



RUPA & COMPANY LIMITED



Date: July 25, 2022

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai - 400 001

Ref: NSE Symbol- RUPA / BSE Scrip Code- 533552

Sub: Submission of Notice of the 37th Annual General Meeting along with the Annual Report of the Company for the Financial Year 2021-22

Dear Sir/ Madam,

In furtherance to our letter dated July, 13, 2022 and pursuant to the provisions of Regulation 30 read with Part A Para A of Schedule III and Regulation 34 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the Notice of the 37th Annual General Meeting (AGM) of the Company scheduled to be held on Wednesday, August 17, 2022 at 11.00 A.M. (IST) through Video Conferencing or Other Audio Visual Means (VC/OAVM) along with the Annual Report of the Company for the Financial Year 2021-22 and a communication with regard to TDS on dividend distribution.

The aforesaid documents are being dispatched electronically to only those members whose email IDs are registered with the Company/Depositories.

The Notice of the AGM and the Annual Report is also available on the website of the Company at www.rupa.co.in.

We request you to take the same on record.

Thanking you.

Yours faithfully,
For Rupa & Company Limited

Manish Agarwal

Company Secretary & Compliance Officer





RUPA & COMPANY LIMITED

Registered Office: Metro Tower, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700 071

Phone: +91-33-4057 3100; **Fax:** +91-33-2288 1362

E-mail: investors@rupa.co.in; **Website:** www.rupa.co.in

CIN: L17299WB1985PLC038517

Notice

NOTICE is hereby given that the **37th (Thirty-Seventh) Annual General Meeting ("AGM")** of the members of **RUPA & COMPANY LIMITED** ("Company") will be held on Wednesday, the 17th day of August, 2022 at 11.00 a.m. (IST), through Video Conferencing or Other Audio Visual Means (VC/OAVM) to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Report of the Auditors thereon.
2. To declare Dividend of 300 %, i.e. ₹ 3/-, per equity share of ₹ 1 each, for the Financial Year ended March 31, 2022.
3. To appoint a Director in place of Mr. Ghanshyam Prasad Agarwala (DIN: 00224805), who retires by rotation and being eligible, seeks re-appointment.
4. To appoint a Director in place of Mr. Mukesh Agarwal (DIN: 02415004), who retires by rotation and being eligible, seeks re-appointment.
5. To re-appoint M/s. Singhi & Co. (Firm Registration Number 302049E), Chartered Accountants, as the Statutory Auditor of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter, referred to as "the Act") read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and other applicable laws, if any, and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Singhi & Co. (Firm Registration Number 302049E), Chartered Accountants, be and is hereby re-appointed as the Statutory Auditor of the Company for a second term of five (5) consecutive years, to hold office from the conclusion of this 37th Annual General Meeting till the conclusion of the 42nd Annual General Meeting of the Company to be held in the year 2027, on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time."

SPECIAL BUSINESSES:

6. **To approve re-appointment of Mr. Niraj Kabra (DIN: 08067989), as Executive Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter, referred to as "the Act"), read with Schedule V and the rules made thereunder, and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association and other applicable provisions, if any, and as recommended by the Nomination and Remuneration Committee and Audit Committee and approved by the Board of Directors, the consent of the Members be and is hereby accorded to the re-appointment of Mr. Niraj Kabra (DIN: 08067989), as Executive Director of the Company, whose period of office will be liable to retire by rotation for a further period of 5 (five) years, with effect from February 12, 2023, on the terms and conditions including remuneration as set out in the Explanatory Statement, annexed with this Notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and

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conditions, from time to time, in such manner as the Board may deem fit, subject to the recommendation of the Nomination & Remuneration Committee and within the overall limits of remuneration specified in this resolution and under the Act.

RESOLVED FURTHER THAT any of the Whole-time Directors and/or the Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper, expedient or incidental to give effect to the above resolution."

7. **To approve payment of profit related commission to the Non-Executive Directors (Independent) of the Company, and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter, referred to as "the Act") read with the rules made thereunder, Regulation 17(6)(a) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendations of the Board of Directors of the Company and in accordance with the Remuneration Policy of the Company, the consent of the Members of the Company be and is hereby accorded for the payment of profit linked commission, upto 1% of the net profits of the Company in aggregate in any financial year, subject to the ceiling as mentioned in the explanatory statement, over and above the usual sitting fees payable for attending the meetings of the Board or the Committee thereof, to be paid annually to each of the Non-Executive Directors (Independent) of the Company, for a period of 5 (five) consecutive Financial Years, commencing from April 01, 2022 and that the said commission be divided among the Non-executive Directors (Independent), in the manner as may be decided by the Board of Directors of the Company, from time to time.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper, expedient or incidental to give effect to above resolution."

8. **To approve revision in the terms of remuneration of Mr. Ramesh Agarwal (DIN: 00230702), Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter, referred to as "the Act") read with Schedule V of the Act and Rules framed thereunder, Regulation 17(6)(e) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and in terms of the Articles of Association, Remuneration Policy of the Company and on the recommendations of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company, be and is hereby accorded to revise the terms of remuneration of Mr. Ramesh Agarwal (DIN: 00230702) as detailed in the Explanatory Statement annexed with this Notice, payable with effect from April 01, 2022, for the remaining term of his office.

RESOLVED FURTHER THAT all other terms and conditions of appointment of Mr. Ramesh Agarwal, Whole-time Director of the Company, as approved by the shareholders through Postal Ballot on March 25, 2020, shall remain unaltered."

9. **To approve revision in the terms of remuneration of Mr. Mukesh Agarwal (DIN: 02415004), Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter, referred to as "the Act") read with Schedule V of the Act and Rules framed thereunder, Regulation 17(6)(e) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and in terms of the Articles of Association, Remuneration Policy of the Company and on

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the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company, be and is hereby accorded to revise the terms of remuneration of Mr. Mukesh Agarwal (DIN: 02415004) as detailed out in the Explanatory Statement annexed to this Notice, payable with effect from April 01, 2022, for the remaining term of his office.

RESOLVED FURTHER THAT all other terms and conditions of appointment of Mr. Mukesh Agarwal, Whole-time Director of the Company, as approved by the shareholders through Postal Ballot on March 25, 2020, shall remain unaltered."

10. **To approve the appointment of Mr. Vikash Agarwal (DIN: 00230728) as Whole-time Director of the Company, and in this regard, to consider and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter, referred to as "the Act") and other applicable provisions of law (including any statutory modification(s), amendments and re-enactments for the time being in force), Mr. Vikash Agarwal (DIN: 00230728), who was appointed as an Additional Director by the Board of Directors of the Company pursuant to the provisions of Section 161(1) of the Act, recommendation of Nomination & Remuneration Committee, Audit Committee and Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation w.e.f. May 23, 2022.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and in terms of the Articles of Association and on the recommendations of Nomination and Remuneration Committee, consent of the Members be and is hereby accorded to the appointment of Mr. Vikash Agarwal (DIN: 00230728), as a Whole-time Director of the Company, for a period of 5 (five) years with effect from May 23, 2022 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed with this Notice.

RESOLVED FURTHER THAT the Board of Directors (the 'Board') be and is hereby authorized to alter and vary the terms and conditions, from time to time, in such manner as the Board may deem fit, subject to the recommendation of the Nomination & Remuneration Committee and within the overall limit of remuneration specified in this resolution and under the Act.

RESOLVED FURTHER THAT any of the Whole-time Directors and/ or the Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper, expedient or incidental to give effect to the above resolution."

11. **To approve the appointment of Mr. Sunil Rewachand Chandiramani (DIN: 00524035), as an Independent Director of the Company, and in this regard, to consider and if thought fit, to pass with or without modification (s), the following resolution as Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter, referred to as the "the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and in terms of the Articles of Association of the Company, Mr. Sunil Rewachand Chandiramani (DIN: 00524035), who was appointed as an Additional Director (Non- Executive Independent Director) of the Company by the Board of Directors pursuant to the recommendation of the Nomination & Remuneration Committee, with effect from May 23, 2022 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and who meets the criteria for independence as provided in section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect and in respect of

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whom the Company has received a notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years commencing from May 23, 2022, not liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper, expedient or incidental to give effect to above resolution."

Registered Office:

1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor,
Kolkata - 700 071

Date: May 23, 2022

By order of the Board of Directors
For **RUPA & COMPANY LIMITED**

Manish Agarwal
Company Secretary & Compliance Officer
ACS 29792

NOTES:

1. Pursuant to General Circular No 14/2020, No. 17/2020, No. 20/2020, No. 02/2021, 19/2021 and No. 02/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 8th December, 2021 and 5th May, 2022, respectively issued by the Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by Securities and Exchange Board of India (herein after collectively referred to as "Circulars"), companies are allowed to conduct their Annual General Meeting (AGM) during the calendar year 2022 through Video Conferencing or Other Audio Visual Means (VC/OAVM). In compliance with the above Circulars, the relevant provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the **37th Annual General Meeting ("AGM" or the "Meeting")** of the Company will be held on **Wednesday, August 17, 2022 at 11.00 am (IST) through VC/OAVM**. The deemed venue for the 37th AGM shall be the Registered Office of the Company situated at 8th Floor, Metro Towers, 1, Ho, Chi Minh Sarani, Kolkata-700071.
2. An Explanatory Statement pursuant to Section 102 of the Act and the Rules framed thereunder, in respect of Item No. 5 to 11 forms part of this notice. The Board of Directors of the Company at its meeting held on May 23, 2022 considered that the special business (es) under Item Nos. 6 to 11, being considered unavoidable, be transacted at the 37th AGM of the Company.
3. Pursuant to the provisions of Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of Listing Regulations, the Register of Members of the Company will remain closed from **August 11, 2022 to August 17, 2022** (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of Dividend, if declared at the Meeting.
4. The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of holding 37th AGM of the Company through VC/OAVM.
5. Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since, the AGM is being conducted through VC/OAVM, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**

However, in pursuance of Section 113 of the Act and Rules framed thereunder, the Institutional/ Corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the purpose of participation and voting during the AGM. In this regard, the corporate members are requested to send a certified true copy of the board resolution together with attested specimen signature of authorized representative to the scrutinizer through email at alassociates2014@gmail.com with a copy marked to evoting@nsdl.co.in.

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7. Since the AGM will be held through VC/OAVM, the Route Map is not annexed with this Notice.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote electronically at the AGM.
9. In accordance with the above circulars, the Notice alongwith the Annual Report of the Company for the financial year ended March 31, 2022, is being sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent ("RTA"), i.e., M/s. Maheshwari Datamatics Private Limited ("MDPL") or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2022 shall be available on the website of the Company viz., www.rupa.co.in and on the website of the stock exchanges where equity shares of the Company are listed viz., www.bseindia.com and www.nseindia.com. The Notice shall also be available on the e-Voting website of NSDL viz., www.evoting.nsdl.com.

Members holding shares in physical mode who have not yet registered/updated their email address are requested to kindly register the same by sending relevant documents in Form ISR-1 to the RTA of the Company i.e M/s. Maheshwari Datamatics Private Limited, 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001. The said form is available on the website of the Company www.rupa.co.in and on the website of the RTA <https://mdpl.in/form>. Members holding shares in demat mode should update their email addresses directly with their respective Depository Participants.

10. Necessary information of the Director seeking appointment/re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) forms part of this notice.

11. Payment of Dividend and tax thereon:

If dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend shall be made:

- a. To all beneficial owners in respect of shares held in dematerialized form as per the data made available by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on August 10, 2022.
- b. To all Members in respect of shares held in physical form on or before the close of business hours on August 10, 2022.

Pursuant to Regulation 12 of the Listing Regulations read with Schedule I, it is mandatory for the Company either directly or through Depositories or RTA to use bank details as furnished by the investors for the payment of dividend through any RBI approved electronic mode of payment. In case, the bank details are not available or the Company is unable to pay the dividend directly through electronic mode, the Company shall, dispatch the dividend warrant/demand draft to such Members, at the earliest.

