2,700.00	2,700.00
Issued, Subscribed and Paid Up Capital		
23,395,276 (P.Y. 23,395,276) Equity Shares of ₹ 10 each fully paid up	2,339.53	2,339.53
	2,339.53	2,339.53

NOTE 11B: INSTRUMENT ENTIRELY EQUITY IN NATURE	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Authorised Capital		
3,702,572 (P.Y. 3,702,572) Compulsory Convertible Preference Shares of ₹ 1,080.33 each	40,000.00	40,000.00
Issued, Subscribed and Paid Up Capital		
3,702,572 (P.Y. 3,702,572) Compulsory Convertible Preference Share of ₹ 1,080.33 each fully paid up	40,000.00	40,000.00
	40,000.00	40,000.00

11.1 Reconciliation of Equity Shares outstanding at the beginning & at the end of the year	As at March 31, 2020		As at March 31, 2019	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Fully Paid up Equity Shares				
As at the beginning of the year	23,395,276	2,339.53	24,146,000	2,414.60
Add:- Shares bought back during the year (note 11.8)	-	-	(750,724)	(75.07)
As at the end of the year	23,395,276	2,339.53	23,395,276	2,339.53

11.2 Reconciliation of Compulsory Convertible Preference Share outstanding at the beginning & at the end of the year	As at March 31, 2020		As at March 31, 2019	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Fully Paid up Preference Shares				
As at the beginning of the year	3,702,572	40,000.00	-	-
Add:- Issued during the year (note 11.10)	-	-	3,702,572	40,000.00
As at the end of the year	3,702,572	40,000.00	3,702,572	40,000.00



R R KABEL LIMITED

Notes to Standalone Financial statements for the year ended March 31, 2020

11.3 Details of shareholders holding more than 5% Equity Shares *	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of Holding	No. of shares	% of Holding
Smt. Uma Devi Kabra	3,259,250	13.93%	3,259,250	13.93%
Shri Mahendrakumar Kabra	2,326,162	9.94%	2,326,162	9.94%
Rameshwarlal Kabra (Karta of Rameshwarlal Kabra HUF)	2,267,728	9.69%	2,270,505	9.70%
TPG Asia VII SF Pte Limited	1,990,128	8.51%	1,990,128	8.51%
Shri Hemant Kabra	1,575,248	6.73%	1,575,248	6.73%
Smt. Kirtidevi Kabra	1,248,166	5.34%	1,248,166	5.34%
Ram Ratna Research and Holdings Private Limited	1,182,500	5.05%	1,182,500	5.05%

11.4 Details of shareholders holding more than 5% Compulsory Convertible Preference Share *	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of Holding	No. of shares	% of Holding
TPG Asia VII SF Pte Limited	3,702,572.00	100.00%	3,702,572.00	100.00%

* As per the records of the company, including its register of members

11.5 Terms/ rights attached to Equity shares:

The Company has only one class of equity shares having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting, except in the case of Interim dividend.

As per the Companies Act, 2013 the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts in the event of the liquidation of the Company. The distribution will be in proportion to the number of equity shares held by the Shareholders.

11.6 Terms/ rights attached to Preference shares:

The Company has only one class of Compulsory Convertible Preference shares (CCPS) having nominal value of ₹ 1,080.33/- per share. These CCPS shall rank pari-passu in all respects (including with respect to dividend and voting rights) with the then-existing Equity Shares of the Company. Post conversion to equity, these CCPS shall have the same right as of the equity shareholders.

11.7 The Company had issued 37,00,000 fully paid up shares of ₹ 10 each to the shares holders of Global Electricals Factory (India) Limited and Rsqre Realty Private Limited pursuant to scheme of amalgamation during the FY 2014-15.

11.8 The Board of Directors of the Company, at its meeting held on September 06, 2018 had approved a proposal to buy back of upto 7,50,724 equity shares for an aggregate amount of ₹ 8,110.30 Lakhs (excluding tax on distributed Income) being 3.11% of the total paid up equity share capital at ₹ 1,080.33 per equity share, which was approved by the shareholders by means of a special resolution in Extra Ordinary General Meeting held on September 11, 2018.

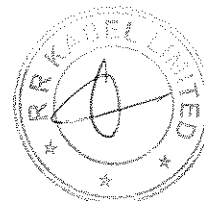
A Letter of Offer was made to all eligible shareholders. The Company bought back 7,50,724 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares bought on October 31, 2018.

The excess of cost of buy-back of ₹ 9,971.47 Lakhs (including ₹ 1,861.17 Lakhs towards tax on distributed Income) over par value of shares was offset from Securities Premium ₹ 1,300.81 Lakhs, General Reserve ₹ 3,000 Lakhs and retained earnings ₹ 5,595.58 Lakhs. The company has transferred an amount equivalent to face value of ₹ 75.07 Lakhs from retained earnings to Capital Redemption Reserve in accordance with Act.

11.9 No Shares have been allotted by way of Bonus during period of five years immediately preceding Balance Sheet date .

11.10 The Board of Directors of the Company, at its meeting held on September 06, 2018 had approved the proposal to issue 37,02,572 Compulsory Convertible Preference Shares (CCPS) to TPG Asia VII SF Pte Ltd (the Investor). These CCPS are issued pursuant to Shareholder's Agreement and Securities Subscription and Share Purchase Agreement among the Company, the Promoters and the Investor.

These CCPS shall be convertible into Equity Shares on the specified conversion dates at a specified conversion ratio in accordance with and upon the terms and conditions as set out in the Securities Subscription and Share Purchase Agreement.



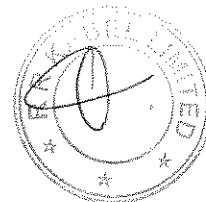
R R KABEL LIMITED

Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 12: OTHER EQUITY	As at March 31, 2020	As at March 31, 2019
a) Securitiles Premium		
Balance at the beginning of year	-	1,300.81
Utilised for buy back of shares *	-	(1,300.81)
Balance at end of the year	-	-
b) General Reserve		
Balance at the beginning of year	-	3,000.00
Utilised for buy back of shares *	-	(3,000.00)
Balance at end of the year	-	-
c) Capital Redemption Reserve		
Balance at the beginning of year	75.07	-
Transfer from retained earning *	-	75.07
Balance at end of the year	75.07	75.07
d) Capital Reserve		
Balance at the beginning of year	1,250.52	-
Pursuant to scheme of amalgamation(refer note 49)	-	1,250.52
Balance at end of the year	1,250.52	1,250.52
e) Retained Earnings		
Balance at the beginning of year	37,004.85	37,378.50
Pursuant to scheme of amalgamation(refer note 49)	-	(933.31)
Profit for the year	12,247.64	8,564.76
Final dividend on equity shares and CCPS (refer Note 31)	(1,490.38)	(1,931.68)
Interim dividend on equity shares and CCPS (refer Note 31)	(2,032.34)	-
Tax on dividend	(724.10)	(397.06)
Buy back of shares*	-	(3,734.41)
Tax on distributed income*	-	(1,861.17)
Transfer to Capital Redemption Reserve*	-	(75.07)
Re-measurement of post employment benefits obligation	(89.20)	(5.71)
Balance at end of the year	44,916.47	37,004.85
f) Other Comprehensive Income		
Fair value gain/(loss) on investment in equity instruments through other comprehensive income		
Balance at the beginning of year	911.22	1,789.62
Pursuant to scheme of amalgamation(refer note 49)	-	-
Reduction on account of change in fair value of investments	(674.17)	(878.40)
Balance at end of the year	237.05	911.22
g) Share suspense account		
Balance at the beginning of year	1,571.48	-
Pursuant to scheme of amalgamation(refer note 49)	-	1,571.48
Balance at end of the year	1,571.48	1,571.48
	48,050.59	40,813.14

* Refer Note 11.8



R R KABEL LIMITED

Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 13A: BORROWINGS	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Secured		
Term Loans from Bank		
Ruppee Loans (Refer Note 13.4)	3,036.71	86.60
Term loan from financial institution		
Ruppee loans (Refer Note 13.2 & 13.4)	3,741.74	2,077.63
Vehicle loans (Refer note 13.3 & 13.5)	49.70	88.27
	6,828.15	2,252.50

(₹ in Lakhs)

Note 13B: BORROWINGS	Current	
	As at March 31, 2020	As at March 31, 2019
Secured		
Working capital loans		
From banks		
Foreign currency loans (Refer Note 13.6)	2,000.00	2,000.00
Ruppee loans		
Short term (Refer Note 13.6)	17,269.31	15,437.15
Repayable on demand (Refer Note 13.6)	406.20	3,704.33
Unsecured		
Working capital loans		
From banks		
Foreign currency loans (Refer Note 13.6)	52.49	425.11
Ruppee loans - short term (Refer Note 13.6)	6,003.19	9,981.82
From financial Institution		
Ruppee loans	-	755.36
Loans from directors (Refer Note 13.8)	4,701.47	3,651.12
Inter corporate loans (Refer Note 13.8)	479.17	29.52
	30,911.83	35,984.41

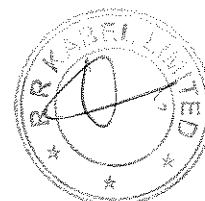
Notes to 13A & 13B

(₹ in Lakhs)

Note 13.1 : Term Loans (Foreign Currency Loans)	Number of Quarterly Installments	Rate of Interest	As at March 31, 2020	As at March 31, 2019
External commercial borrowings (ecb)	16	6.75%	-	432.32
Less : Current maturities of long term borrowing under "Other Financial Liabilities" (Note 15)			-	432.32
			-	-

Note 13.2 : Term Loans (Ruppee Loans)	Number of Quarterly Installments	Rate of Interest	As at March 31, 2020	As at March 31, 2019
Term Loan I-CITICorp Financial Institution	16	8.15%	1,368.12	1,865.63
Term Loan II-CITICorp Financial Institution	16	8.15%	709.50	967.50
Term Loan III-CITICorp Financial Institution	16	8.95%	2,978.00	-
Term Loan IV-HDFC Bank	12	11.97%	107.96	223.13
Term Loan V-HDFC Bank	16	8.15%	3,000.00	-
			8,163.58	3,056.26
Less : Current maturities of long term borrowing under "Other Financial Liabilities" (Note 15)			1,385.13	892.02
			6,778.45	2,164.24

Note 13.3 : Vehicle Loans	Number of Monthly Installments	Rate of Interest	As at March 31, 2020	As at March 31, 2019
Vehicles Loans	24-52	8.07% - 9.70%	134.54	195.02
Less : Current maturities of long term borrowing under "Other Financial Liabilities" (Note 15)			84.84	106.75
			49.70	88.27



R R KABEL LIMITED

Notes to Standalone Financial statements for the year ended March 31, 2020

Note 13.4 :

(a) Term Loans of Citi Bank ₹ 5,055.61 Lakhs (P.Y. ₹ 2,833.13 Lakhs) are secured by way of first pari-passu charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed.

(b) Term loans are further secured by all the present and future movable fixed assets (excluding vehicles) of the Company .

(c) These loans are also secured by second pari-passu charge with the Security Trustee over the present & future current assets of the Company.

(d) Further personal guarantees for term loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.

(e) Term Loan of HDFC Bank ₹ 3,000.00 Lakhs (P.Y. NIL) are proposed to be secured by way of first charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed. Term loans are further secured by present and future movable fixed assets (excluding vehicles) of the Company. These loans are also secured by second charge with the Security Trustee over the present & future current assets of the Company. Further personal guarantees for term loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.

(f) Term loan of HDFC bank ₹ 107.96 Lakhs (P.Y. ₹ 223.13)are secured by way of following :

(i) Primary charge on the project/capex assets funded under term Loan Including Land & Building.

(ii) First pari passu charge on Land by way of Mortgage standing in name of World Electrical HUB Pvt Ltd (Group Company) having MV of ₹ 2,300.00 Lakhs.

(iii) First Pari passu charge on Companies existing Plant & Machinery both present & future.

(iv) Second charge on current assets of the company.

(v) Personal guarantees given by Mr. Tribhuvanprasad Kabra, Mr Hemant Kabra & Mr Sumeet Kabra.

(vi) First pari passu equitable mortgage over free hold land at waghodia, Dist- Vadodara .

(vii) Present and future movable fixed assets (excluding vehicles) of the Company.

Note 13.5 : Vehicle loans are secured by way of hypothecation of specific vehicle.

Note 13.6 :

(a) All secured working capital facilities consisting of Foreign Currency Loan of ₹ 2,000.00 Lakhs (P.Y. ₹ 2,000.00 Lakhs), Working Capital Loans of ₹ 15,810.51 Lakhs (P.Y. ₹ 15,437.15 Lakhs) and Rupee Loan - Repayable of demand of ₹ 406.21 Lakhs (P.Y. ₹ 1,843.97 Lakhs) are secured by way of second pari-passu charge with the Security Trustee over various immovable properties at Waghodia & Nawa Ajwa in the District of Vadodara, State Gujarat as per register mortgage deed.

(b) Foreign currency loans are further secured by second pari-passu charge over the present and future movable fixed assets (excluding vehicles) of the Company.

(c) These loans are also secured by first pari-passu charge with the Security Trustee over the present & future current assets of the Company.

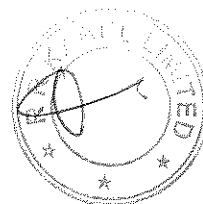
(d) Further personal guarantees for working capital loan given by Mr Tribhuvan Prasad Kabra, Mr Mahendra Kumar Kabra, Mr Shreegopal Kabra, Mr Mahhesh Kabra, Mr Sumeet Kabra.

(e) Working Capital loans of ₹ 50 Lakhs are further secured by way of first pari passu charge on companies entire current asset including stock and book debtors both present and future. These Working Capital are further secured by way of first pari passu charge on Land by way of Mortgage standing in name of World Electrical HUB Pvt Ltd (Group Company) having MV of Rs 230 Mn. These Working Capital are further secured by way of pari passu charge on Companies existing Plant & Machinery both present & future. Further personal guarantees for term loan given by Mr Hemant Kabra & Mr Sumeet Kabra. These Working Capital are further secured by way of second pari passu charge on asset funded under HDFC Bank term loan 1&2.

(f) Working Capital demand loans carry interest rate from 8.30% to 9.75% with different tenure.

Note 13.7 : There is no default in terms of repayment of principal and Interest amount.

Note 13.8 : Other unsecured loans carry interest rate from 10% to 11% with different tenure.



R R KABEL LIMITED
Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 14A: LEASE LIABILITIES	Non-Current	
	As at	As at
	March 31, 2020	March 31, 2019
Lease liabilities (Refer Note 40)	177.12	-
	177.12	-

(₹ in Lakhs)

Note 14B: LEASE LIABILITIES	Current	
	As at	As at
	March 31, 2020	March 31, 2019
Lease liabilities (Refer Note 40)	252.69	-
	252.69	-

(₹ in Lakhs)

Note 15: OTHER FINANCIAL LIABILITIES	Current	
	As at	As at
	March 31, 2020	March 31, 2019
Current maturities of long term borrowings		
Foreign currency loans (Note 13.1)	-	432.32
Rupee loans (Note 13.2)	1,385.13	892.02
Vehicle loans (Note 13.3)	84.84	106.75
Other payables :		
Retention money relating to capital expenditure	297.23	613.64
Interest accrued and due	269.72	194.11
Interest accrued but not due	50.45	16.17
Accrued salary & benefit	719.87	534.14
Commission to directors	176.90	156.48
Forward contract payables	305.01	137.63
Creditors for capital expenditure	871.77	436.70
Security deposits (Note 15.1)	204.63	143.33
Unclaimed dividends	6.99	6.99
Other payables (Note 15.2)	53.21	68.20
	4,425.75	3,738.48

Note 15.1: Security deposits includes deposits from customers and employees against vehicles.

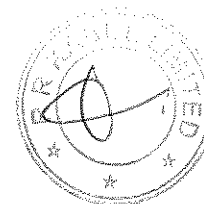
15.2 Other payables includes payable against reimbursement of expenses to employees.

(₹ in Lakhs)

Note 16A: PROVISIONS	Non-Current	
	As at	As at
	March 31, 2020	March 31, 2019
Provision for employee benefits		
Compensated absences (Note 35C)	570.43	363.80
Gratuity (Note 35)	210.92	43.39
	781.35	407.19

(₹ in Lakhs)

Note 16B: PROVISIONS	Current	
	As at	As at
	March 31, 2020	March 31, 2019
Provision for employee benefits		
Compensated absences (Note 35C)	124.94	85.71
Gratuity (Note 35)	3.93	3.33
	128.87	89.04



R R KABEL LIMITED

Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ In Lakhs)

Note 17: INCOME TAXES	As at March 31, 2020	As at March 31, 2019
A. The major components of Income tax expenses for the year are as under :-		
(i) Income Tax Expenses recognised in the Statement of Profit & Loss		
Current Tax :-		
In respect of current year	3,275.34	4,652.66
(Excess) / Short in respect of preceding years	103.82	(5.10)
Deferred Tax :-		
In respect of current year	148.51	29.25
Income tax expenses recognised in statement of profit & loss	3,527.67	4,676.81
(ii) Income tax expenses recognised in the OCI		
Deferred Tax :-		
Deferred tax expenses on fair value of equity instruments through OCI	33.74	16.49
Deferred tax benefit on re-measurement of post employment benefits obligation	(28.47)	(7.93)
	5.27	8.56
B. Reconciliation of estimated income tax expenses and the accounting profit for the year is as under:		
Profit before tax	15,775.31	13,241.58
Expected income tax expense at statutory income tax rate	3,970.33	4,728.39
Tax adjustment of earlier years	103.82	(5.10)
Tax effect on non deductible expenses	59.66	321.90
Effect of income that is exempted from tax	(100.25)	(170.08)
Effect of incentive tax credits	-	(170.11)
Tax impact on transition to new tax regime	(385.64)	-
Others	(120.25)	(28.19)
Current tax expense as per Statement of Profit and Loss for the period	3,527.67	4,676.81
Effective rate of tax	22.36%	35.32%
Statutory rate of tax	25.17%	34.94%

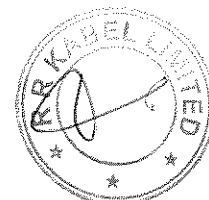
Note :-17.1

The tax rate used for the 31 March 2020 and 31 March 2019 reconciliations above is the corporate tax rate of 25.17% and 34.94% respectively, payable by corporate entities in India on taxable profits under Indian Income Tax Laws.

The Company elected to exercise the option of reduced Corporate income-tax rate from 34.94% to 25.17% as permitted under section 115BAA of the Income-tax Act, 1961 as per the amendment notified in the official Gazette dated 12 December 2019. Accordingly, the Group has recognised Provision for Income Tax for the year ended 31 March 2020 and re-measured its Deferred Tax Assets or Liabilities basis the reduced tax rate prescribed in the said section. The impact of the said change in Corporate tax rate pertaining to earlier years is recognised in the statement of Profit and Loss amounting ₹ 385.64 in Lakhs.

(₹ In Lakhs)

C: The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:	As at March 31, 2019	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2020
Deferred tax liabilities				
Difference between written down value as per books of account and Income Tax Act, 1961.	2,269.79	(578.05)	-	1,691.74
Difference in carrying value and tax base of Investments in equity measured at FVTOCI	152.42	-	33.74	186.16
Difference in carrying value and tax base of investments in Mutual Fund	-	55.66	-	55.66
Deferred tax assets				
Provision for expenses allowed for tax purpose on payment basis (net)	(214.71)	88.93	-	(125.78)
Allowance for expected credit loss on debtors	(712.03)	(61.11)	-	(773.14)
Mark to Market Exchange Gain & Loss	235.40	(270.40)	-	(35.00)
Carried Forward Business loss and Depreciation	(888.77)	888.77	-	-
Lease Accounting -Ind AS 116	-	(3.21)	-	(3.21)
Merger expenses of RREL	-	(3.86)	-	(3.86)
Disallowance under sec 40(a)(ia)	-	(0.08)	-	(0.08)
Deferred Revenue Expenditure written off	(42.41)	42.41	-	-
Preliminary Expenditure	-	(17.46)	-	(17.46)
Indexation benefit of Land held for sale	(6.90)	6.90	-	-
Re-measurement of post employment benefits obligation	(29.08)	-	(28.47)	(57.55)
Net Deferred tax liabilities	763.71	148.50	5.27	917.48