Members holding shares in physical mode and who have not yet updated their mandate for receiving dividend directly into their bank accounts through any RBI approved electronic mode of payment may kindly register the same by sending relevant documents alongwith Form ISR-1 to the RTA of the Company i.e M/s. Maheshwari Datamatics Private Limited, 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001. The said form is available on the website of the Company www.rupa.co.in and on the website of the RTA <https://mdpl.in/form>. Members holding shares in demat mode should update their email addresses and bank mandate directly with their respective Depository Participants.

Pursuant to the changes introduced by the Finance Act, 2020 in the Income-Tax Act, 1961 (the "IT Act"), w.e.f. April 1, 2020, the dividend paid or distributed by a Company shall be taxable in the hands of the shareholders. Accordingly, in compliance with the said provisions, the Company shall make the payment of dividend after necessary deduction of tax at source. The withholding tax rates would vary depending on the residential status of every shareholder and the eligible documents submitted by them and accepted by the Company. Members are hereby requested to refer to the separate communication made in this regard along with this notice and take necessary actions, if required.

12. Members seeking any information with regard to the accounts or any other matter to be placed at the AGM are requested to write to the Company on or before August 10, 2022 through email on investors@rupa.co.in. The same will be replied by the Company suitably.

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Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by sending their requests before August 10, 2022 at investors@rupa.co.in from their registered e-mail addresses mentioning their names, folio numbers/demat account numbers, PAN details, mobile numbers and their questions. Only those Members who have registered themselves as speakers and have been selected will be allowed to express their views/ask questions during the AGM. The Chairman of the Meeting/the Company reserves the right to restrict the number of questions, time allotted and number of speakers to ensure smooth conduct of the AGM.

13. All documents referred to in the Notice and the Explanatory Statement shall be made available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at investors@rupa.co.in from their registered e-mail addresses mentioning their names and folio numbers/demat account numbers.

During the AGM, the relevant document including the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, and the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act read with rules issued thereunder shall be made available for inspection upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>.

14. Pursuant to Section 72 of the Act, members holding shares in physical form are advised to file nomination in prescribed Form SH-13 with the Company's Registrar i.e M/s. Maheshwari Datamatics Private Limited, 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001. The prescribed form in this regard is available on Company's website www.rupa.co.in and on the website of the RTA <https://mdpl.in/form>. In respect of shares held in Electronic/Demat form, members may please contact their respective Depository Participants.
15. Pursuant to Regulation 40 of the Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode w.e.f. April 1, 2019, except in case of transmission or transposition of securities. However, an investor is not prohibited from holding the shares in physical mode even after April 1, 2019. However, any investor who is desirous of transferring shares (which are held in physical mode) can do so only after the shares are dematerialized. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
16. The shareholders who have not encashed their dividend warrants are requested to write to the Company for claiming outstanding dividends declared by the Company. Details of the unpaid/unclaimed dividend are uploaded on the website of the Company at www.rupa.co.in. As per Section 124(5) of the Act, all dividends which remain unpaid/unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, as per Section 124 (6) of the Act read with relevant rules made thereunder, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the IEPF Suspense Account. In terms of the aforesaid provisions, unclaimed dividend/shares for FY 2014-15 is due to be transferred to the IEPF on October 22, 2022.
17. SEBI vide circular dated November 3, 2021 and December 14, 2021 has mandated shareholders holding securities in physical form to furnish PAN, Nomination Details, Contact Details (Address with PIN, Mobile Number, email address), bank account details and specimen signature before they could avail any investor service. Folios wherein any of the above information is not available by April 1, 2023, shall be frozen. The relevant forms prescribed by SEBI for furnishing the above information are available on the website of the Company www.rupa.co.in. The concerned shareholders are requested to update the above details by submitting the prescribed forms to the RTA of the Company i.e M/s. Maheshwari Datamatics Private Limited, 23 R. N. Mukherjee Road, 5th Floor, Kolkata – 700001.
18. **PROCEDURE FOR ATTENDING THE AGM THROUGH VC/OAVM**
 - (i) Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system at <https://www.evoting.nsdl.com> by following the steps mentioned below for access to NSDL e-voting system. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in shareholder/member login where the EVEN of Company will be displayed. Members who do not have the User Id and Password for e-Voting or have forgotten the User Id and Password may retrieve the same by

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following the remote e-Voting instructions mentioned below to avoid last minute rush.

- (ii) Members can join the AGM through VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned above.

The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first serve basis. This will not include Large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.

- (iii) Members, who need any assistance before or during the AGM, may contact call on Toll Free No.: 1800 1020 990 and 1800 22 44 30 or contact Ms. Pallavi Mhatre, Manager of NSDL at e-mail id: evoting@nsdl.co.in or may contact the Company at investors@rupa.co.in.
- (iv) Members are encouraged to join the Meeting through Laptops and allow camera for better experience. Members connecting through Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation/bandwidth issues in their respective networks. It is, therefore, recommended to use a good speed internet connection, preferably stable Wi-Fi or LAN Connection, to mitigate any kind of aforesaid glitches and to avoid any disturbance(s) during the AGM.
- (v) Members under the category of Institutional Investors are encouraged to attend the AGM and also vote through remote e-Voting or e-Voting during the AGM.

19. VOTING THROUGH ELECTRONIC MEANS

A. GENERAL INFORMATION

- i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read together with MCA circulars and Regulation 44 of Listing Regulations, the Company has engaged the services of NSDL to provide remote e-voting services and e-voting facility during the AGM to all the eligible Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting.
- ii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut-off date, i.e. Wednesday, August 10, 2022** shall be entitled to avail the facility of remote e-voting/e-voting at the Meeting. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

The remote e-voting facility will be available during the following voting period:

Commencement of Remote E-voting	End of Remote E-voting
From 9.00 A.M. (IST) on Sunday, 14th August, 2022	Up to 5.00 P.M. (IST) on Tuesday, 16th August, 2022

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled upon expiry of aforesaid period. However, e-voting facility will be made available during the AGM for those shareholders who have not casted their votes through remote e-voting.

- iii. Only those members, who are present in the meeting through VC/OAVM and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change it subsequently nor cast votes again during the Meeting.
- iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- v. The Board of Directors of the Company has appointed FCS Priti Agarwal, Practicing Company Secretary, partner of M/s. AL & Associates (Membership No. 10877), to act as Scrutinizer to scrutinize the process of remote e-voting and also e-voting during the meeting in a fair and transparent manner.

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- vi. The Scrutinizer shall after the conclusion of Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses, not in the employment of the Company. The scrutinizer shall submit the consolidated scrutinizer's report, not later than two working days from the conclusion of the Meeting, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.rupa.co.in and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL viz., www.evoting.nsdl.com immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.
- vii. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. August 17, 2022.
- viii. The recorded transcript of the proceedings of the AGM shall be available on the Company's website at www.rupa.co.in.

B. THE INSTRUCTIONS/PROCEDURE FOR REMOTE E-VOTING:

To vote electronically on NSDL e-Voting system, please follow the steps which are mentioned below:

Step 1: Access to NSDL e-Voting system;

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

DETAILS ON STEP 1 ARE GIVEN BELOW:

(i) ***Login method for e-voting and joining of meeting virtually by individual shareholders holding securities in demat mode:***

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The login method for individual shareholders holding securities in demat mode are mentioned below:

Type of shareholders	Login Method
a) Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. This will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as

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

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

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

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

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(ii) **Login method for e-voting and joining of meeting virtually by shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:**

To Login to NSDL e-voting website:

- (a) Open the web browser by typing the URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a Mobile.
- (b) Click on icon "Login" available under "Shareholder/Member" section.
- (c) A new screen will open. Enter your User Id, Password/OTP and also a verification code as shown on the screen.

Alternatively, if you are registered for NSDL e-services, i.e., IDeAS, you can login at <https://eservices.nsdl.com> with your existing IDeAS login. Once you login to NSDL e-services after using your login credentials, click on e-Voting and you can proceed to Step 2 directly to cast your vote electronically.

- (d) Your User Id details are given below:

Manner of holding shares, i.e., in Demat Account or in Physical Mode	Your User Id is:
a) For Members who hold shares in Demat Account with NSDL.	8 Character DP Id followed by 8 Digit Client Id. For example if your DP Id is IN300*** and Client Id is 12***** then your User Id is IN300***12*****
b) For Members who hold shares in Demat Account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your User Id is 12*****
c) For Members holding shares in Physical Mode.	EVEN followed by Folio Number registered with the Company. For example if Folio Number is 001*** and EVEN is 123456 then User Id is 123456001***

- (e) Your Password details are given below:

- If you are already registered with NSDL for remote e-Voting then you can use your existing User Id and Password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you are required to retrieve the "Initial Password" which was communicated to you. Once you retrieve your "Initial Password", you need to enter the "Initial Password" and the system will direct you to change your "Initial Password".
- Process to retrieve your "Initial Password" -
 - i. Trace the email sent to you from NSDL. Open the e-mail and thereafter open the PDF file attached. The Password to open the pdf file is your 8 digit Client Id of NSDL Demat Account or the last 8 digits of Client Id of CDSL Demat Account or Folio Number for shares held in Physical mode. The said PDF file contains your User Id and "Initial Password" for e-Voting purpose.
 - ii. If your e-mail Id is not registered, please follow steps mentioned below under "Process for those shareholders whose e-mail ids are not registered".

- (f) If you are unable to retrieve or have not received the "Initial Password" or have forgotten your Password:

- If you are holding shares in your demat account with NSDL or CDSL, click on icon "Forgot User Details/ Password" available on <https://www.evoting.nsdl.com>
- If you are holding shares in physical mode, click on icon "Physical User Reset Password" available on www.evoting.nsdl.com
- If you are still unable to get the Password by following aforesaid two options, you can send your request at evoting@nsdl.co.in mentioning your name, your DP Id and Client Id/Folio Number, your PAN and your registered postal address.

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- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- (g) Tick on Agree to “Terms and Conditions” by selecting on the check box.
- (h) Now click on icon “Login”.
- (i) Home page of e-Voting will open.

DETAILS ON STEP 2 ARE GIVEN BELOW:

Process to cast your vote electronically and join General Meeting on NSDL e-Voting system:

- (a) After successful login at Step 1, you will be able to see the homepage of e-voting. Click on e-Voting. Then, click on “Active Voting Cycles”.
- (b) After clicking on Active Voting Cycles, you will be able to see all the Companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- (c) Select “EVEN” of Rupa & Company Limited. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
- (d) Now you are ready for e-Voting as the voting page opens.
- (e) Cast your vote by selecting appropriate options, i.e., assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and thereafter click on icon “Submit” and also “Confirm” when prompted.
- (f) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (h) Once you have confirmed after voting on the Resolution, you will not be allowed to modify your vote.

C. THE INSTRUCTIONS/PROCEDURE FOR E-VOTING AT THE AGM:

- (i) The procedure for e-Voting on the day of AGM is same as the instructions mentioned above for remote e-Voting.
- (ii) Only those Members, who will be present in the AGM through VC or OAVM facility and have not casted their votes on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system in the AGM.
- (iii) Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of AGM shall be the same person mentioned for remote e-Voting.

D. INSTRUCTIONS FOR MEMBERS WHOSE E-MAIL ID'S ARE NOT REGISTERED:

The process for those members whose e-mail id's are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the businesses mentioned in the Notice convening the AGM are as follows:

- (i) In case shares are held in physical mode, please provide Folio Number, Name of Shareholder, Number of Equity Shares held, Scanned copy of Share Certificate (both side) alongwith self-attested scanned copy of PAN card and self-attested scanned copy of any document (such as AADHAAR card/latest Electricity Bill/latest Telephone Bill/ Driving License/Passport/Voter ID Card/Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding by e-mail to investor@rupa.co.in
- (ii) In case shares are held in demat mode, please provide Name, DP Id & Client Id, Client Master or copy of Consolidated Account Statement alongwith self-attested scanned copy of PAN and AADHAAR by e-mail to investors@rupa.co.in. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- (iii) Alternatively Member may send an e-mail request to evoting@nsdl.co.in for obtaining User Id and Password by providing the details mentioned in Point (i) or (ii) as the case may be.