R R KABEL LIMITED

Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

The major components of deferred tax liabilities/(assets) arising on account of timing differences are as follows:	As at April 1, 2018	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2019
Deferred tax liabilities				
Difference between written down value as per books of account and Income Tax Act, 1961.	1,853.37	416.42	-	2,269.79
Employee Loan Deferred Tax	0.87	(0.87)	-	-
Vehicle Deposit	0.09	(0.09)	-	-
Difference in carrying value and tax base of investments in equity measured at FVTOCI	135.93	-	16.49	152.42
Deferred tax assets				
Provision for expenses allowed for tax purpose on payment basis (net)	(154.26)	(60.45)	-	(214.71)
Allowance for expected credit loss on Debtors	(475.04)	(236.99)	-	(712.03)
Mark to Market Exchange Gain & Loss	(26.19)	261.59	-	235.40
Carried Forward Business loss and Depreciation	(505.28)	(383.49)	-	(888.77)
Security Deposit- Rental	(0.95)	0.95	-	-
Straight lining of Outstanding Rent	(1.63)	1.63	-	-
Deferred Revenue Expenditure written off	(66.43)	24.02	-	(42.41)
Interest Income RREL	(6.54)	6.54	-	-
Indexation benefit of Land held for sale	(6.90)	-	-	(6.90)
Re-measurement of post employment benefits obligation	(24.59)	-	(4.49)	(29.08)
Net Deferred tax liabilities	722.45	29.26	12.00	763.71

(₹ in Lakhs)

Note 18A: OTHER LIABILITIES	Non-Current	
	As at March 31, 2020	As at March 31, 2019
Deferred income (Note 18.1)	1.76	2.20
	1.76	2.20

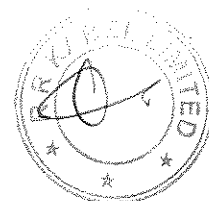
(₹ in Lakhs)

Note 18B: OTHER LIABILITIES	Current	
	As at March 31, 2020	As at March 31, 2019
Advances from customers	1,016.23	920.33
Deferred income (Note 18.1)	283.74	218.26
Statutory dues		
VAT & WCT	2.05	0.04
Provident fund and professional tax	78.99	59.74
TDS / TCS payable	199.39	271.79
Goods and services tax	39.74	20.35
Others	-	0.56
	1,620.14	1,491.07

Note: 18.1 Grants relating to property, plant and equipment includes ₹ 283.30 Lakhs (P.Y. March 31, 2019 ₹ 217.81 Lakhs) relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.

(₹ in Lakhs)

Note 19: TRADE PAYABLES	As at March 31, 2020	As at March 31, 2019
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises (Note 30)	884.19	1,314.17
- total outstanding dues of creditors other than micro enterprises and small enterprises	17,202.01	17,723.02
	18,086.20	19,037.19



R R KABEL LIMITED

Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 20: REVENUE FROM OPERATIONS	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from contract with customers (Note 44)		
Sales of Products		
Finished goods	229,707.07	223,418.73
Traded goods	13,338.26	11,869.57
Other operating revenues :		
Sale of scrap	3,350.64	2,667.84
Processing charges	26.75	22.46
Export incentive	820.35	827.98
	247,243.07	238,806.58

(₹ in Lakhs)

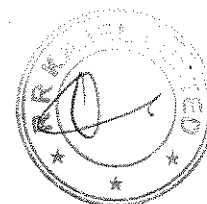
Note 21: OTHER INCOME	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income:		
Bank deposits	281.36	54.79
Others (Note 21.1)	16.15	138.82
Dividend Income:		
Dividends from quoted equity investments	17.63	17.63
Dividends from unquoted equity investments	-	10.00
Dividends from mutual fund investments	380.65	534.93
Fair value Gain on Investment on mutual fund	477.87	-
Other Non Operating Income:		
Rent income	29.99	30.51
Guarantee commission	58.99	38.85
Foreign exchange gain (net)	1,301.33	1,537.78
Grant related to property, plant & equipment	92.38	81.10
Gain on sale of property plant & equipment (Net)	25.94	7.52
Other income	9.57	8.72
Bad debts recovered	9.95	7.38
	2,701.81	2,468.03

Note 21.1: Interest others include Interest from customers

(₹ in Lakhs)

Note 22A: COST OF MATERIALS CONSUMED	Year Ended March 31, 2020	Year Ended March 31, 2019
Raw material consumed	178,824.35	187,751.32
Packing material consumed	3,570.76	3,145.33
	182,395.11	190,896.65

Note 22B: PURCHASES OF TRADED GOODS	Year Ended March 31, 2020	Year Ended March 31, 2019
Electrical appliances	11,127.50	9,147.67
	11,127.50	9,147.67



R R KABEL LIMITED
Notes to Standalone Financial statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 23: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS	Year Ended March 31, 2020	Year Ended March 31, 2019
Inventories at the end of the year:		
Finished goods	16,069.64	16,296.56
Work-in-progress	9,491.82	8,190.58
Stock-in-trade	3,463.89	3,215.79
Scrap	81.89	94.89
	29,107.24	27,797.82
Less:- Inventories at the beginning of the year		
Finished goods	16,296.56	7,468.03
Work-in-progress	8,190.58	5,873.27
Stock-in-trade	3,215.79	2,593.95
Scrap	94.89	69.37
	27,797.82	16,004.62
	(1,309.42)	(11,793.20)

(₹ in Lakhs)

Note 24: EMPLOYEE BENEFITS EXPENSE	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries, wages and incentives	11,237.09	8,740.76
Remuneration to directors*	878.95	810.74
Contributions to:		
Provident fund & ESIC (Note 35B)	430.76	321.87
Gratuity fund (Note 35A)	154.02	127.45
Compensated absences	360.70	272.81
Staff welfare expenses	515.04	441.85
	13,576.56	10,715.48

* Including commission given to directors ₹ 176.89 Lakhs (P.Y. ₹ 156.48 Lakhs)

(₹ in Lakhs)

Note 25: FINANCE COSTS	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on financial liabilities carried at amortised cost		
Interest on borrowings	3,330.48	3,713.91
Other borrowing costs	99.58	49.89
Net exchange difference regarded as adjustment to borrowing cost	93.06	65.84
Interest on income tax	1.52	1.74
	3,524.64	3,831.38

(₹ in Lakhs)

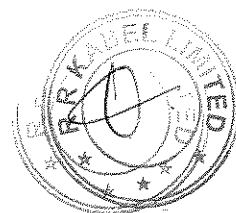
Note 26: DEPRECIATION AND AMORTISATION EXPENSE	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation of property, plant and equipment (Note 2A)	3,624.19	2,981.08
Amortisation of intangible assets (Note 2C)	75.50	76.52
Depreciation of right-of-use assets (Note 2D)	180.69	-
	3,880.38	3,057.60



R R KABEL LIMITED**Notes to Standalone Financial statements for the year ended March 31, 2020**

(₹ in Lakhs)

Note 27: Other Expenses	Year Ended March 31, 2020	Year Ended March 31, 2019
Rent expenses (Note 40)	189.24	328.69
Rates and taxes	83.35	465.94
Repairs and Maintenance of :		
Buildings	130.04	79.64
Plant and machinery	1,055.85	755.64
Others	202.28	189.24
Commission on sales	1,045.81	980.23
Advertisement expenses	3,417.59	5,889.19
Business promotion expenses	1,404.00	1,638.85
Travelling expenses	735.76	723.04
Payment to Auditors (Note 29)	52.23	46.00
Legal and professional fees	747.70	1,101.30
Insurance charges	132.42	115.31
Allowance for expected credit loss on trade receivable	881.65	705.38
Bad debts	374.62	1.80
Bank charges	214.79	101.66
Consumption of consumable stores and spares	396.51	349.87
Corporate social responsibility expenses (Note 32)	322.25	268.65
Donation	81.49	109.88
Freight & distribution charges	4,324.75	3,575.06
Power and fuel	2,990.70	2,643.59
Research & development expenses (Note 41)	223.45	194.52
Property, plant & equipment written off	-	150.35
Miscellaneous expenses	1,968.32	1,763.63
	20,974.80	22,177.46



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

(₹ in Lakhs)

Note 28 : Contingent Liabilities and Commitments	As at March 31, 2020	As at March 31, 2019
A. Contingent Liabilities		
i) Claims against the Company not acknowledged as debts (Note 28.1)		
Excise and Service tax demands	207.50	250.73
Income Tax Demands	32.60	-
Sales tax / Vat demands -C Forms	616.84	901.46
Letter of credit and bank guarantees issued by the banks	3,802.15	1,852.86
Channel financing guarantees(Note 28.2)	4,500.00	4,500.00
Labour Law demand	15.13	1.00
B. Commitments		
(i) Estimated amount of contracts remaining to be executed and not provided for:		
- On Capital Account (net of advance)	2,117.57	5,155.57

28.1 : Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement/decisions pending with the relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows.

28.2 : The Company has arranged Channel Finance facility for its customers from banks against which sum of ₹ 11,127.94 Lakhs (P.Y. 31.03.2019 ₹ 10,421.55 Lakhs) has been utilised as on the date of balance sheet. Accordingly, the contingency on company on account of customers defaulting in repayment to the respective banks is ₹ 4,500 lakhs (30% recourse liability on company).

28.3 : The Honourable Supreme Court of India vide its order dated 28th February, 2019 held that 'Basic Wages' for the contribution towards Provident Fund (PF) should only exclude [in addition to specific exclusions under Section 2(b)(ii) of the Employees Provident Fund Act, 1952]:

- a) amounts that are payable to the employee for undertaking work beyond the normal work which he/she is otherwise required to put in and
- b) allowances which are either variable or linked to any incentive for production resulting in greater output by an employee and that the allowances are not paid across the board to all employees in a particular category or were being paid especially to those who avail the opportunity.

With reference to the above mentioned judgment, the Company's Management is of the view that there is considerable uncertainty around the timing, manner and extent in which the judgment will be interpreted and applied by the regulatory authorities. Management is of the view that any incremental outflow in this regard can only be determined once the position being taken by the regulatory authorities in this regard is known and the Management is able to evaluate all possible courses of action available.

Accordingly, no provision has been currently recognized in the Standalone Financial Statements in this regard.

(₹ in Lakhs)

Note 29 : Payment to Auditors	2019-20	2018-19
Payment to Auditors of the Company :		
a) As auditors	46.10	46.00
b) For certifications services	4.28	-
c) For expenses reimbursement	1.85	-
	52.23	46.00

(₹ in Lakhs)

Note 30 : Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006	2019-20	2018-19
(a) Principal amount and the interest due thereon remaining unpaid to any suppliers at the end of the each accounting year	884.19	98.16
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	792.96	43.26
(c) The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	4.49	0.48
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	2.86	2.22
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(₹ in Lakhs)

Note 31 : Dividend	2019-20	2018-19
Final Dividend paid ₹ 5.50 (P.Y. ₹ 8.00) per equity share of ₹ 10.00 each	1,286.74	1,931.68
Final Dividend paid ₹ 5.50 per Compulsory Convertible Preference Share of ₹ 1,080.33 each	203.64	397.07
Dividend distribution tax on final dividend	306.35	-
Interim Dividend paid ₹ 7.50 per equity share of ₹ 10.00 each	1,754.65	-
Interim Dividend paid ₹ 7.50 per Compulsory Convertible Preference Share of ₹ 1,080.33 each	277.69	-
Dividend distribution tax on interim dividend	417.75	397.07

Note 32 : Expenditure on Corporate Social Responsibility initiatives

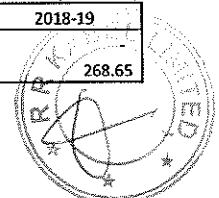
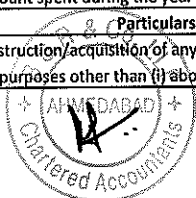
a) Gross amount required to be spent by the Company during the year is ₹ 317.15 Lakhs. (P.Y. ₹ 290.61 Lakhs)

The aggregate amount of cash expenditure incurred during the year on Corporate Social Responsibility (CSR) is ₹ 322.25 Lakhs (previous year ₹ 268.65 Lakhs) and is shown separately under note 27 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

b) Amount spent during the year on :

(₹ in Lakhs)

Particulars	2019-20	2018-19
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	322.25	268.65



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31,2020

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

Relationships

a) Key Management Personnel:

Shri Tribhuvanprasad Kabra	-	Chairman
Shri Shreegopal Kabra	-	Managing Director
Shri Mahendrakumar Kabra	-	Joint Managing Director
Shri Ashok Loya	-	Whole Time Director
Shri Mahhesh Kabra	-	Whole Time Director
Shri Sumeet Kabra	-	Whole Time Director
Smt. Kirtidevi Kabra	-	Whole Time Director
Shri Sanjay Taparla	-	Whole Time Director
Shri Rajesh Babu Jain	-	Whole Time Director

Non Executive Directors:

Shri Ramamirtham Kannan
Shri Bhagwat Singh Babel
Shri Mukund Chitale
Shri Punit Bhatia
Shri Mitesh Daga

b) Relatives of Key Management Personnel:

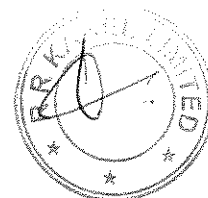
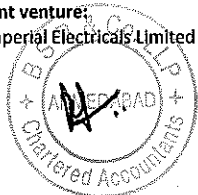
Shri Rameshwarlal Kabra	-	Father of Shri Tribhuvanprasad Kabra, Shri Mahendrakumar Kabra and Shri Shreegopal Kabra
Smt. Ratnidevi Kabra	-	Mother of Shri Tribhuvanprasad Kabra, Shri Mahendrakumar Kabra and Shri Shreegopal Kabra
Smt. Saraswati S. Loya	-	Mother of Shri Ashok Loya
Shri Hemant Kabra	-	Son of Shri Mahendrakumar Kabra
Smt. Umadevi Kabra	-	Wife of Shri Tribhuvanprasad Kabra
Smt. Vvidhi Kabra	-	Wife of Shri Mahhesh Kabra
Shri Anant Loya	-	Brother of Shri Ashok Loya
Ms. Neha Loya	-	Daughter of Shri Ashok Loya
Shri Rajesh Kabra	-	Son of Shri Shreegopal Kabra
Shri Nikunj Loya	-	Son of Shri Ashok Loya
Shri Gaurishankar Loya	-	Brother of Shri Ashok Loya
Late Shri S.N. Loya	-	Father of Shri Ashok Loya
Shaurya Taparla	-	Son of Shri Sanjay Taparla
Saumya Sumeet Kabra	-	Daughter of Shri Sumeet Kabra
Samaya Sumeet Kabra	-	Daughter of Shri Sumeet Kabra

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

MEW Electricals Limited	Pap-print (India) Private Limited
Ram Ratna International	Ram Ratna Research & Holdings Private Limited
Kabel Buildcon Solutions Private Limited	Shreegopal Kabra (HUF)
Ram Ratna Infrastructure Private Limited	Kabra Global
Ram Ratna Wires Limited	Indian Electrical & Electronics Manufacturers Association
Pratik Wire & Cable Machine Private Limited	Global Copper Private Limited
Jagbid Finvest Private Limited	Kabra Foundation
Gallery Retail LLP	Hema Foundation
RR Electrical Middle East FZC	Mahhesh T. Kabra (HUF)
Uniworth Finlease Ltd	Rameshwarlal Kabra (HUF)
Uniworth Advisory Private Limited	Tribhuvan Prashad Kabra (HUF)
Uniworth Finserve Private Limited	Mahendra R. Kabra (HUF)
Preceel Solutions Private Limited	Pithy Traders Pvt Ltd
Excellence Finance Private Limited	Priest Corporate Solutions Private Limited
HNI Stock Broking Private Limited	

d) Joint venture:

RR-Imperial Electricals Limited (Bangladesh)



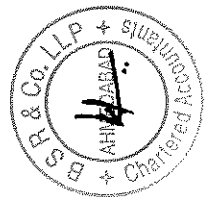
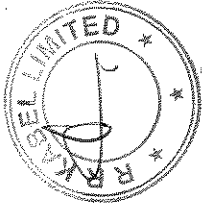
R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

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

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2018-19		2019-20		2018-19		2019-20		2018-19	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Purchases: Goods and Services										
MEW Electricals Limited	-	-	-	-	180.55	-	-	-	180.55	-
Ram Ratna International	-	-	-	-	204.50	-	-	-	204.50	-
Others	-	-	-	-	25.59	-	-	-	72.99	25.59
Sales: Goods and Services										
Ram Ratna International	-	-	-	-	7,387.35	-	-	-	8,148.62	7,387.35
MEW Electricals Limited	-	-	-	-	1,518.73	-	-	-	30.89	1,518.73
RR ELECTRICAL MIDDLE EAST FZC	-	-	-	-	76.48	-	-	-	308.82	76.48
RR-Imperial Electricals Limited	-	-	-	-	-	-	722.79	3,304.03	722.79	3,304.03
Others	-	-	-	-	579.12	-	-	-	1,450.03	579.12
Purchase of Capital Goods:										
Pratik Wire & Cable Machine Private Limited	-	-	-	-	153.69	-	-	-	59.86	153.69
MEW Electricals Limited	-	-	-	-	0.81	-	-	-	-	0.81
Others	-	-	-	-	3.21	-	-	-	-	3.21
Sales of Capital Assets:										
Ram Ratna Wires Ltd.	7.21	-	-	-	26.11	-	-	-	26.11	-
Others	-	-	-	-	-	-	-	-	7.21	-

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2018-19		2019-20		2018-19		2019-20		2018-19	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Income :										
Rent	-	-	-	-	-	-	-	-	-	-
Ram Ratna International	-	-	-	-	0.42	0.42	-	-	0.42	0.42
Expenses:										
Interest	183.59	92.52	188.88	139.01	85.76	111.12	14.66	58.81	472.89	401.46
Rent and Other Services	1.44	25.16	65.65	83.86	59.59	169.05	-	-	126.68	278.07
Business support service	-	-	-	-	529.80	570.00	-	-	529.80	570.00
Donation (Note 33.1)	-	-	-	-	-	66.00	-	-	-	66.00
Directors :										
Sitting Fees	14.70	12.00	-	-	-	-	-	-	14.70	12.00
Commission to directors	176.90	156.48	-	-	-	-	-	-	176.90	156.48
Managerial Remuneration (Note 33.1)	714.40	658.60	-	-	-	-	-	-	714.40	658.60
Reimbursement paid	42.35	87.03	-	-	-	-	-	-	42.35	87.03
Dividend :										
Dividend Paid	1,043.73	654.73	1,164.65	564.92	335.32	539.53	-	-	2,543.70	1,759.18
Dividend Received	-	-	-	-	17.63	27.63	-	-	17.63	27.63



R R KABEL LIMITED

Personal guarantees given by Director's of secured borrowings :

Director Name	Amount (₹ in Lakhs)	
	2018-19	2019-20
Shri Tribhuvanprasad Kabra	-	40,265
Shri Mahendrakumar Kabra	-	-
Shri Shreegopal Kabra	-	-
Shri Mahhesh Kabra	-	-
Shri Sumeet Kabra	-	-

Personal guarantees given by relative of Director's of secured borrowings :

Name of Director's relative	Amount (₹ in Lakhs)	
	2018-19	2019-20
Shri Hemant Kabra	-	2,765
Shri Rajesh Kabra	-	-

Personal guarantees given by Directors and relative, jointly and severally liable for borrowings of the company.