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- (iv) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

E. OTHER IMPORTANT INSTRUCTIONS

- (i) It is strongly recommended not to share your Password with any other person and you must take utmost care to keep your Password confidential. Login to e-Voting website will be disabled upon five unsuccessful login attempts with incorrect details. In such an event, you will require to reset the Password by clicking on the icon "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com
- (ii) Any person holding shares in physical form and non-individual shareholders, who acquires shares in the Company and becomes a Member of the Company after sending of the Notice of the AGM and holding shares as on the cut-off date, i.e., Wednesday, August 10, 2022, may obtain the Login User Id and Password by sending a request at evoting@nsdl.co.in or investors@rupa.co.in.

However, if you are already registered with NSDL for e-Voting then you can use your existing User Id and Password for casting your votes. If you forgot your password, you can reset your password by clicking "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 224430. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice of the AGM and holding shares as on the cut-off date i.e. Wednesday, August 10, 2022, may follow steps mentioned in the Notice of the AGM under Step 1 above.

- (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of NSDL e-Voting website, i.e., www.evoting.nsdl.com or call on Toll Free No.: 1800 1020 990 and 1800 22 44 30 or contact Ms. Pallavi Mhatre, Manager of NSDL at e-mail id: evoting@nsdl.co.in.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5- To re-appoint M/s. Singhi & Co. (Firm Registration Number 302049E), Chartered Accountants, as the Statutory Auditor of the Company for a second term of five years.

M/s. Singhi & Co., Chartered Accountants (Firm Registration No. 302049E) were appointed as the Statutory Auditors of the Company at the 32nd Annual General Meeting of the Company held on August 31, 2017 for a period of 5 years. Their term of appointment as Statutory Auditor expires at the ensuing Annual General Meeting of the Company.

In terms of the provisions of Section 139 of the Companies Act, 2013 ("the Act"), the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as Statutory Auditors for not more than two (2) terms of five (5) consecutive years. Accordingly, M/s. Singhi & Co. is eligible for reappointment for a further period of five years.

M/s. Singhi & Co. have consented to their appointment as Statutory Auditors and have confirmed that their re-appointment will be in accordance with Section 139 read with Section 141 of the Act.

M/s. Singhi & Co., Chartered Accountants have more than 80 years of experience in the fields of Assurance, Audit, Risk Advisory, Corporate Finance, International Financial Reporting Standard, Taxation, Business Management Services, GST and have their offices at major cities in India with a large base of clients including several listed entities. M/s. Singhi & Co. is subject to peer review and holds a valid Peer Review Certificate.

Considering the expertise and experience of M/s. Singhi & Co., the Audit Committee has recommended and the Board of Directors at its meeting held on May 23, 2022, proposed the re-appointment of M/s. Singhi & Co. as the Statutory Auditors of the Company to hold office for a second term of five consecutive years effective from the conclusion of this meeting until the conclusion of the AGM to be held in the year 2027. The Board of Directors has approved a remuneration of ₹ 33.35 lakhs to be paid to the Statutory Auditors for conducting the audit for the financial year 2022-23, excluding applicable

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taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors for the remaining term.

Considering the evaluation of the past performance, experience and expertise of M/s. Singhi & Co. it is proposed to appoint M/s. Singhi & Co. as Statutory Auditors for a second term of five consecutive years till the conclusion of the 42nd AGM to be held in the year 2027 in terms of the aforesaid provisions.

None of the directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 5 of this notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

Item No. 6– To approve re-appointment of Mr. Niraj Kabra (DIN: 08067989), as an Executive Director of the Company and to fix his remuneration.

Mr. Niraj Kabra (DIN:08067989) was appointed as the Executive Director of the Company for a period of five (5) years w.e.f February 12, 2018 at the 33rd Annual General Meeting of the Company held on August 31, 2018. The tenure of Mr. Kabra as an Executive Director of the Company will expire on February 11, 2023. Pursuant to the provisions of Section 196 of the Companies Act, 2013 (the “Act”), a Whole-time Director can be appointed for a term not exceeding five years at a time and the re-appointment can be made within one year before expiry of the term.

Mr. Niraj Kabra is a graduate from the Calcutta University and is about 40 years of age. He has profound knowledge and experience and is associated with the Company since 2003. He is engaged in the day to day commercial operations and administration of the Company and also looks after legal and factory matters. Additionally, he is serving as the Occupier of all the plants of the Company.

Considering the contributions made by Mr. Niraj Kabra, towards the Company, the Board of Directors on the recommendation of the Nomination and Remuneration Committee and Audit Committee at their meeting held on May 23, 2022, approved the re-appointment of Mr. Niraj Kabra as an Executive Director of the Company, for a period of five (5) years, with effect from February 12, 2023 subject to the approval of the shareholders of the Company at a remuneration of ₹ 24 Lakhs (Rupees Twenty-Four Lakhs only), per annum (CTC), with authority to the Board of Directors of the Company, to fix, pay and vary the said remuneration up to ₹ 40 Lakhs (Rupees Forty lakhs only) per annum (including powers to decide the components therein), on the recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee, from time to time.

The Company has received consent from Mr. Niraj Kabra in writing to continue to act executive director as of the Company for a further period of 5 years and has received a declaration stating that he is not disqualified from being re-appointed as a Executive Director of the Company in terms of Section 164 of the Act and he has not been debarred by SEBI from accessing the capital market as well as from holding the office of Director pursuant to any SEBI/MCA order or any other such authority.

In the opinion of the Board, Mr. Niraj Kabra fulfils the conditions specified under the Act, the Rules made thereunder, Schedule V to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his re-appointment as an Executive Director of the Company.

Copy of draft letter of re-appointment of Mr. Niraj Kabra, as an Executive Director, setting out terms and conditions of his appointment would be available for inspection. Brief resume of Mr. Niraj Kabra, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2, are annexed hereto and marked as “**Annexure-A**”.

Mr. Kabra and his relatives are deemed to be concerned or interested in the proposed Resolution, in so far as it relates to his own re-appointment. None of the other Directors or Key Managerial Personnel (KMPs) of the Company, either directly or through their relatives, is in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

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The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Item No. 7– To approve the payment of profit related commission to the Non-Executive Directors (Independent) of the Company

At the 33rd Annual General Meeting of the Company held on August 31, 2018, the Members approved the payment of profit linked commission upto 1% of the net profits of the Company subject to a ceiling of ₹ 26 lakhs in aggregate per annum to the Non-Executive Independent Directors of the Company w.e.f April 01, 2017 for a period of 5 years i.e. upto March 31, 2022.

Section 197(1) of the Companies Act, 2013 provides that the total managerial remuneration payable by a public company to its Directors, including Managing Director and its Whole-time Director and its Manager in respect of any financial year shall not exceed 11 percent of the net profit of the Company for that financial year computed in the manner laid out in Section 198, except that the remuneration of the Director shall not be deducted from the gross profits. Further, pursuant to the second proviso to the Section 197(1) of the said Act, the Company can pay remuneration to the Directors who are neither Managing Director or Whole-time Director, upto 1 % of the net profits of the Company, if there is a Managing Director or Whole-time Director or Manager in the Company. Pursuant to Regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, payment of profit related commission to Non-Executive Directors (Independent), requires approval of the shareholders of the Company.

The Company's Non-Executive Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, finance, risk management and corporate governance amongst others and have been shaping and steering the long term strategy of the organisation by bringing with them, professional expertise and wide experience.

Accordingly, it is proposed to make payment of profit related commission to each of the Non-Executive Directors (Independent) of the Company, annually, for a period not exceeding 5 consecutive financial years, commencing from April 1, 2022, upto 1 % of the net profits of the Company in a financial year subject to the maximum ceiling as follows.

(i) To the members (Non-executive Independent) of the Board of Directors	₹ 3 lakhs (Rupees three lakhs only) each, per annum
(ii) To the members (Non-executive Independent) of the Audit Committee	₹ 2 lakhs (Rupees two lakhs only) each, per annum in addition to (i) above

This remuneration will be distributed amongst all the Non-Executive Independent Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Act.

The Independent Directors and their relatives are deemed to be concerned or interested in the proposed Resolution, in so far as it relates to their own remuneration. None of the Executive Directors or Key Managerial Personnel (KMPs) of the Company, either directly or through their relatives, is in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

Item Nos. 8 & 9- To approve revision in terms of remuneration of Mr. Ramesh Agarwal (DIN: 00230702), and Mr Mukesh Agarwal (DIN: 02415004), Whole-time Directors of the Company.

The Members of the Company, through Postal Ballot on March 25, 2020, had approved the reappointments of Mr. Ramesh Agarwal and Mr. Mukesh Agarwal, as Whole-time Directors of the Company, liable to retire by rotation, for a term of five (5) years each, with effect from April 1, 2020, on the terms and conditions, including remuneration, in accordance with the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, the Articles of Association of the Company and other applicable laws.

Considering the continuous effort, time and energy dedicated by both, Mr. Ramesh Agarwal and Mr. Mukesh Agarwal, towards the growth of the Company, the Board based on the recommendation of the Nomination and Remuneration Committee and Audit Committee at its meeting held on May 23, 2022, recommended to revise the existing remuneration scale payable to them. The details of the proposed remuneration payable to each of them are set out below:

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Category	Particulars
Basic Salary (per month)	In the scale of ₹ 7,50,000 to ₹ 15,00,000
Reimbursement of Medical Expenses including abroad for self and family	Expenses incurred for self and family including mediclaim insurance premium in accordance with the rules of the Company
Leave	As per rules of the Company
Fees of clubs (including Admission and Life Membership Fees)	₹ 5,00,000
Provident Fund, Superannuation and Gratuity Benefits	As per rules of the Company
Performance Bonus	As approved by the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, within the overall approved scale.

All other terms of re-appointment including the terms of remuneration shall remain same, as approved by the shareholders through Postal Ballot on March 25, 2020.

Pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Act read with Schedule V of the said Act and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the shareholders would be required for the aforesaid changes in the existing terms and conditions of the remuneration of Mr. Ramesh Agarwal and Mr. Mukesh Agarwal, Whole-time Directors of the Company.

For Item No.8, save and except Mr. Ramesh Agarwal, Mr. Prahlad Rai Agarwala and their respective relatives, to the extent of their shareholding interest and employment, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

For Item No.9, save and except Mr. Mukesh Agarwal, Mr. Ghanshyam Prasad Agarwala and their respective relatives, to the extent of their shareholding interest and employment, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

The Board recommends the Special Resolution set out at Item No. 8 & 9 of the Notice for approval by the Members.

Item No. 10- To approve appointment of Mr. Vikash Agarwal (DIN: 00230728) as the Whole-time Directors of the Company

Based on the recommendation of Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company had appointed Mr. Vikash Agarwal (DIN: 00230728) as an Additional Director (Whole-time Category) of the Company with effect from May 23, 2022, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company.

The Company has received a notice in writing under Section 160 of the Act, from a member proposing the candidature of Mr. Vikash Agarwal, as Whole-time Director of the Company.

The Company has also received the consent in writing from Mr. Vikash Agarwal to act as a Director of the Company and a declaration under Section 164 of the Companies Act, 2013 to the effect that he is not disqualified from being appointed as a Director. Further a declaration has been received that he has not been debarred by SEBI from accessing the capital market as well as from holding the office of Director pursuant to any SEBI/MCA order or any other such authority.

Mr. Agarwal is a visionary leader, self-starter, and mentor to diversified businesses and industry bodies. With a strong track record of creating profitable brands, aspirational to Indian and global consumers, Mr. Agarwal is a well-known name in the textile and apparel industry. His appointment as the Director of the Company will be beneficial in the interest of the Company. Brief resume of Mr. Vikash Agarwal, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2, are annexed hereto and marked as “Annexure-A”

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In the opinion of the Board, Mr. Agarwal, fulfils the conditions as specified in the Act and rules made thereunder for appointment as Director of the Company. Accordingly on recommendation of the Nomination and Remuneration Committee of the Company and the Board of Directors it is proposed, to appoint Mr. Vikash Agarwal, as the Whole-time Director of the Company, under Section 196 of the Act, read with other applicable provisions of law, for a period 5 (five) consecutive years, whose office shall be liable to retire by rotation, with effect from May 23, 2022, at a remuneration as tabled below with authority to the Board of Directors of the Company, to fix, pay and vary the said remuneration on the recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee, from time to time.