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	(₹ in Lakhs)									
Investment:										
RR-Imperial Electricals Limited - (Bangladesh)										
Equity Share	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Loans Accepted										
Mahhesh Kabra	5.25	-	-	-	-	-	-	-	-	-
Mahendrakumar Kabra	302.75	146.25	-	-	-	-	-	-	-	-
Sumeet Kabra	405.00	490.40	-	-	-	-	-	-	-	-
Kirtidevi Kabra	3.00	144.50	-	-	-	-	-	-	-	-
Tribhuvanprasad Kabra	4.50	8.60	-	-	-	-	-	-	-	-
Shreegopal Kabra	5.25	140.00	-	-	-	-	-	-	-	-
Ratnidevi Kabra	-	-	308.75	425.00	-	-	-	-	-	-
Umadevi Kabra	-	-	5.50	1.75	-	-	-	-	-	-
Hemant Kabra	-	-	402.50	208.34	-	-	-	-	-	-
Rajesh Kabra	-	-	-	143.50	-	-	-	-	-	-
Ram Ratna Research and Holding Private Limited	-	-	-	-	400.00	257.20	-	-	-	-
Others	-	-	6.50	112.25	54.50	962.50	-	-	400.00	61.00
Loans Repaid										
Mahhesh Kabra	-	162.15	-	-	-	-	-	-	-	-
Mahendrakumar Kabra	55.00	200.93	-	-	-	-	-	-	55.00	162.15
Sumeet Kabra	-	402.04	-	-	-	-	-	-	-	200.93
Kirtidevi Kabra	-	201.78	-	-	-	-	-	-	-	402.04
Tribhuvanprasad Kabra	-	69.45	-	-	-	-	-	-	-	201.78
Shreegopal Kabra	-	137.35	-	-	-	-	-	-	-	69.45
Rameshwarilal Kabra	-	-	-	-	-	-	-	-	-	137.35
Umadevi Kabra	-	-	-	89.34	-	-	-	-	-	89.34
Hemant Kabra	-	-	-	55.29	-	-	-	-	-	55.29
Rajesh Kabra	-	-	-	31.20	-	-	-	-	-	31.20
Ratnidevi Kabra	-	-	-	157.90	-	-	-	-	-	157.90
Ram Ratna Research and Holding Private Limited	-	-	-	461.87	-	-	-	-	-	461.87
Others	-	36.50	-	-	348.50	457.72	-	-	348.50	457.72



R R KABEL LIMITED

(₹ in Lakhs)

Particulars	Referred in (a) above		Referred in (b) above		Referred in (c) above		Referred in (d) above		Total	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Outstanding as at:										
Rental Deposits										
Others	-	-	65.50	65.50	11.18	11.18	-	-	76.68	76.68
Umadevi Kabra	-	-	40.00	40.00	-	-	-	-	40.00	40.00
Ratnidevi Kabra	-	-	15.00	15.00	-	-	-	-	15.00	15.00
Hemant Kabra	-	-	10.50	10.50	-	-	-	-	10.50	10.50
Shreegopal Kabra (HUF)	-	-	-	-	7.50	7.50	-	-	7.50	7.50
Kabel Buildcon Solutions Private Limited	-	-	-	-	3.68	3.68	-	-	3.68	3.68
Trade and Others - Net (Payable) / Receivable										
Ram Ratna International	-	-	-	-	646.71	42.13	-	-	646.71	42.13
MEW Electricals Limited	-	-	-	-	1.93	62.64	-	-	1.93	62.64
RR ELECTRICAL MIDDLE EAST FZC	-	-	-	-	45.55	0.17	-	-	45.55	0.17
RR-Imperial Electricals Limited - Bangladesh	-	-	-	-	-	-	1,585.52	2,721.66	1,585.52	2,721.66
Global Copper Private Limited	-	-	-	-	0.38	57.51	-	-	0.38	57.51
Others	7.21	-	-	-	19.05	18.44	-	-	26.26	18.44
Interest Payable										
Shri Sumeet M Kabra	41.89	6.02	-	-	-	-	-	-	41.89	6.02
Shri Mahendrakumar Kabra	28.70	9.10	-	-	-	-	-	-	28.70	9.10
Smt Kirtidevi Kabra	10.92	5.37	-	-	-	-	-	-	10.92	5.37
Shri Mahesh Kabra	5.68	2.79	-	-	-	-	-	-	5.68	2.79
Shri Shrigopal Kabra	6.78	3.33	-	-	-	-	-	-	6.78	3.33
Shree. Tribhuvan R Kabra	0.51	0.25	-	-	-	-	-	-	0.51	0.25
Shri Hemant Kabra	-	-	46.60	13.51	-	-	-	-	46.60	13.51
Smt Vridhi M Kabra	-	-	5.40	2.65	-	-	-	-	5.40	2.65
Shri Rajesh S Kabra	-	-	11.93	5.02	-	-	-	-	11.93	5.02
Ram Ratna Research & Holding Pvt. Ltd	-	-	-	-	9.66	9.70	-	-	9.66	9.70
Shri Shrigopal Kabra (HUF)	-	-	-	-	6.32	3.11	-	-	6.32	3.11
Shri Rameshwarlal Kabra (HUF)	-	-	-	-	9.25	4.50	-	-	9.25	4.50
Shri Rameshwarlal Kabra	-	-	2.47	1.21	-	-	-	-	2.47	1.21
Shri Mahendrakumar Kabra (HUF)	-	-	-	-	3.21	1.58	-	-	3.21	1.58
Shri Umadevi T Kabra	-	-	4.77	2.34	-	-	-	-	4.77	2.34
Smt. Ratnadevi Kabra	-	-	20.58	9.68	-	-	-	-	20.58	9.68
Shri Tribhuvan Prasad Kabra (HUF)	-	-	-	-	2.91	1.43	-	-	2.91	1.43
Shri Mahesh Kabra (HUF)	-	-	1.06	0.52	2.36	1.15	-	-	2.36	1.15
Ku. Saumya Sumeet Kabra	-	-	0.79	0.39	-	-	-	-	0.79	0.39
Ku. Samaya Sumeet Kabra	-	-	-	-	-	-	-	-	-	-
Loans payable										
Mahesh Kabra	131.05	125.80	-	-	-	-	-	-	131.05	125.80
Kirtidevi Kabra	244.95	241.95	-	-	-	-	-	-	244.95	241.95
Tribhuvanprasad Kabra	15.60	11.10	-	-	-	-	-	-	15.60	11.10
Shreegopal Kabra	155.25	150.00	-	-	-	-	-	-	155.25	150.00
Rameshwarlal Kabra	-	-	59.05	131.09	-	-	-	-	59.05	131.09
Ratnadevi Kabra	-	-	744.95	847.87	-	-	-	-	744.95	847.87
Jagbid Finvest Pvt Ltd.	-	-	264.38	362.28	-	-	-	-	264.38	362.28
Rejesh Kabra	-	-	-	-	244.10	202.60	-	-	244.10	202.60
Rameshwarlal Kabra (HUF)	-	-	1,308.64	1,030.56	655.62	585.34	-	-	3,565.41	2,554.90
Others	1,591.15	938.40	-	-	-	-	-	-	-	-

33.1. Includes provision of ₹ 23.57 Lakhs (P.Y. ₹ 15.11) post employment benefits and ₹ 8.47 Lakhs (P.Y. ₹ 5.35 Lakhs) for leave encashment.

33.2. The Company has donated ₹ 00.00 Lakhs (P.Y. ₹ 66.00 Lakhs) to the trusts in which some of the directors are trustee.

33.3. All outstanding liabilities are unsecured and are repayable/receivable in cash and all the transactions with these related parties are priced on arms length basis.



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Note 34: Exposure in Foreign Currency

The Company uses forward contracts to mitigate the risks associated with foreign currency fluctuations. The Company does not enter into any forward contracts which are intended for trading or speculative purposes.

a) The forward exchange contracts used for hedging foreign currency exposure and outstanding as at reporting date are as under:

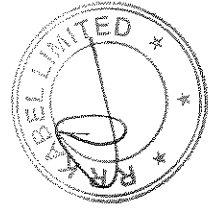
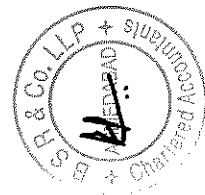
Particulars	As at 31.03.2020				As at 31.03.2019			
	USD	GBP	Euro	INR	USD	GBP	Euro	INR
Booked against Buyers Credit	9.55	-	-	655.62	31.83	-	-	2,201.83
Booked against Import Creditors	28.69	-	1.00	2,051.20	84.17	-	2.09	5,984.93
Booked against firm commitments or highly probable forecasted transactions								
-Against Import creditors	8.76	-	-	602.30	-	-	-	-
-Against Export debtors*	119.77	75.92	8.94	16,450.17	71.89	58.59	2.45	11,115.83

b) The details of foreign currency exposure that is not hedged by derivatives instrument or otherwise are as under:

Payables	As at 31.03.2020				As at 31.03.2019			
	USD	GBP	Euro	INR	USD	GBP	Euro	INR
Buyers' Credit	17.80	-	-	1,341.84	3.38	-	-	233.48
External Commercial Borrowings	-	-	-	-	6.34	-	-	438.32
Import Creditors	12.57	-	1.35	1,059.56	33.87	0.03	4.05	2,660.22

Receivables	As at 31.03.2020				As at 31.03.2019			
	USD	GBP	Euro	INR	USD	GBP	Euro	INR
Bills Discounting	-	-	-	-	-	-	-	-
Export Debtors*	74.57	0.18	3.15	5,898.58	110.26	3.73	0.05	7,968.85

* The Company follows a practice of booking forward contracts against firm commitments or highly probable forecast transactions. Certain of the export debtors as mentioned above will be settled against the forward contracts taken on firm commitments or highly probable transactions.



R R KABEL LIMITED
Notes to Standalone Financial Statements for the year ended March 31, 2020
Note 35 : Employee Benefits
A) Defined Benefit Plan- Gratuity (Funded)

The employees' Gratuity Fund Scheme, is a defined benefit plan. The scheme is maintained and administered by Life Insurance Corporation of India (LIC) to which the Company makes periodical contributions. Under the said scheme, every employee who has completed at least five years of service usually gets gratuity on departure @ 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

The following table summaries the components of net benefit expense recognised in the statement of profit & loss and the funded status and amounts recognised in the balance sheet :

Particulars	Gratuity	
	2019-20	2018-19
(₹ in Lakhs)		
i) Change in Defined Benefit Obligation		
Obligation at the beginning of the year	885.66	726.94
Current Service Cost	156.68	130.25
Interest Cost	63.79	53.64
Past Service Cost	-	-
Benefits Paid	(23.77)	(30.01)
Remeasurement (gains)/ losses	113.88	4.84
Defined Benefit Obligation at the end of the year	1,196.24	885.66
ii) Change in Plan Assets		
Fair value of plan assets at the beginning of the year	919.27	771.56
Return on plan assets	66.45	57.24
Employer Contributions	15.00	121.82
Benefits Paid	(15.56)	(26.00)
Remeasurement gains/ (losses)	(3.78)	(5.35)
Fair Value of Plan Assets at the end of the year	981.38	919.27
iii) Amount recognized in the Balance Sheet		
Present value of funded defined benefit obligation	1,196.24	885.66
Fair value of plan assets at the end of the year	981.38	919.27
Amount Recognized in the Balance Sheet	214.86	(33.61)
iv) Expenses recognized in the Statement of Profit & Loss and Other Comprehensive Income		
Employee Benefits Expense		
Current Service Cost	156.68	130.25
Past Service Cost	-	-
Interest Cost	63.79	53.64
Expected Return on plan assets	(66.45)	(57.24)
	154.02	126.65
Other Comprehensive Income		
Remeasurement gains/ (losses)	3.78	5.35
Actuarial (gain)/loss arising from changes in financial assumption	124.35	9.88
Actuarial (gain)/loss arising from changes in demographic assumption	(2.53)	(1.99)
Actuarial (gain)/loss arising on account of experience changes	(7.93)	(3.04)
	117.67	10.20
Expenses recognised in the statement of profit and loss	271.69	136.85
v) Investment details		
LIC- Administrator of the plan fund	981.38	919.27
vi) Principal assumption used in determining defined benefit obligation		
Discount rate (per annum)	6.40%	7.65%
Salary escalation rate (per annum)	7.00%	7.00%
Attrition rate	4% - 12%	7% - 15%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table
vii) Sensitivity Analysis		
Increase in 50bps on DBO		
Change in discounting rate	1,142.62	849.85
Change in Salary Escalation	1,252.20	923.64
Decrease in 50bps on DBO		
Change in discounting rate	1,254.16	924.10
Change in Salary Escalation	1,143.48	849.80
viii) Maturity profile of defined benefit obligation (undiscounted value)		
Within the next 12 months (next annual reporting period)	133.17	104.69
Between 2 and 5 years	357.23	324.72
Between 5 and 10 years	1,855.00	1,450.60

i) The average duration of the defined benefit plan obligation at the end of the reporting period is 9.08 years (P.Y. 8.16 years)

ii) The estimates of rate of escalation in salaries considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

iii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

(v) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method.