Category	Particulars
Basic Salary (per month)	In the scale of ₹ 7,50,000 to ₹ 15,00,000
Reimbursement of Medical Expenses including abroad for self and family	Expenses incurred for self and family including mediclaim insurance premium in accordance with the rules of the Company
Leave	As per rules of the Company
Fees of clubs (including Admission and Life Membership Fees)	₹ 5,00,000
Provident Fund, Superannuation and Gratuity Benefits	As per rules of the Company
Performance Bonus	As approved by the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, within the overall approved scale.

Copy of draft letter of appointment of Mr. Vikash Agarwal, as a Whole-time Director, setting out terms and conditions of his appointment would be available for inspection.

Save and except Mr. Vikash Agarwal, Mr. Kunj Bihari Agarwal and their respective relatives, to the extent of their shareholding interest and employment, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the Members.

Item No. 11- To approve the appointment of Mr. Sunil Rewachand Chandiramani (DIN: 00524035), as an Independent Director of the Company

Based on the recommendations of Nomination and Remuneration Committee, the Board of Directors of the Company had appointed Mr. Sunil Rewachand Chandiramani (DIN: 00524035) as an Additional Director (Independent Category) of the Company with effect from May 23, 2022, pursuant to the provisions of Section 149, 161(1) of the Act and the Articles of Association of the Company.

The Company has received a notice in writing under Section 160 of the Act, from a member proposing the candidature of Mr. Chandiramani, as an Independent Director of the Company.

The Nomination and Remuneration Committee has evaluated the balance of skills, knowledge and experience on the Board of the Company, and prepared the description of the role and capabilities required in the person proposed to be appointed as Independent Director of the Company. On the basis of the said description, the Nomination and Remuneration Committee has recommended the appointment of Mr. Chandiramani as an Independent Director on the Board of the Company.

The Company has received a declaration from Mr. Sunil Rewachand Chandiramani to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Further he has also provided his consent to act as the Director and a declaration to the effect that he is not disqualified under Section 164 of the Act.

In the opinion of the Board, Mr. Sunil Rewachand Chandiramani fulfils the conditions specified in the Act, the rules made thereunder and Listing Regulations for being appointed as an Independent Director, and is independent of the management.

Notice

Mr. Sunil Rewachand Chandiramani is a Chartered Accountant by profession and has a Masters in Systems Management from National Institute of Information Technology. He had spent 25 years with Ernst & Young LLP, India's leading professional services firm. He was responsible for leading India's Largest Advisory Practice and also led the development of the Global Innovation Strategy for EY Global and was the Relationship Partner for the TATA Group globally. He has been a member of committees constituted by Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and CII. He is currently serving as an Independent Director on the Board of several Listed and PE funded organisations. The profile of Mr. Sunil Rewachand Chandiramani matches the skills and capabilities required to be an Independent Director of the Company.

Considering the experience of Mr. Sunil Rewachand Chandiramani, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from May 23, 2022 to May 22, 2027.

A copy of letter of appointment of Mr. Sunil Rewachand Chandiramani as an Independent Director setting out terms and conditions of his appointment would be available for inspection.

Brief resume of Mr. Sunil Rewachand Chandiramani, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2, are annexed hereto and marked as "**Annexure-A**".

Save & except Mr. Sunil Rewachand Chandiramani and/or his relatives, none of the other Directors or Key Managerial Personnel (KMPs) of the Company and/or their relatives, are in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the Members.

Registered Office:

1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor,
Kolkata - 700 071

Date: May 23, 2022

By order of the Board of Directors
For **RUPA & COMPANY LIMITED**

Manish Agarwal
Company Secretary & Compliance Officer
ACS 29792

Notice

ANNEXURE-A

Details of Directors seeking appointment/re-appointment/ fixation of remuneration at the AGM [Pursuant to the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Categories	(A)	(B)	(C)	(D)	(E)	(F)
Name of the Director	Mr. Ghanshyam Prasad Agarwala	Mr. Ramesh Agarwal	Mr. Mukesh Agarwal	Mr. Niraj Kabra	Mr. Vikash Agarwal	Mr. Sunil Rewachand Chandiramani
Director Identification Number (DIN)	00224805	00230702	02415004	08067989	00230728	00524035
Date of Birth/Age	November 14, 1945 (76 Years)	June 7, 1968 (54 years)	January 01, 1971 (51 Years)	April 18, 1982 (40 Years)	February 27, 1977 (45 Years)	December 24, 1968 (53 Years)
Qualification	Bachelor's degree in Commerce	Bachelor's degree in Commerce	Bachelor's degree in Commerce	Bachelor's degree in Commerce	Diploma in Marketing from University of California, Berkeley and Bachelor's degree in Commerce	Chartered Accountant and Masters in Systems Management
Date of first appointment on the Board	July 13, 1987	July 29, 2009	July 29, 2009	February 12, 2018	May 23, 2022	May 23, 2022
Brief Resume, Experience and Expertise	Mr. Ghanshyam Prasad Agarwala is the Whole-time Director of the Company, designated as the Vice-Chairman. He has more than 49 years of experience in the textile industry. He has knowledge and understanding of the hosiery business and related activities, apart from rich experience in leadership, Strategic guidance, risk foresight and operations of the Company. He is also actively engaged in various philanthropic activities.	Mr. Ramesh Agarwal is a Whole-time Director of the Company. He has more than 27 years of experience in the textile industry. He plays a key role in the production, planning, sales and distribution of Company's products.	Expertise in various areas of business, technology, operations, societal and governance matters and understanding of market, consumer behaviour and sales with ability to understand the key financial statements, assess financial viability of the business and efficient use of resources.	He has profound knowledge and experience and is associated with the Company since 2003. He is engaged in the day to day commercial operations and administration of the Company. He also looks after legal and factory matters. Additionally, he is serving as the Occupier of all the plants of the Company.	Mr. Agarwal is a visionary leader, self-starter, and mentor to diversified businesses and industry bodies. With a strong track record of creating profitable brands, aspirational to Indian and global consumers, Mr. Agarwal is a well-known name in the textile and apparel industry.	Mr. Sunil Rewachand Chandiramani had spent 25 years with Ernst & Young LLP, India's leading professional services firm. He was responsible for leading India's Largest Advisory Practice and also led the development of the Global Innovation Strategy for EY Global and was the Relationship Partner for the TATA Group globally. He has been a member of committees constituted by Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and CIL.
Terms & Conditions of appointment/ re-appointment along with details of remuneration sought to be paid	Re-appointment of director retiring by rotation, pursuant to Section 152 of the Companies Act, 2013. He is entitled to receive remuneration as already approved by the Members	He is entitled to receive remuneration as recommended for approval at the ensuing AGM.	Re-appointment of director retiring by rotation, pursuant to Section 152 of the Companies Act, 2013. He is entitled to receive remuneration as recommended for approval at the ensuing AGM.	Re-appointment pursuant to Section 196 of the Act, for a further term of 5 (five) years at a remuneration, as mentioned in the Explanatory Statement.	Appointment pursuant to Section 196 of the Act, for a term of 5 (five) years at a remuneration, as mentioned in the Explanatory Statement.	Appointment as Independent Director of the Company for a period of 5 years. He shall be entitled to get sitting fees, as approved by the Board of Directors and profit linked commission as approved by the shareholders.

Notice

Categories	(A)	(B)	(C)	(D)	(E)	(F)
Remuneration last drawn (FY 21-22)	₹ 122.40 Lakhs	₹ 122.40 Lakhs	₹ 122.40 Lakhs	₹ 21.37 Lakhs	₹ 122.40 Lakhs (In capacity of President- Finance)	NA
Number of Board meeting attended during the year	4/4	4/4	3/4	4/4	NA	NA
Disclosure of relationship with other directors/KMP	Father of Mr. Mukesh Agarwal and brother of Mr. Prahlad Rai Agarwala and Mr. Kunj Bihari Agarwal, Directors of the Company	Son of Mr. Prahlad Rai Agarwala, Chairman of the Company	Son of Mr. Ghanshyam Prasad Agarwala, Vice- Chairman of the Company	None	Son of Mr Kunj Bihari Agarwal, Managing Director of the Company	None
Shareholding of Directors including shareholding as beneficial owner	13,17,148 (1.66%) *	10,59,230 (1.33%)	7,29,550 (0.92%)	123 (0.00%)	18,83,600 (2.37%)	Nil
List of Directorship in other companies as on 31 March 2022	Sobhasaria Enterprises Private Limited, Rupa Spinners Ltd	Euro Fashion Inners International Private Limited, Imoogi Fashions Private Limited, Rupa Fashions Private Limited, Oban Fashions Private Limited, Neo Metaliks Limited, Badrinath Homes Private Limited, Rupa Global Pvt. Ltd., PRS Tie Up Private Limited, Sidhant Credit Capital Ltd, Aparesh Niwas Pvt Ltd, Sidhant Niwas Pvt Ltd, Goodview Developers Private Limited, Sungrace Primeview Properties Private Limited, Aparesh Compuvision Private Limited, Aparesh Infotech Private Limited, Salasar Project and Estates Pvt Ltd, Sidhant Flats and Apartments Private Limited	Subham Software Private Limited, Rupa Spinners Ltd, Rupa Dyeing And Printing Private Limited, Citizen Hosiery Private Limited, Balaji Hosiery Private Limited, Sitaram Hosiery Private Limited, Champion Garment Private Limited, Gajraj Knitwear Private Limited, Oban Fashions Private Limited, Neo Metaliks Limited, Bajrangbali Projects Limited, Mangal Synthetics Private Limited, Rupa Global Pvt.Ltd., Salasar Infrastructure Limited, Lambodar Infrastructure Private Limited, Kanahiya Realty Private Limited, Ganpati Management Private Limited, Krishna Management Private Limited	Tiesta Digital Services Private Limited	Ganesh Enclave Limited, Bajrangbali Projects Limited, Salasar Processors Private Limited, Bajrangbali Textiles Private Limited, Neo Metaliks Limited, Rupa Dyeing And Printing Private Limited, Aparesh Niwas Pvt Ltd, Rupa Realty Limited, Mridul Tie Up Private Limited, Imoogi Fashions Private Limited, Lambodar Infrastructure Private Limited, Kanahiya Realty Private Limited, Shalini Tie Up Private Limited, Gajkarna Projects Private Limited, Laranya Infoedge Private Limited, Oban Fashions Private Limited, YPO (Calcutta), Rupa Fashions Private Limited	Sapphire Foods India Limited, Davadost Pharma Private Limited, Vigyanlabs Innovations Private Limited, Ganesh Grains Limited, Updater Services Limited

Notice

Categories	(A)	(B)	(C)	(D)	(E)	(F)
List of Membership/ Chairmanship of Committees of other companies as on March 31, 2022**	NA	Neo Metaliks Limited- Audit Committee (Member) Sidhant Credit Capital Limited- Audit Committee (Member)	NA	NA	NA	Sapphire Foods Limited- Audit Committee (Chairman), Stakeholder Relationship Committee (Member) Ganesh Grains Limited- Audit Committee (Chairman) Updater Services Limited- Audit Committee (Member)
Name of Listed Companies from which the Director has resigned in last three years	None	None	None	None	None	Poonawalla Fincorp Limited, Jammu And Kashmir Bank Limited
Skills and capabilities required for the role and manner in which the proposed person meets the requirements	NA	NA	NA	NA	NA	The Nomination and Remuneration Committee has identified corporate strategy, technology transformation, operational effectiveness, governance, capital management and finance as the skills required for this role. Mr. Sunil Rewachand Chandiramani, possess the required skills and capabilities suitable for this role.

*Holds 1,67,63,656 equity shares (21.08%) jointly with Mr. Prahlad Rai Agarwala and Mr. Kunj Bihari Agarwal on behalf of a partnership firm. Further holds 1,85,090 equity shares (0.23%) on behalf of a HUF.

** Only Audit committee and Stakeholder's Relationship Committee has been considered.



RUPA & COMPANY LIMITED

Registered Office: Metro Tower, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700 071

Phone: +91-33-4057 3100; Fax: +91-33-2288 1362

E-mail: investors@rupa.co.in ; Website: www.rupa.co.in

CIN: L17299WB1985PLC038517

COMMUNICATION OF DEDUCTION OF TAX AT SOURCE ON DIVIDEND

THIS COMMUNICATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Dear Shareholder(s),

We are pleased to inform that the Board of Directors of the Company at its Meeting held on May 23, 2022, recommended payment of dividend of ₹ 3/- per Equity Share of ₹ 1/- each for the year ended March 31, 2022. The dividend will be paid to the members of the Company after approval of dividend at the Annual General Meeting (AGM) of the Company scheduled on August 17, 2022.

Payment of dividend, if approved at the Annual General Meeting, will be made to those members whose names will be on the Company's Register of Members on August 10, 2022 and to those whose names will appear as Beneficial Owners as at the close of the business hours on August 10, 2022 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose. The details with respect to Dividend has been given in the Notice of the 37th AGM.

Members holding shares in demat form are advised to keep the bank details updated with their depository participants. Members holding shares in physical form and who have not updated their bank accounts details are requested to update bank details with the Company's Registrar and Transfer Agents (RTA), M/s. Maheshwari Datamatics Pvt. Ltd., 23 R.N. Mukherjee Road, 5th Floor, Kolkata-700001 by sending them duly completed ISR 1 and ISR 2 forms (<https://mdpl.in/form>) with signature of the holders attested by your banker along with a cancelled cheque leaf with your name, account no. and IFSC Code printed thereon. In case your name is not printed on the cheque leaf, you are requested to send additionally bank attested copy of your pass book / bank statement showing your name, account no and IFSC Code.

In accordance with the provisions of the Income Tax Act, 1961 read with the provisions of the Finance Act, 2020, with effect from 1st April, 2020, the Company would be required to apply withholding tax/deduct taxes at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and as acceptable to the Company.

This communication summarizes the applicable TDS provisions in accordance with the provisions of the Income Tax Act, 1961, for various categories, including Resident or Non-Resident members.

1. For Resident Members:

SI	Particulars	Applicable Rate	Documents required (if any)
(a)	No TDS shall be deducted in the case of resident individual members, if the amount of such dividend in aggregate paid or likely to be paid during the financial year 2022-23 does not exceed Rs. 5,000	NIL	
(b)	With Permanent Account Number ('PAN') (Section 194)With PAN (Exceeding Rs. 5000/- during financial year 2022-23)	10%	Update/Verify the PAN, and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents - Maheshwari Datamatics Pvt. Ltd. (in case of shares held in physical mode). Or click on the following link: https://mdpl.in/form
(c)	Without PAN / Invalid PAN / has not registered their valid PAN details in their account (Section 206AA)	20%	N.A.
(d)	Submitting Form 15G/ Form 15H under section 197A of the Act	NIL	Signed declaration in Form No. 15G (applicable to any person other than a company or a firm below the age of 60 years)/ Form 15H (applicable to an Individual who is 60 years and older), fulfilling certain conditions along with self-attested copy of PAN card. Shareholders may click on the following link for claiming Exemptions. https://mdpl.in/form/15g-15h
(e)	Submitting Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Self-attested copy of the Lower/NIL withholding tax certificate obtained from tax authority to be submitted: https://mdpl.in/form/certificate-u-s-197 The certificate should be valid for the financial year 2022-23 and should cover the dividend income.
(f)	Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	NIL	Self-declaration that they are specified in Section 10(23D) of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate. Please Click on the following link: https://mdpl.in/form/mutual-fund
(g)	An Insurance Company exempted under Section 194 of the Income Tax Act, 1961	NIL	Self-declaration that it has full beneficial interest with respect to the shares owned by it and documentary evidence that the provisions of section 194 of the Act are not applicable to them along with Self attested PAN and copy of registration certification issued by the IRDAI. Please click on the following: https://mdpl.in/form/insurance-company
(h)	Alternative Investment Fund ('AIF') established / incorporated in India having exempt income under section 10(23FBA) of the Act (as per CBDT Notification No. 51/2015 dated 25 June 2015)	NIL	Documentary evidence to prove that Investment Fund is a fund as defined in clause (a) of the Explanation 1 of Section 115UB of the Act and self-declaration that its Dividend Income is exempt under Section 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India

			(Alternative Investment Fund) Regulations along with self-attested copy of PAN card and registration certificate issued by SEBI. Please click on the following: https://mdpl.in/form/alternative-investment
(i)	New Pension System Trust established u/s 10(44) of Income Tax Act, 1961	NIL	Self-declaration that it qualifies as NPS trust and income is eligible for exemption under Section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card and registration certificate.
(j)	Corporation established by or under a Central Act governed by section 196	NIL	Certificate of registration which indicates that it is corporation established under central act and its income is exempt from income tax
(k)	Other Non-Individual shareholders	NIL	Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

Shareholders are requested to ensure Aadhar number is linked with PAN, as per the timelines prescribed as provided in section 139AA(2) read with Rule 114AAA of the Income Tax Rules, 1962 ('Rules'). The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AA in your case.

2. For Non-Resident Members:

Sl	Particulars	Applicable Rate	Documents required (if any)
(a)	Non-resident Shareholders including Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate (whichever is less) Non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if the DTAA provisions are more beneficial.	Update/Verify the PAN and the residential status as per Income Tax Act, 1961, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Maheshwari Datamatics Pvt Ltd. (in case of shares held in physical mode). Self-Attested Copy of SEBI Registration Certificate, as applicable. Provide declaration whether the investment in shares has been made under the general FDI route or under the FPI route, as applicable for FIIs/ FPIs. Copy of self-attested Indian Tax Identification number (PAN). In absence of PAN, specified information/ documents as per Rule 37BC of Income Tax Rules, 1962 (Rules) to be provided. On non-furnishing of the prescribed information/ documents as per Rule 37BC of the Rules, withholding tax of 20% (plus applicable surcharge and cess) may be applicable. In order to apply the Tax Treaty rate, all the following documents would be required: 1) Self-attested Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident certifying status during

			<p>Financial Year 2022-23 (for the period 01 April 2022 to 31 March 2023).</p> <p>2) Form 10F duly filled and signed (Format attached herewith).</p> <p>3) In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.</p> <p>4) Self-declaration from Non-resident shareholder for the financial year 01 April 2022 to 31 March 2023, primarily covering the following:</p> <ul style="list-style-type: none"> - Non-resident is eligible to claim the benefit of respective tax treaty; - Non-resident receiving the dividend income is the beneficial owner of such income; - Dividend income is not attributable/ effectively connected to any Permanent Establishment (PE) or Fixed Base in India or any business connection in terms of section 9(1) of the Act. (Format attached herewith); - Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI'). <p>Click on the following Link: https://mdpl.in/form/10f</p>
(b)	Sovereign Wealth Fund, Pension Fund, Other bodies notified u/s 10(23FE) of the Act	Nil	<p>Document evidencing the applicability of section 10(23FE) of the Act / notification issued by CBDT substantiating the applicability of section 10(23FE) of the Act issued by the Government of India</p> <p>Self-attested declaration that the conditions specified in section 10(23FE) of the Act have been complied with.</p>
(c)	Non-Resident Shareholders who are tax residents of Notified Jurisdictional Area as defined u/s 94A(1) of the Act	30%	N.A.
(d)	Submitting Order under Section 195 / 197 (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	Self-attested copy of Lower/Nil withholding tax certificate obtained from Income Tax authorities.

It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident member.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on dividend payment to such shareholder.

Other Important Instructions:

- i. **Section 199 of the Income Tax Act ('the Act'), read with Rule 37BA of the Income Tax Rules, 1962** ('the Rules') inter-alia states that if the income on which tax has been deducted at source is assessable in the hands of a person other than deductee, credit of the tax deducted at source shall be given to the other person and not to the deductees.

Therefore, in case the shares are held by the member on behalf of any other person, then the deductee shall submit a declaration mentioning the name, address, permanent account number of the person to whom credit is to be given, payment or credit in relation to which credit is to be given and reasons for giving credit to such person. Only after receipt of such declaration, the deductor shall report the tax deduction in the name of the other person and shall issue the certificate for deduction of tax at source in the name of the other person, whose name is mentioned in the declaration. The shareholders are requested to submit the necessary documents within August 10, 2022 at cs@rupa.co.in

ii. **Section 206AB of the Act**

Rate of TDS is subject to provisions of Section 206AB of the Act (effective from July 01, 2021) which introduces special provisions for TDS in respect of taxpayers who have not filed their income-tax return (referred to as specified persons). U/s 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

In cases where Sections 206AA and 206AB are applicable i.e. the shareholder has not submitted the PAN as well as not filed the return, tax will be deducted at higher of the two rates prescribed in these sections.

"Specified person" as defined u/s 206AB (3) is a person who satisfies the following conditions:

- A person who has not filed income tax return for the previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under Section 139(1) of the Act has expired (i.e. FY 2020-21 in the instant case); and
- The aggregate of TDS and TCS in whose case is Rs. 50,000 or more in the said previous year.

Non-resident shareholders who do not have permanent establishment in India are excluded from the scope of a "specified person".

For this purpose, the Company will rely on the online utility provided by Central Board of Direct Taxes ('CBDT') 'Compliance Check for Sections 206AB' prescribed vide Circular No. 11 of 2021 dated June 21, 2021. In case, the shareholder fulfils the conditions of being a 'specified person' as per the CBDT online utility, then tax will be deducted at higher rate.

- iii. In view of the prevailing Covid-19 situation, only scanned copies of the aforementioned tax relief documents such as PAN, Forms 15G/15H/10F/Self-declaration/documentary evidence etc. will be accepted by the Company/ RTA as per link/ email given above. The documents (duly completed and signed) are required to be submitted by uploading the documents on the link. The shareholders are requested to

submit the necessary documents within **August 10, 2022**. All the links given above will be disabled thereafter.

- iv. Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.
- v. In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.
- vi. Members may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt, or insufficiency of the aforementioned details/documents from you, an option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible. **No claim shall lie against the Company for such taxes deducted.**
- vii. Shareholders holding shares in dematerialised mode, are requested to update their records such as tax residential status, permanent account number (PAN), registered email address, mobile number and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to the Company's Registrar and Transfer Agent, viz. Maheshwari Datamatics Private Limited ("MDPL")
- viii. The Company is obligated to deduct tax at source based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited ("the Depositories") in case of shares held in electronic mode and from the RTA in case of shares held in physical mode and no request will be entertained for revision of TDS return.
- ix. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also provide the Company with all information/documents and co-operation in any appellate proceedings.