(vi) The company's Gratuity Fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under State and Central Government Securities, Money market instruments such as NCD / Bonds etc and in equity as mentioned below:

Assets	% of Investment pattern as on 31.03.2020	% of Investment pattern as on 31.03.2019
Central Govt Securities	19.35	18.75
State Govt Securities	56.03	49.70
C.B.L.O., Bank balance etc.	0.00	4.92
Other approved securities	0.01	0.00
NCD / Bonds	20.94	22.71
Equity	3.67	3.92
Total	100.00	100.00

(vii) Expected contribution of plan in next year is ₹ 197.93 Lakhs (P.Y. ₹ Nil).

(viii) The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset)

B) Defined Contribution Plan - Provident fund and Employees state Insurance

The Company makes its contribution along with the share of employees' contribution deducted from salary on monthly basis to Employees' Provident Fund and Employees state Insurance corporation administered by the Central and state Government respectively. The Company's Contribution is charged to Statement of Profit & Loss. The Company has no obligation for any further contribution in case of any shortfall. The details of contribution are as under :-

Particulars	₹ in Lakhs	
	2019-20	2018-19
Contribution to Provident Fund*	400.93	306.95
Contribution to Employees state insurance	34.97	19.82

*Includes contribution of ₹ 5.18 (P.Y. ₹ 4.96) for Research and Development Employees.

C) Other Employee benefits - Compensated absences

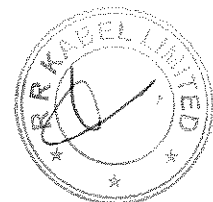
The employees are entitled for the compensation in respect of unvelled leave as per the policy of the Company. The liability towards compensated absences is recognized based on actuarial valuation carried out using Projected Unit Credit method.

Particulars	₹ in Lakhs	
	As at 31.03.2020	As at 31.03.2019
Amount recognized in the Balance Sheet		
i) Current Liability	124.94	85.71
ii) Non- Current Liability	570.43	363.80

Actuarial Assumptions	₹ in Lakhs	
	As at 31.03.2020	As at 31.03.2019
Discount Rate	6.40%	7.65%
Salary growth rate	7%	7%
Attrition rate		
18-20 year	4.00%	0.00%
21-30 year	12.00%	12.00%
31-40 year	7.00%	7.00%
41-50 year	7.00%	7.00%
51-57 year	5.00%	5.00%

Note 36 : Calculations of Earnings Per Share	2019-20	2018-19
Profit for the year (₹ in Lakhs)	12,247.64	8,564.76
Movement of Equity shares:		
Number of equity share at the beginning of the year	27,767,216	24,146,000
Less : Buyback of shares	-	750,724
Add : Effect of conversion of convertible preference shares	-	3,702,572
Add : Effect of equity and compulsory convertible preference shares pursuant to scheme of amalgamation (Note 1)	-	669,368
Number of equity share at the end of the year	27,767,216	27,767,216
Weighted average number of equity shares outstanding during the year (for basic and diluted)	27,767,216	26,512,909
Face value of equity share (in ₹)	10.00	10.00
Earnings Per Share		
Basic Earnings Per Share (in ₹)	44.11	32.30
Diluted Earnings Per Share (in ₹)	44.11	32.30

Note 1: It includes 528,800 equity shares and 140,568 compulsory convertible preference shares Issuable on account of scheme of amalgamation, included in other equity as share suspense account (refer note 12).



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Note 37 :

Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

A) Category-wise classification of financial instruments:

Assets	Refer Note	Non-Current		Current	
		As at	As at	As at	As at
		31.03.2020	31.03.2019	31.03.2020	31.03.2019
(₹ in Lakhs)					
Financial assets measured at fair value through other comprehensive Income (FVTOCI)					
Investments in quoted equity shares (Note 37.1)	3A	629.26	1,418.00	-	-
Investments in unquoted equity shares (Note 37.1)	3A	911.09	762.79	-	-
Financial assets measured at fair value through profit & loss (FVTPL)					
Investments in mutual funds	3B	-	-	18,881.87	15,523.34
Financial assets measured at amortised cost					
Security deposits	4A & 4B	132.37	128.77	74.88	86.94
Loan to employees	4A & 4B	25.05	19.26	65.51	94.44
Share application money	5A	-	8.20	8.20	-
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5A	7.01	7.01	-	-
Term Deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	4,169.73	2,758.69
Interest accrued on term deposits held as margin money or security against borrowing, guarantees or other commitments	5B	-	-	57.94	41.12
Forward contract receivable	5B	-	-	166.03	495.57
Others (Insurance claim and recoverable expenses)	5B	-	-	16.01	19.65
Trade receivables	9	-	-	41,895.88	44,650.72
Cash and bank balances	10	-	-	1,127.78	584.22
(₹ in Lakhs)					

Liabilities	Refer Note	Non-Current		Current	
		As at	As at	As at	As at
		31.03.2020	31.03.2019	31.03.2020	31.03.2019
(₹ in Lakhs)					
Financial Liabilities measured at fair value through profit or loss (FVTPL)					
Forward contract payable	15	-	-	305.01	137.63
Financial Liabilities measured at amortised cost					
Borrowings	13A & 13B	6,828.15	2,252.50	30,911.83	35,984.41
Obligation under Lease	14A & 14B	177.12	-	252.69	-
Security deposits and others	15	-	-	204.63	143.33
Current maturities of long term borrowings	15	-	-	1,469.97	1,431.09
Unclaimed dividend	15	-	-	6.99	6.99
Retention money relating to capital expenditure	15	-	-	297.23	613.64
Interest accrued but not due	15	-	-	50.45	16.17
Accrued salary & benefits	15	-	-	719.87	534.14
Director's Commission	15	-	-	176.90	156.47
Creditors for capital expenditure	15	-	-	871.77	436.70
Other payables	15	-	-	53.21	68.20
Trade payables	19	-	-	18,086.20	19,037.19

Note 37.1 Investment are not held for trading. Upon the application of Ind AS 109 - Financial Instruments, the Company has chosen to measure said investments in equity instrument at FVTOCI irrevocably as the management believes that presenting fair value gains and losses relating to the said Investments in the statement of profit and loss may not be indicative of the performance of the Company.

Note 37.2 Investment in joint venture amounting to ₹1,637.31 Lakhs (31.03.2019 ₹1,637.31 Lakhs) are measured at cost in accordance with Ind AS 27 requirements, since the same is scoped out of Ind AS -109 for the purpose of measurement, the same have not been disclosed in tables above.

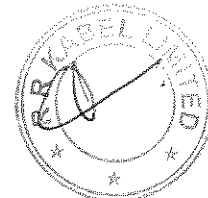
B) Fair Value Measurements

(i) All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows:

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 — inputs that are unobservable for the asset or liability.



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

(ii) The following tables provide the fair value measurement hierarchy of the Company's financial assets and liabilities:

(₹ in Lakhs)

Financial Assets / Financial Liabilities as at March 31, 2020	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
Investments in quoted equity shares (Note 3A)	629.26	629.26	-	-
Investments in unquoted equity shares (Note 3A)	911.09	-	-	911.09
Financial assets measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds (Note 3B)	18,881.87	18,881.87	-	-
Forward contract receivable (Note 5B)	166.03	-	166.03	-
Financial liabilities measured at fair value through profit or loss (FVTPL)				
Forward contract payable (Note 15)	305.01	-	305.01	-

(₹ in Lakhs)

Financial Assets/ Financial Liabilities as at March 31, 2019	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through other comprehensive income				
Investments in quoted equity shares (Note 3A)	1,418.00	1,418.00	-	-
Investments in unquoted equity shares (Note 3A)	762.79	-	-	762.79
Financial assets measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds (Note 3B)	15,523.34	15,523.34	-	-
Forward contract receivable (Note 5B)	495.57	-	495.57	-
Financial liabilities measured at fair value through profit or loss (FVTPL)				
Forward contract payable (Note 15)	137.63	-	137.63	-

The carrying amounts of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the

Company does not anticipate that the carrying amount would be significantly different from the value that would eventually be received or settled.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

There have been no transfers between Level 1 and Level 2 for the years ended 31st March, 2020 and 31st March, 2019.

C) Financial Risk Management- Objectives and Policies

The Company is exposed to: (a) Market Risks comprising of Interest Rate Risk, Currency Rate Risk, Commodity Price Risk and Equity Price Risk (b) Liquidity Risk (c) Credit Risk comprising of trade receivable risk and financial instrument risk and . The Company has well placed Risk Management Policy (RMP). The policy provide broad guidelines to identify the risk arising from these factors and provide guidelines to the team for its mitigation or at-least minimize its effect on Income / expense of the Company . Team involved in RMP meets frequently to discuss the level of risk they foresee based on the conditions persisting.

The Company's exposure to Market Risk, Liquidity Risk and Credit Risk have been summarized below:

Market Risk :-

Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on short-term and long-term floating rate interest bearing liabilities. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by prevailing interest rates. These exposures are reviewed by the management on a periodic basis.

The exposure of the Company's financial liabilities to interest rate risk based on liabilities as at reporting date is as follows:

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	2019-20	2018-19
Increase in interest rate by 100 basis points	390.75	394.73
Decrease in interest rate by 100 basis points	(390.75)	(394.73)

(Calculated based on risk exposure outstanding as of date and assuming that all other variables, in particular foreign currency rates, remain constant).