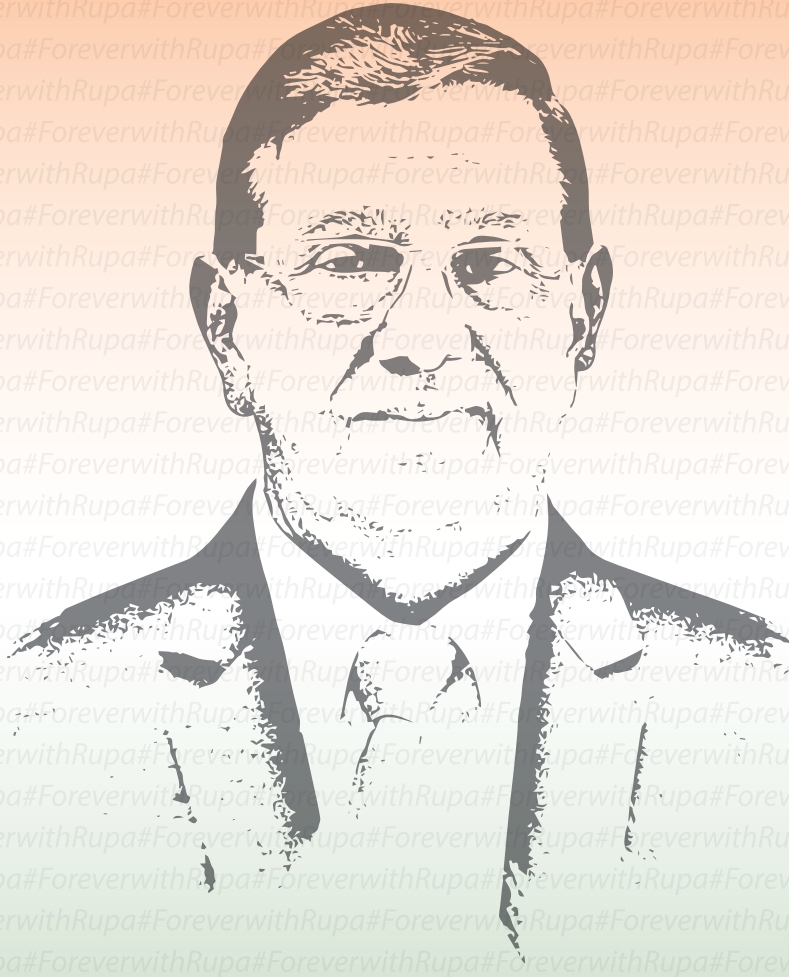
Disclaimer: This Communication is not to be treated as an advice from the Company or its affiliates or Registrars Maheshwari Datamatics Private Limited. Members should obtain the tax advice related to their tax matters from a tax professional.

Thanking you.

Yours faithfully,
For **Rupa & Company Limited**

Manish Agarwal
Company Secretary & Compliance Officer

#ForeverwithRupa #FashioningIndiaSince1968#ForeverwithRupa #FashioningIndiaSince1968#ForeverwithRupa



A Visionary Leader and a Philanthropist

*Here's a captivating story of
a farsighted visionary man,*

*Mr. P.R. Agarwala,
who changed the face of the
hosiery business in India with*

Rupa and Company Limited.

A recipient of the

Padmashri Award

in the year 2022,

one of the highest civilian honours

of the country, Mr. Agarwala

owns many feathers on his hat.



Scan the image here and watch a slice
of his fascinating life.



ANNUAL REPORT
2021 - 22

#ForeverwithRupa #FashioningIndiaSince1968#ForeverwithRupa #FashioningIndiaSince1968#ForeverwithRupa

#ForeverwithRupa #FashioningIndiaSince1968#ForeverwithRupa #FashioningIndiaSince1968#ForeverwithRupa



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All about Rupa & Company Limited

We explain who we are, where we operate, our business model and strategy and a summary of how we performed.

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Statutory Reports

We explain our approach to various statutory obligation of directors through their reports and mandatory explanations of certain sections through their annexures.

- 40 Directors' Report
- 52 Annexure I – VI of the Board's Report
- 75 Corporate Governance Report
- 103 Management Discussion and Analysis Report

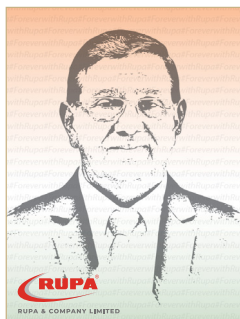
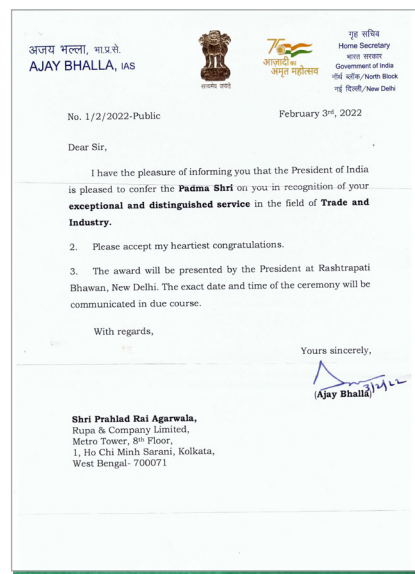
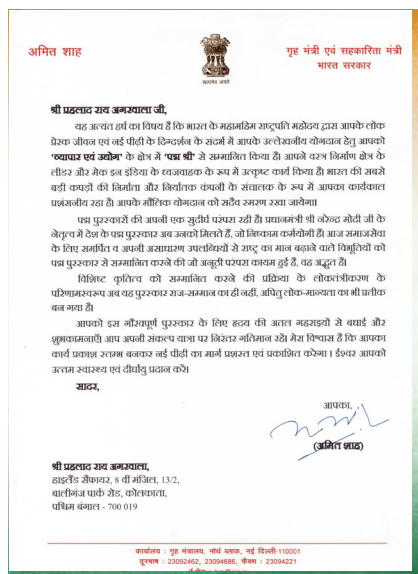


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Financial Section

This section contains the financial statements, the auditors' report, the accounting policies and the notes forming part of the accounts.

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An entrepreneur with a social cause at "heart"

Shri Prahalad Rai Agarwala is the Chairman and founding member of Rupa & Company Limited. On the auspicious day of 21st March, 2022, he was conferred with the prestigious "Padma Shri" Award by the Honourable President of India, Shri Ram Nath Kovind, for his commendable contribution to the Indian Trade and Industry.

Rupa & Company Limited, feels proud to have such an illustrious entrepreneur as its Chairman who has taken India's pride "Rupa", to greater heights.



Rupa & Company Limited.

Diverse knitwear products comprising innerwear, men's wear, women's wear, lingerie, kids wear, winter wear, athleisure wear, casual wear and fashion wear. Available at over 1.5 lakhs retail outlets accross the country.

This is the result: over 8 Rupa products are manufactured every second. To people who swear by Rupa. To people who use them daily. To people who consider these products a part of their lives.

Because finally, it comes down to trust. Rupa, the most trusted knitwear brand. Touching the lives of consumers with comfort and style. Across every region. Across every minute.



Vision

Through a constant spirit of innovation and improvement for creating best-quality products, we aim to consolidate our position as the national frontrunner and a global leader in the innerwear and casual wear categories.



Mission

To exceed the customer's expectations by consistently offering the best products across different categories. To promote the latest R & D and to follow eco-friendly production processes. To create and deliver value for all stakeholders.



FRONTLINE

PREMIUM INNERWEAR



***Yeh style
ka mamla hai!***



Lineage

Established in 1968 as Binod Hosiery and incorporated as Rupa & Co. Pvt. Ltd. during 1985 and converted as a public limited company during 1995. Today the company is led by first generation entrepreneurs Shri Prahalad Rai Agarwala (Chairman), Shri Ghanshyam Prasad Agarwala (Vice Chairman) and Shri Kunj Bihari Agarwal (Managing Director) and managed by a team of dedicated and experienced professionals.



Presence

- Headquartered in Kolkata, West Bengal.
- Pan-India presence with 7 regional/sales offices, 4 central warehouses and 9,000+ SKUs.
- Manufacturing units at Domjur, Kolkata (West Bengal), Tiruppur (Tamil Nadu), Bengaluru (Karnataka) and Ghaziabad (NCR).
- Strong network of 1,500+ dealers with a direct reach across 1,50,000+ retail outlets. Available at 150+ Modern Retail Stores, 20 Exclusive Brand Outlets (EBOs) and major online shopping portals.
- Strong market presence across 25 nations globally.



Lines of operation

Engaged in the business of manufacturing and marketing of knitwear products. Noted brands include: Frontline, Jon, Euro, Bumchums, Macroman M Series, Macrowoman W Series, Softline, Torrido, Footline, Femmora, Theromocot, FCUK and Fruit of the Loom.

Our vertically integrated activities includes:



Pride

- The Company is an ISO 9001:2008 certified Company.
- The Brands of the Company are endorsed by leading celebrities like Ranveer Singh and Kiara Advani.

14.79%

Revenue from Operations
CAGR 3-years

45.80%

Profit after Tax (PAT)
CAGR 3-years

CRISIL AA-/Stable

Long-term credit ratings

33.17%

EBIDTA
CAGR 3-years

RUPA

FRONTLINE

HUNK
MUSCLE TEE

IS THERE A
HUNK
IN YOU?



STYLE
#101

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Founders' Statement

Dear Shareholders

A cliché about India - a land of unity - is true about not only its people, languages, religions, customs and occupations, but also its geographical features. Where vibrancy includes both the pace of life and colour. Where diversity refers to not only a product selection but also opinion pieces. Where experience serves as both the present reality and the wisdom of centuries. Where there is fervent practice of both fashion and religion.

Ours is a true democracy where voices, religions and civilisations co-exist. Where buying gold and setting aside for the future are universal customs followed religiously by everyone, whether the rich or the poor. Where some of the

largest deserts co-exist with some of the tallest landscaped mountains of the planet. Where buying fashionable clothes co-exists in both local mandis and malls. This is a vibrant and diversified India, where we have created a bouquet of 11 home-grown knitwear desi brands with the co-existence of 2 aspirational international knitwear under the umbrella brand "Rupa". This is Rupa, where we try to foresee what opportunities will unfurl: in terms of the quality of life, customer aspirations and market trends globally.

Rupa & Company Limited, Proud of India, Pride of India.

Pride Enhancing Numbers

The numbers that we have shared from 2021-22 reflects the reason, Rupa remains a pride for its stakeholders:

- On consolidated basis our topline grew by 12.30% to reach ₹1,474 crores.
- EBITDA margin stood at 18.20%.
- PAT grew by 9.46% over the previous year.

Our Optimism

Higher national growth means higher income, which in turn means a higher consumption of knitwear products. That is the simple reality underlining our business model. At Rupa & Company Limited, our optimism is not merely based on our corporate initiatives over the next year or two; it is influenced by various geo-political scenarios with a robust demand for fashionable knitted garments and our country's prospects across the long-term. Given below are some of the reasons that make us optimistic:

- Consumer demand has started returning to pre-covid levels due to the opening up of the economy and the buoyancy in the job and capital markets.
- The government has been proactive; they've announced the Remission of Duties & Taxes on Exported Products (RoDTEP) and Rebate of State & Central Taxes and Levies (RoSCTL) Schemes. This is a welcome move, which will help export sectors like ours to remain cost-competitive in the face of global competition.
- Major raw material prices have seen an upward trend and simultaneously the end product price hike by organised players across categories has led to a buoyancy of regaining their profitability in the long run. The demand for economy products has also seen an upswing across the industry.
- Major players operating in the global knitwear market like us, have been increasing the use of eco-friendly and natural fibre materials in their products because of an increase in consumers' inclination towards the use of sustainable products. Such efforts are also fuelling the sales growth in the knitwear market.
- Industry majors have been utilizing high-technology and innovative knitting machines to develop products as per current market trends. Such efforts by knitwear manufacturers are resulting in increased revenue growth in the knitwear market.

As India is a middle-class consumer based nation, with a vast section of its consumers staying in varied geographies, the demand profile for consumer changes. With a pride enhancing product portfolio, catering not only to the average Indian rural or urban class consumer, our Company also meets the demand expectations from the upper and upper middle-class consumer. Our Company has classified its products into super-premium, premium, medium, and economy segments through various sub-brands under the umbrella brand "Rupa" which includes:



The Powerful Brand Reputation

We believe that a brand plays the biggest role in building a corporate identity. The brand is the face of equity. It showcases the Company's identity in the market. Beginning with employee contribution to the product; its packaging; its colour, a brand progresses towards becoming the Company's greatest asset. A strong brand can even elevate the perception of a company in the eyes of all its stakeholders - internal and external.

At Rupa, our innerwear and casual wear garments appeal to diverse customer needs, providing superior quality at competitive prices. We remain dedicated to growing our brand value, having followed the strategy of moving ahead from commodity centric marketing to brand-led market positioning through following initiatives:

- Spent close to ₹ 61 crores during FY 21-22 towards various branding and marketing initiatives.
- Endorsements promoted through leading print, radio, television and outdoor, resulting in a country wide brand visibility.
- Extended our brand association through national actors like Ranveer Singh (to promote Frontline, Hunk and Torrido) and Kiara Advani (to promote Softline).

A Perfect Pairing – Physical and Digital

Today, the world is our blank canvas. We value our enduring relationship with our customers. We constantly hold market leader position in the regions we serve. We have a keen understanding of the markets we operate in, thanks

to our years of expertise. As a result, our differentiated product profile has always been supported by distinctive endeavours that significantly contribute to the creation of an enduring market position.

We believe that if immersive and convenient experiences are what attract shoppers, then big consumer focused companies should ensure that the physical store provides a clear path for shoppers to easily transition from the store to their digital device, and back to the physical setting, without skipping a beat. We have also doing so with a perfect pairing of physical and digital presence of our products. Our products are available at leading e-commerce platforms like Myntra, Flipkart, Jio Mart, Tata Cliq and Amazon. We've also launched our exclusive online store (www.rupaonlinestore.com), which has gained a strong traction among our consumers.

The process of making our products as fashion merchandise has been successful only through the joint effort of our salespersons, retailers and customers who make a complete value chain. We are also increasing our reach through more retailers to make our products available at the right time and at the right place and at the remotest part of the country. Our products are available through a network of 1,500+ dealers who have a direct reach across 1,50,000+ retail outlets. Our products are also available at 150+ Modern Retail Stores and 20 Exclusive Brand Outlets (EBOs).

Widening footprints

In the recent years, our Company has widened its geographic footprint across the globe with two main objectives: first, to reduce the risks associated with having a significant geographic presence, and second, to target our products at the aspirational market that has consumers willing to pay more for superior goods and for newer brands. Thus products are exported to 25 nations globally; we achieved export turnover of ₹33 crores during FY 2021-22.

Quality – The Biggest Factor

At Rupa, we've always believed that nothing rewards more than great quality. We take pride in our ability to deliver the highest standards of quality products to our customers – each and every time. Our capability emanates from consistent initiatives to increase quality awareness amongst our employees across units and hierarchies. Today, we command a dominant market share in the organised retail segment of knitwear and hosiery industry

At Rupa, we take pride in our ability to deliver the highest standards of quality products to our customers – each and every time.

and we have acquired exclusive license from “FCUK” and “Fruit of the Loom, Inc” to develop, manufacture, market and sell innerwear products of the respective brands in India.

“Rupa” Today and Tomorrow

Today, the brand “Rupa” with an accomplished milestone of 50+ years in the knitwear industry has been able to sustain business cycles through the interplay of its passion, consumerism and maturity. The highest ethical standards in corporate governance, wide gamut of knitted fashionable products, extended reach and customer convenience are the hallmarks of our journey to success. We aspire to align our brands as brands of people's choice and increase our revenue basket in years down the line.

The future for our Company looks bright even as it passes through competitive times. We are poised to grow much faster in the coming decades based on our product excellence, human resources, brand equity and market growth. As we gear up for another important phase of growth in these uncertain times, we have no doubt that the Company will continue to enjoy the same dedication and faith from all its stakeholders and associates, inspiring it to reach greater heights and create multiple decades of a solid and steady experience.

Sincerely,

Prahlad Rai Agarwala *Chairman*
Ghanshyam Prasad Agarwala *Vice-Chairman*
Kunj Bihari Agarwal *Managing Director*

Bumchums

CASUAL WEAR | ATHLEISURE



I, ME AND MY
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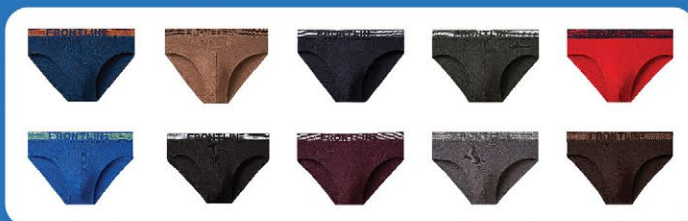


FRONTLINE
COLORS



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colors

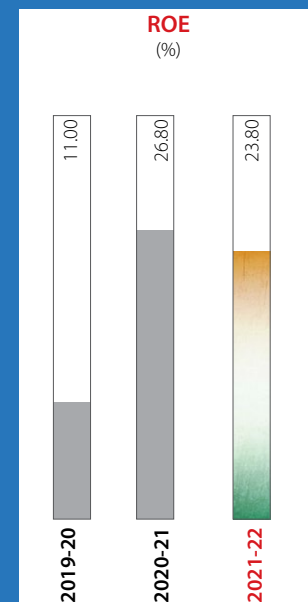
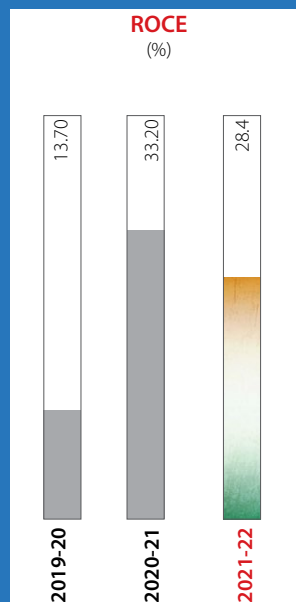
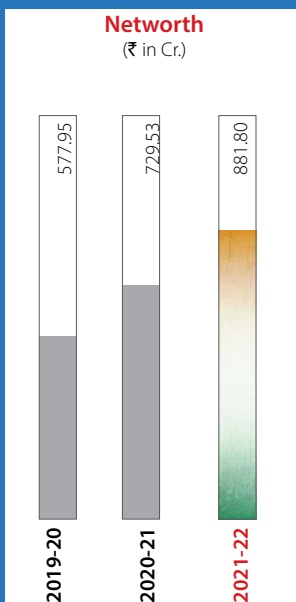
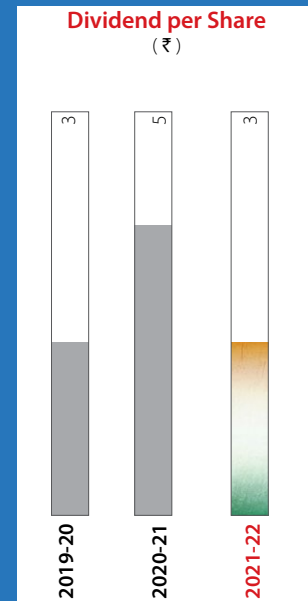
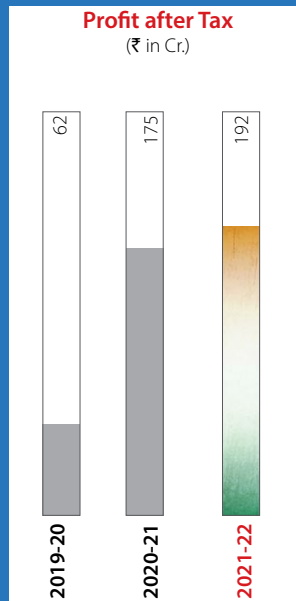
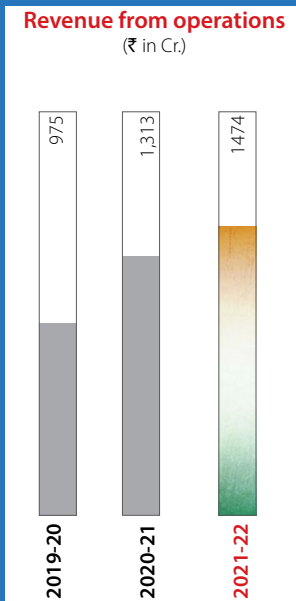
AVAILABLE IN 10 COLOURS





Proud of India, Pride of India!

with strong fundamentals



* On Consolidated basis

EURO
FASHION INNERS®

START SOMETHING

Sexy





Proud of India, Pride of India!

The 4 C's of hosiery - cut, clarity, comfort and colour!

By virtue of its use and functionality, innerwear is a scientifically designed product to enhance all-day user comfort. The elastic is sewn between the bands of the innerwear, which results in minimised skin marks and rashes and a snug and comfortable fit with less than 2% distortion even after several washes. This is why production of hosiery is critical and requires deep skills and supervision on top of state of the art, infrastructure and machinery.



Furthermore, multifaceted use of the latest technology along with superior craftsmanship helps to meet all the required specifications, ably assisted by a trained pool of highly-qualified professionals. Besides, harnessing the power of strong infrastructure, modern technology enables Rupa to conform to international standards of fastness properties, like rubbing, perspiration, light and washing. Hence, each Rupa product proudly flaunts the Colorfast guarantee.

At Rupa, much of the research is focused on enhancing standards of colour in the quality control laboratory. Up-to-date, high-performance equipment and matching software is leveraged to ensure perfect colour formulation and correction, as well as testing for colour fastness and effects.

Today, the Company's technological commitment is reflected in:

- Spectraflash SF450, a high-performance spectrophotometer, with colour matching software from DATACOLOR, USA. This makes it possible for the Company to dispatch a lab-tested colour sample within 24 hours of receipt from the client.
- Labomat beaker dyeing from Mathis, Switzerland, that helps achieve precise lab results with tests across various fabric fastness properties.

Rupa, as one of the largest hosiery and innerwear companies of India, has its manufacturing facilities spread in four states, including West Bengal, Tamil Nadu, Uttar Pradesh and Karnataka with a combined production capacity of 7 lac+ pieces/day. The Company possesses deep craftsmanship in product design and development, cutting, knitting, stitching, processing, bleaching and dyeing, etc.

Rupa has made a brand for itself by fortifying quality with technology. Application of advanced processes and technology at every level, right from planning to production, gives Rupa's product the leading edge, including meeting the 4 C's of cut, clarity, comfort and colour that make it most desirable among consumers.



The Company's robust infrastructure and manufacturing is supported by a specialised R&D team that is trained in the use of cutting edge equipment, improving product quality and developing indigenous substitutes, all the while being focused on improving processes and eliminating wastages.

Softline

WOMENSWEAR

Available in

**TRENDY
COLORS**

For Every
Occasion

#Be a
Softline
girl

EFFORTLESSLY
YOU

Kiara Advani
Kiara Advani



LEGGINGS • PALAZZOS • PANTS



Proud of India, Pride of India!

We were always near
you physically, now we're
digitally yours too!

Rupa is a customer-centric brand with a strong and undiluted focus on creating products that have a fun, playful and glamorous appeal. Towards this extent, we work continuously to redefine our brand positioning and business strategy to address the evolving consumer aspirations and their ceaseless desire for something new, fresh and innovative. Thus, we have pivoted our homegrown brands to create a strong connect with customers via our differentiated product lines and by developing different labels at reasonable price-points that enable more consumers to access and experience our brands.

We are on the journey to build customer trust and one of the major ways we're doing so is by offering a multi-channel purchase experience where our customers can purchase our products through our physical stores as well as digitally via online platforms, including our own.

Modern retail trade

With the emergence of modern retail, at Rupa, we have focused on tapping into this large and new-age sales and distribution segment that enables us to have a swift and cost-efficient pan-India reach. Thus, as part of our emphasis on modern trade, our products have been made available at 150+ stores and our strategy is anchored on enhancing the footprint of all our brands with the key underlying idea of developing special product lines that are relevant to customers of this trade segment.

With a view to meet the specific demands of this channel, we are focusing on improving on-time order services to prevent revenue loss, ensuring high levels of customer fulfillment and hence securing revenue growth. This is majorly supported by our robust technology-driven warehousing and infrastructure that enable us to seamlessly cater to demand from this segment.

Going forward, our plan is to double our store count to 300+ outlets, especially targeting regional modern LFS (large format stores), such as Pothys, Lulu, Sarvana, Jayachandra, Chennai Silks, among others.

Our modern retail trade partners





Exclusive Brand Outlets

Current Store Count : 20 EBO's

Strategy

- Create small to mid sized Franchisee Store Model with best-in-class SOPs.
- Build and nurture, competent Franchise Management Organisation Capabilities.
- Establish Franchise model within Top 50 Cities.
- Invest in Key enablers like store design, Branding, IT, CRM, SCM, CS, Marketing & Training / Development.