Foreign Currency Risk:

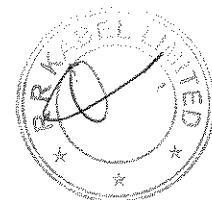
The Company is exposed to fluctuations in foreign currency exchange rates where transaction references more than one currency and/or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Exposures on foreign currency are managed through a hedging policy, which is reviewed periodically by the management. The Company usually enters into forward exchange contracts progressively based on their maturity to hedge the effects of movements in foreign currency exchange rates individually on assets and liabilities. The sources of foreign exchange risk for the Company are trade receivables, trade payables for imported materials & capital goods as well as foreign currency denominated borrowings. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk are to be hedged through forward exchange contracts.

The exposure of the Company's foreign currency risk based on unhedged exposure as at the reporting date is as follows:

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	2019-20	2018-19
Increase in exchange rates by 5%	415.00	565.04
Decrease in exchange rates by 5%	(415.00)	(565.04)



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Commodity Price Risk

The Company is exposed to the movement of copper and aluminium prices on the London Metal Exchange (LME). Any increase or decline in the prices of these commodities will have an impact on the profitability of the Company. As a general policy, the Company aims to purchase these commodities at prevailing market prices and also sell the products at price adjusted for prevailing market prices. The Company substantially ensures sale of products with simultaneous purchase of these commodities on back-to-back basis ensuring no or minimum price risk for the Company.

Equity Price Risk

Equity price risk relates to change in fair value of investments in the equity instruments measured at fair value through OCI. As at March 31, 2020 the carrying value of such equity instruments recognised at fair value through OCI amounts to ₹ 1,540.35 Lakhs (P.Y. 31.03.2019 ₹ 2,180.79 Lakhs). The price risk arises due to uncertainties about the future market values of these investments and the same is classified in the balance sheet as fair value through profit or loss.

A sensitivity analysis demonstrating the impact of change in the carrying value of investment in equity instrument as at reporting date is given below:

(₹ in Lakhs)

Particulars	Impact on OCI before tax	
	2019-20	2018-19
Increase by 5%	77.02	109.04
Decrease by 5%	(77.02)	(109.04)

Liquidity Risk

Liquidity risk refers to the risk that the Company encounter difficulty in raising fund to meet its financial commitments. The objective of liquidity risk management is to maintain the liquidity and to ensure that funds are available for short operational needs and to fund Company's expansion projects. The Company has availed credit facility from the banks & financial institutions to meet its financial commitment in timely and cost effective manner.

The Company remains committed to maintaining a healthy liquidity and gearing ratio and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

(₹ in Lakhs)

At March 31, 2020	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	30,911.83	6,828.15	37,739.98	37,739.98
Derivative financial liabilities (Note 15)	305.01	-	305.01	305.01
Other financial liabilities (Note 15)	4,120.74	-	4,120.74	4,120.74
Trade payables (Note 19)	18,086.20	-	18,086.20	18,086.20

(₹ in Lakhs)

At March 31, 2019	Less than 1 year	Between 1 to 5 years	Total	Carrying Value
Borrowings (Note 13A and 13B)	35,984.40	2,252.51	38,236.91	38,236.91
Derivative financial liabilities (Note 15)	137.63	-	137.63	137.63
Other financial liabilities (Note 15)	3,600.85	-	3,600.85	3,600.85
Trade payables (Note 19)	19,037.19	-	19,037.19	19,037.19

Credit Risk

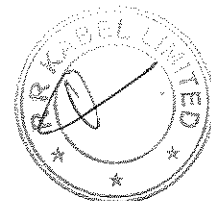
Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk for trade receivables and financial guarantees to dealers, derivative financial instruments and other financial assets.

The Company assess the counter party before entering into transactions and wherever necessary supplies are made against advance payment. The Company on continuous basis monitor the credit limit of the counter parties to mitigate or minimize the credit risk. The credit risk for the financial guarantees issued by the Company to banks for credit facilities availed by Company's dealers from bank is minimum as those parties have long vintage with the Company and they are also subject to credit risk assessment by bank on periodical basis. The credit risk on export receivables are limited as almost all export sales are made to parties having a long vintage with the Company and new parties are subject to necessary due diligence.

For trade receivables and financial guarantees, as a practical expedient, the Company computes credit loss allowance based on expected credit loss method. The movement in expected credit loss allowance is as under:

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Balance at the beginning of the year	2,190.28	1,484.90
Add/(Less): Allowance for expected credit loss	881.65	705.38
Balance at the end of the year	3,071.93	2,190.28



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Note 38 : Segment Information

The Company has presented data relating to its segments based on its financial statements, which are presented in the same Annual Report. Accordingly, in terms of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments", disclosures related to segments are presented.

Identification of segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.

The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment based on an analysis of various performance indicators by business segments and geographic segments.

Segment revenue and expenses:

It has been identified to a segment on the basis of relationship to operating activities of the segment. The company generally accounts for Intersegment sales and transfers at cost plus appropriate margins. Intersegment revenue and profit is eliminated at company level.

Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting as the underlying instruments are managed on a company.

Segment assets and liabilities:

Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable. The accounting policies of the reportable segments are same as that of company's accounting policies described. The company is organised into business units based on its products and services and has two reportable segments as follows.

Wire and Cable: Manufacture and sale of wires and cables.

Consumer electrical goods : Fans, LED lighting, switches, switchgears, water heaters and domestic appliances.

A) The following summary describes the operations in each of the Company's reportable segments:

Following summary describes the operations in each of the company's reportable segments: (₹ In Lakhs)

Particulars	31st March 2020				31st March 2019			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
Income								
External Revenue	229,999.01	18,772.21	-	248,771.22	225,761.57	14,756.87	-	240,518.44
Inter segment revenue	33.82	17.16	(50.97)	-	5.40	50.31	(55.71)	-
Total Income	230,032.83	18,789.37	(50.97)	248,771.22	225,766.97	14,807.18	(55.71)	240,518.44
Segment Results								
External	19,907.09	(1,780.80)	-	18,126.29	16,895.53	(578.75)	-	16,316.78
Inter segment results	-	-	-	-	-	-	-	-
Segment/Operating results	19,907.09	(1,780.80)	-	18,126.29	16,895.53	(578.75)	-	16,316.78
Un-allocated items:								
Finance income				1,173.66				756.17
Finance costs				3,524.64				3,831.38
Profit before tax				15,775.31				13,241.57
Provision for taxation				3,527.67				4,676.81
Profit for the year				12,247.64				8,564.76
Depreciation & amortisation expenses	3,742.21	138.17	-	3,880.38	2,936.46	121.14	-	3,057.60

(B) Revenue by Geography

Particulars	Year ended	
	31st March 2020	31st March 2019
Within India	196,612.59	186,306.62
Outside India	50,630.48	52,499.96
Total Revenue	247,243.07	238,806.58

(C) Segment assets

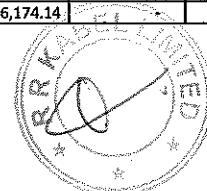
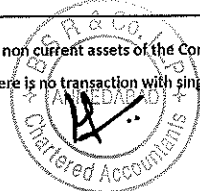
Particulars	31st March 2020				31st March 2019			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
Segment assets	112,667.07	12,804.56	(10.82)	125,460.81	110,805.24	11,344.42	-	122,149.66
Unallocated assets:								
Non - Current Investment	-	-	-	3,177.66	-	-	-	3,818.10
Current investments	-	-	-	18,881.87	-	-	-	15,523.34
Cash and cash equivalents and bank balance	-	-	-	1,127.78	-	-	-	584.22
Loans	-	-	-	297.81	-	-	-	329.41
Other Financial asset	-	-	-	4,424.92	-	-	-	3,330.24
Income tax assets (net)	-	-	-	1,150.61	-	-	-	1,183.50
Deferred tax asset (net)	-	-	-	-	-	-	-	-
Total assets	112,667.07	12,804.56	(10.82)	154,521.46	110,805.24	11,344.42	-	146,918.47

(D) Segment liabilities

Particulars	31st March 2020				31st March 2019			
	Wires & Cables	Consumer Electricals	Elimination	Total	Wires & Cables	Consumer Electricals	Elimination	Total
Segment liabilities	17,462.38	6,122.54	(10.82)	23,574.10	17,159.94	6,174.14	-	23,334.08
Unallocated liabilities:								
Borrowings (Non-Current and Current, including Current Maturity)	-	-	-	39,209.95	-	-	-	39,668.00
Lease liabilities	-	-	-	429.81	-	-	-	-
Deferred tax liabilities (net)	-	-	-	917.48	-	-	-	763.71
Total	17,462.38	6,122.54	(10.82)	64,131.34	17,159.94	6,174.14	-	63,765.79

E) All non current assets of the Company are located in India.

F) There is no transaction with single external customer which amounts to 10% or more of the Company's revenue.



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Note 39 : Details of Loans, Guarantee and Investments U/s 186 of the Companies Act, 2013

(₹ in Lakhs)

Party Name	Nature of Transaction	As at 31.03.2020	As at 31.03.2019
Ram Ratna Wires Limited	Investment	629.20	1,417.82
Comfort Intech Limited	Investment	0.06	0.18
MEW electricals Ltd	Investment	911.09	762.79
RR-Imperial Electricals Limited - Bangladesh	Investment	1,637.31	1,637.31

All the above loan have been given for business purpose.

Note 40: Right of use assets :-

i) The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the co assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the co has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the co recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the co changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

iii) Transition

Effective April 1, 2019, the co adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying value as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of the co's Annual Report for year ended 31 March 2019.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹ 597.73 Lacs and lease liability of ₹ 597.73. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

iv) Others

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application, variable lease and low value asset.

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(d) Applied the practical expedient in the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

(e) The effective interest rate for lease liabilities is 9.22% p.a., with maturity between 2021-2024.

The changes in the carrying value of right of use for the year ended 31 March 2020 are shown in Note no 2(D)

The following is the break-up of current and non-current lease liabilities for the year ended 31 March 2020 (₹ in Lakhs)

Particulars	Amount
Non-current lease liabilities	252.69
Current lease liabilities	177.12
Total	429.81

The following is the movement in lease liabilities for the year ended 31 March 2020 (₹ in Lakhs)

Particulars	Amount
As at 01 April 2019	597.73
Additions	-
Finance cost accrued during the year	22.05
Deletions	-
Payment of lease liabilities	(189.95)
Total	429.82

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis.

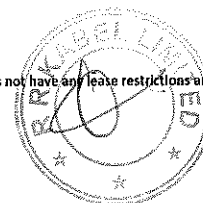
20-21	177.12
21-22	156.68
22-23	48.42
23-24	28.96
24-25	18.63

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit or loss: (₹ in Lakhs)

Particulars	Amount
Depreciation expense of right-of-use assets	180.68
Interest expense on lease liabilities	22.05
Interest expense on fair value of security deposit	-
Expense relating to short-term leases (included in other expenses)	189.24
Expense relating to leases of low-value assets (included in other expenses)	-
Variable lease payments (included in other expenses)	-
Total	391.97

Lease contracts entered by the company majorly pertains for Marketing offices and warehouse taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitment towards variable rent as per the contract.



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Note 41 : Research & Development

The Company is continuously engaged in Research & Development of new product & process improvement of existing products, in which the Company operates. Detail of expenses incurred on Research & Development activities during the year, are as under:

Particulars	2019-20		2018-19	
Capital Expenditure *		22.78		526.22
Revenue Expenditure				
- Cost of Raw Material	191.94		124.41	
- Salary & Wages	137.68		129.25	
- Other Expenses	15.96		14.54	
- Sales of Scrap	(122.13)	223.45	(73.68)	194.52
Total		246.23		720.74

* Capital Expenditure included in Plant & Machinery reported in Note : 2A

Note 42: Capital Management

For the purpose of the company's capital management, capital includes issued capital (Equity & Preference) and all other equity reserves attributable to the equity shareholders of the company.

The primary objective of the Company's Capital Management is to maximize the Shareholder Value and to safeguard the company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit. The company's policy is to keep the ratio below

No changes were made in the objectives, policies or processes for managing capital during the year ended as at 31st March, 2020 and as at 31st March,

Particulars	As at	
	31.03.2020	31.03.2019
Net debt (total debt less cash and cash equivalents) (A)	38,089.16	39,090.77
Total capital (B)	90,390.12	83,152.68
Total capital and net debt C=(A+B)	128,479.28	122,243.45
Gearing ratio (A/C)	0.30	0.32

Note 43: Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of September 3, 2020, there are no subsequent events to be recognized or reported that are not already disclosed.

Note 44: Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(A) Reconciliation of amount of revenue recognized in the statement of profit & loss with the contracted price:

Particulars	As on	
	31.03.2020	31.03.2019
Revenue as per contracted price	253,726.92	244,102.88
Adjustment		
Less : Sales Return	1,810.68	1,797.09
Less : Rebate & Discounts	8,870.91	7,017.49
Other operating revenue	4,197.74	3,518.28
Revenue from contract with customers	247,243.07	238,806.58

The management determines that the segment information reported under Note 38 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues

(B) Contract Balances (Net of allowances expected credit loss)

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	As on	
	31.03.2020	31.03.2019
Receivables, which are included in 'trade and other receivables'	41,895.88	44,650.72
Contact Liabilities, Advances from customers	1,016.23	920.33
	40,879.65	43,730.39

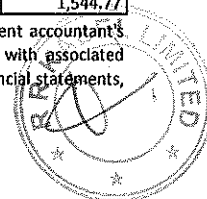
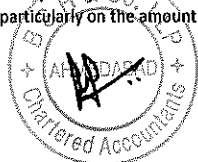
(C) Significant Payment Terms

Generally, the company provides credit period in the range of 30 to 75 days for customers.

Note 45 : Disclosure under rule 16A of Companies (Acceptance of Deposits) Rule 2014:

Particulars	As on	
	31.03.2020	31.03.2019
Money received from Director during the year	809.50	842.24
Balance outstanding at the end of the year	2,354.27	1,544.77

Note 46: The Company's international and domestic transactions with associated enterprises are at arm's length, as per the independent accountant's report for the year ended 31 March 2019. The Management believes that the Company's international and domestic transactions with associated enterprises post 31 March 2020 continue to be at arm's length and that transfer pricing legislations will not have any impact on the financial statements, particularly on the amount of tax expenses for the year and the amount of provision for taxation at the year end.



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Note 47: Financial statements are approved by Board of Director's in their meeting held on September 3, 2020.

Note 48: Estimation of uncertainties relating to the global health pandemic from COVID-19

The outbreak of Corona virus (COVID-19) pandemic is causing disturbance and slowdown of economic activity throughout the world and is impacting operations of the businesses, by way of Interruption in production, supply chain disruption, unavailability of personnel, closure of production facilities etc. On 24th March 2020, the Government of India ordered a nationwide lockdown initially for 21 days which further got extended from time to time till 31st May 2020 to prevent community spread of COVID-19 in India. In accordance with orders issued by the central and state government authorities, the plants of the Company were temporarily shut down in March 2020 and subsequent to the year-end, these plants have recommenced operations in compliance with the applicable guidelines. Due to implementation of lockdown in March 2020, the company lost sizeable revenue. The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising property, plant and equipments, trade receivables, inventories, investments, and other current and non-current assets as at the balance sheet date and has concluded that there are no material adjustments required in the Standalone Financial Statements. Based on the forecasted cash flows, management believes that they will be able to discharge all their liabilities/obligations due in next one year. In evaluating the possible impact due to COVID-19, the company has used internal and external sources of information available till date. Considering the nature of COVID-19, the company will continue to closely monitor any material changes to future economic conditions.

Note 49: Amalgamation of Ram Ratna Electricals Limited with the company

(a) The Scheme of Amalgamation of Ram Ratna Electricals Limited (RREL) (referred to as 'transferor company') with R R Kabel Limited ('the Scheme'), has been approved by the National Company Law Tribunal, Mumbai Bench vide their orders dated August 19, 2020. The Company has carried out the accounting prescribed in the Scheme and made the required disclosure for Amalgamations in the nature of merger, as required under Appendix C of Ind AS 103 Business Combinations, for Business Combinations of entities under "Common Control". RREL is engaged in the business of manufacturing, trading and otherwise dealing in consumer electricals, such as fans and lights, and consumer appliances such as water heaters, heat convectors, electric irons and switches and similar products.

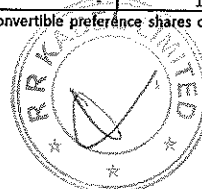
(b) As per the Scheme, all assets and liabilities of RREL as at appointed date (i.e. April 1, 2019) have been recorded at their carrying values determined in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The difference being the excess of net assets value after eliminating inter-company balances and equity and Compulsory Convertible preference share allotted is credited to Capital Reserve. As per Appendix C of Ind AS 103 - Business Combinations, the financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combination is accounted with effect from April 1, 2018.

In accordance with the Scheme:

The Company has taken over following assets, liabilities and other equity (before intercompany eliminations) at their respective book values against capital issuance of ₹ 1,571.48 Lakhs to the shareholders of respective transferor companies as at the appointed date and resultant surplus of ₹ 1,250.52 Lakhs has been credited to Capital reserve.

Particulars	As at April 1, 2019	As at April 1, 2018
I. ASSETS		
Non-current assets		
Property, Plant and Equipment	1,711.40	1,518.93
Other Intangible assets	25.23	37.09
Financial Assets		
Investments	502.50	833.00
Loans	5.72	-
Deferred tax assets (net)	1,078.04	525.46
Other non-current assets	92.19	37.55
Total non current assets	3,415.08	2,952.03
Current Assets		
Inventories	3,847.33	2,878.50
Financial Assets		
Trade receivables	5,163.28	4,326.33
Cash and cash equivalents	28.78	32.22
Loans	7.52	-
Other Financial Assets	0.77	116.13
Other current assets	504.98	1,126.82
Total current assets	9,552.66	8,480.00
TOTAL ASSETS (A)	12,967.74	11,432.03
Liabilities		
Financial liabilities		
Borrowings	86.60	245.36
Provisions	110.12	87.41
Total non current liabilities	196.72	332.77
Current liabilities		
Financial liabilities		
Borrowings	5,985.10	5,043.16
Trade payables	-	-
- total outstanding dues of micro enterprises and small enterprises	1,216.01	47.31
- total outstanding dues of creditors other than micro enterprises and small enterprises	4,357.12	4,160.38
Other financial liabilities	477.03	220.02
Other current liabilities	136.50	1,308.28
Provisions	13.89	99.48
Total Current liabilities	12,185.65	10,878.63
Total liabilities (B)	12,382.37	11,211.40
Other Equity (C)	(2,236.63)	(1,101.37)
Net Assets (A-B-C)	2,822.00	1,322.00
Share Capital Issued	-	52.88
Capital Reserve	-	1,269.12
Add : Compulsory convertible preference shares (CCPS) of ₹ 1,518.60 Lakhs Issued against existing CCPS of ₹ 1,500.00 Lakhs existed in the month of Oct 2018	-	18.60
Total Capital Reserve		1,250.52

In terms of the Scheme, the Company is required to allot 528,800 equity shares of ₹ 10 each and 140,568 Compulsory convertible preference shares of ₹ 1,080.33 each to existing shareholders of RREL based on share entitlement ratio as per the Scheme.



R R KABEL LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2020

Note 50 :BUSINESS COMBINATIONS AND ACQUISITIONS

The company had entered into business transfer agreement with Array storm Lighting Private Limited for acquisition of branded business of Arraystorm Lighting Private Limited on a going concern basis by way of slump sale, which has been completed on 12th March 2020.

Total purchase consideration amounted to ₹ 812 lakhs towards such business acquisition. The company has accounted for the transaction under Ind AS 103, "Business combination" and allocated the aggregate purchase consideration to identifiable assets acquired and liabilities assumed based on purchase price allocation as follows:

₹ in Lakhs	
Particulars	Amount
Asset acquired	
-Property ,plant & equipment	282.00
-Brand	530.00
Total consideration	812.00

Note 51 : Specified Bank Note :

The details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2020.

Note 52 :The previous years figures have been regrouped / reclassified to match with current years groupings.

As per our Report of even date
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
R R Kabel Limited
CIN: U28997MH1995PLC085294


Tribhuvanprasad Kabra
Chairman
DIN : 00091375


Shreegopal Kabra
Managing Director
DIN : 00140598


Rupen Shah
Partner
Membership No. 116240


Partha Chakraborti
Chief Financial Officer
PAN: ACMPC9285D


Himansha Parmar
Company Secretary
Membership No:FCS 10118

Place: Mumbai
Date: September 3, 2020

Place: Mumbai
Date: September 3, 2020