Future Plan :

- Adding 50+ stores in FY 23.
- Launch of Rupa flagship store.
- Pan India presence with 150 EBO's in next 2-3 years.

ms

fem

ये आराम का मामला है



BRUNO MAGLI
T-SHIRT



Softline

WOMENSWEAR

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**TRENDY
COLORS**
For Every
Occasion

#Be a
**Softline
girl**

**EFFORTLESSLY
YOU**

Kiara Advani
Kiara Advani



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Digitally yours

Focused on evolving with our customers and remaining completely in-sync with their shopping trends and habits, especially the new generation customers who resonate with the convenience and accessibility of digital channels, we have made consistent investment in e-commerce with a view to also expanding and completing our omni-channel network. This is directly aligned with our desire to remain ahead of the digital curve in the wake of widespread digitisation and not only sustain a multi-channel sales strategy but also leverage digital tools for business growth.

Thus, as part of our well-thought out sales and marketing strategy we have made our products available across various e-commerce touch-points.

With a view to providing our customers with enjoyable shopping journeys with complete fulfillment, we have also worked hard on certain specific aspects of the business, such as bolstering our tech-driven warehouse infrastructure to support demand from pure-play marketplace-driven businesses. Furthermore, we are also developing specialised packs/combos based on customer demand emanating from this channel.

Our future growth levers comprise co-branding for Amazon Exclusive, launching brand Rupa in the global online market of the UAE via Amazon, adopting an ROI-driven advertising campaign approach and content marketing on e-commerce portals, and launching on e-commerce B2B platform, Ajio.

Our presence on online apps and portals





Proud of India, Pride of India!

From the world to India, from India to the world!

As a Company rooted in India's soil, Rupa has built world-class brands right here in India. The Company has been able to make a breakthrough in markets few others have, which endorses the quality of its products and acceptance of the brand. Rupa today exports its products to many parts of the world, including [Europe, South East Asia, Africa and the Middle East], touching the lives of the local diaspora as well as millions of local citizens. In fact, the Company has been able to truly create a robust brand recall that is anchored on design, style and functionality and has been able to achieve a tremendous product-market fit.

Our global footprint



Furthermore, Rupa has also served the Indian market and consumers by providing them with the choice of premium luxury international brands, bringing international products right to their doorstep. FCUK and Fruit of the Loom are case in point.



RUPA®
FRONTLINE
COLORS

AVAILABLE IN
10
 COLOUR VARIANTS



FRONT OPEN MINI TRUNK

AVAILABLE IN 10 COLOURS



ROYAL BLUE
 LOCATION: MALDIVES



OLIVE GREEN
 LOCATION: NORWAY



RED
 LOCATION: UKRAINE



BLACK
 LOCATION: BULGARIA



MOUSE
 LOCATION: DENMARK



WINE
 LOCATION: SRI LANKA



CHARCOAL
 LOCATION: NORWAY



AIRFORCE BLUE
 LOCATION: ICELAND



NAVY BLUE
 LOCATION: USA



BROWN
 LOCATION: INDIA

INSPIRED FROM NATURE







Proud of India, Pride of India!

From our value generating business model

Our value creation model enables us to carry out the mandate outlined in our purpose with determination and tenacity. Our well thought out business model that enables us to generate value on a consistent basis depicts the material inputs we draw from our capitals, key business activities, frameworks and management systems employed to compete and deliver outputs, as well as the outcomes that result in an increase, decrease or preservation of the capital stocks. The infographic below depicts a snapshot of how we transform capital inputs via our business activities into outputs that deliver value to our shareholders and other stakeholders.

Capital Stocks	Our Resources	Value Creation
 <p>Financial capital</p>	<p>This includes capital that can be evaluated in monetary terms. It comprises debt, equity and accrued funds that we use to fund business expansion and achieve our growth targets. We are focused on optimising capital allocation and maintaining strong Balance sheet while generating strong free Cash flows.</p> <ul style="list-style-type: none"> • ₹ 795.25 Lakhs in equity. • ₹ 1,593 Lakhs in long term borrowings. 	<ul style="list-style-type: none"> • Consolidated Revenue of ₹ 147,413.86 Lakhs. • Net worth of ₹ 88,180 Lakhs. • EBIDTA Margin of 18.20%. • PAT Margin of 13%.
 <p>Manufacturing capital</p>	<p>This includes the assets, equipment and shop floor machinery that enable us to manufacture products in a seamless and cost-effective way. We invest in best-in-class equipment and machinery to ensure we operate as efficiently and safely as possible.</p> <ul style="list-style-type: none"> • Our manufacturing establishments are located in four states- West Bengal, Tamil Nadu, Uttar Pradesh and Karnataka. • 7 lac+ finished goods production capacity per day. • Gross Block Assets of ₹ 26,124 Lakhs. 	<ul style="list-style-type: none"> • Increase in Revenue 12.30%. • Increase in PAT 9.46%.



Capital Stocks	Our Resources	Value Creation
 <p>Social and relationship capital</p>	<p>This includes the quality of relationships with our key stakeholders that provide us key capitals for the value creation process. Share values with key stakeholders ensures that the Rupa brand is synonymous with long term conservative growth, ethical conduct and value creation.</p> <ul style="list-style-type: none"> • Regular Compliance adherence to various government agencies. • 1500+ dealers network. 	<p>We focus on nurturing a conducive environment for business that creates value for all and ensures meeting the expectations of all stakeholders.</p> <ul style="list-style-type: none"> • Market Capitalization of ₹ 3,484.37 crore. • Brand endorsed by leading celebrities. • 150000+ Retailers. • 20+ EBO's. • 150+ Retail outlets.
 <p>Intellectual capital & Human Capital</p>	<p>This includes Rupa's brand reputation and other organisational strengths, such as knowledge, networks, systems, processes and protocols. Furthermore, we have a strong Board of Directors with rich and diversified experience that provided the strategic steer and independent counsel.</p> <p>The competencies, experience, diversity and the level of engagement of our employees are our human capital. We focus on providing a fair and equitable work environment that support respectable livelihood and an amiable environment.</p> <ul style="list-style-type: none"> • Over the years of its existence, the Company has accumulated a strong brand reputation, specialist knowledge and time-tested systems and processes. • The Company has certified management systems that enable sustainable business scale up. • 1152 employees on payroll of the Company. 	<ul style="list-style-type: none"> • Being recognised by external institutions for excellence in business conduct, including our brands. • Robust digital strengths and competencies that support brand visibility and offtake. • Strong insights into customer trends, expectations, etc. • Strong digital assets, especially www.rupaonlinestore.com • 100+ Registered trademarks.
 <p>Natural capital</p>	<p>This includes environmental resources we utilise for our value creation process.</p> <ul style="list-style-type: none"> • Use of biodegradable fabrics in manufacturing process, thus contributing to improved resource utilisation. • Optimised use of water and electricity extracted through public sources. • Growing focus on waste elimination via proper and full recycling of products with an eye on resource circularity. 	<p>We constantly focus on improving our Natural capital through several efforts, including raising staff awareness around responsible use of precious resources, monitoring water, paper, plastic, electricity consumption, etc. While we comply with all environmental regulations, we are voluntarily working towards reducing carbon emissions.</p>



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Proud of India, Pride of India!

with our Environmental, Social and Governance (ESG) Commitments



Commitment towards sustainable growth

Demographic changes, climate change, geopolitical tensions, and technological progress along with the onset of COVID-19, have shaped the global fashion industry. Like all industries, the fashion industry has been no exception and has experienced widespread disruptions in operations and supply chain. These factors have demonstrated the importance of having strong ESG (Environmental, Social and Governance) fundamentals for aspects for financial sustainability. Recognized as one of the textile powerhouses in India, we at Rupa have always been committed towards sustainable development. We endeavour to enhance people's lifestyles and environmental sustainability. Corporate Social Responsibility has been one of our values that drives our responsibility towards the planet and the society. We firmly believe that our strategy built on the interests of our stakeholders will drive sustainable growth and will achieve the United Nations Sustainable Development Goals (SDGs).



Responsible Governance

We have always looked upon responsible governance as a key driver in achieving sustainable growth for stakeholders. Responsible governance has enabled us to effectively manage economic, environmental, and social risks impacting our business. Our governance practices not only focuses on robust compliance management but also on adopting best practices. The Corporate Social Responsibility Committee and the Risk Management Committee provides the highest-level oversight in the enforcement of environmental and social policies and procedures.



Policies

We frame our policies on sustainability based on stakeholder feedback. Our stakeholders are investors, non-governmental organizations, and regulators. Some examples of our policies include but are not limited to Environmental Policy Framework, Code of Conduct and Business Ethics, Whistle Blower Policy, Corporate Social Responsibility Policy, Business Responsibility Policy and Policy on Board Diversity. Our Environmental Policy guides our overall approach to sustainability issues such as environmental and social risks.

Protecting our Environment

Over exploitation of natural resources due to changing consumer behaviour and use of resource intensive technologies is resulting in ecological imbalance. We strive towards minimising environmental impact through responsible use of natural resources, adopting cleaner and more efficient technologies and establishing processes compliant with statutory acts and rules. Our environmental practices and policies are centred around five key environmental concerns.




Our focus areas have been further elaborated below.



Energy and Greenhouse gas management

Climate change poses significant challenges to our operations and the supply chain. Hence, we need to reduce greenhouse gas emissions. India being a signatory to the landmark agreement at Paris is committed to achieve net zero emissions by 2070 and would be striving towards reducing its emission intensity as of 2005 by 45% by 2030.

Our energy is sourced from electricity from the grid and coal for steam generation. Sources of direct energy consumption include the use of diesel in gensets and forklifts and use of fuel oil for drying. As a responsible corporate, our energy-saving initiatives include

		
LED lighting system - Replacement of traditional lighting system with LED lights	Alternative fuel- Utilize paddy husk as an alternative and clean source of fuel for power generation as and when available	Steam capture from boiler- The steam generated from the boiler is captured and is reused for operation like heating the incoming boiler water, providing heat in the drying process, and straightening the fabric during the compaction process. This helps in cutting down our fossil fuel consumption which ultimately helps in reducing our carbon footprint.

Emissions Management

Emissions impact human health and the ecosystem negatively. We strive to be fully compliant with the emission norms laid out by statutory bodies.

Our diesel genset and stack emissions are monitored annually, and the emission levels are within permissible limits. We have adopted technologies such as the bag filter to abate pollution attributed to particulate matter in the environment.

Water and Effluent Management

Water is essential to life and industry. The apparel industry is dependent on water. Almost all dyes, specialty chemicals and finishing chemicals are applied to textile substrates from water baths. In addition, most fabrics preparation steps, including desizing, scouring, bleaching and mercerization, use aqueous systems. From the irrigation of cotton crops to one end of supply chain to the finished product, water is consumed at every step.

As an environmental steward, we focus on effective water management. We source groundwater for our operations, through borewells and purification through reverse osmosis. We monitor the extracted water through flowmeters and record the duration bore wells are run. The quantity of water that our plants extract is within the permissible limits according to the Consent to Operate (CTO).

Our water stewardship initiatives include the following:

- ❖ Stringent periodic maintenance of all water pipes is undertaken to prevent water leakages.
- ❖ Water discharged from the Effluent Treatment Plant (ETP) is analysed by certified laboratories once in every six months.

To reduce water wastage in our facilities, we are implementing Zero liquid discharge (ZLD) in all our manufacturing plants.

Responsible Materials Management

As an apparel brand we depend on raw materials to manufacture our products. We strive towards the judicious and efficient use of raw materials. Operations such as disinfecting the cotton, bleaching and retention of dye, etc require chemicals, that may be harmful for human beings.

Our material suppliers are GOTS approved and have received the Oeko-Tex certification, conforming that all our materials are free of banned substances such as hypochlorite and azo dyes.

All the raw materials undergo quality tests before being approved for procurement from the designated vendors. This standardizes quality of all finished goods.

The different raw materials used for manufacturing our finished products have been tabulated below:

Primary Raw Materials	Associated Raw Materials	Packaging Materials
Polyester Cotton Polyester-cotton Dyes	Softeners	Plastics (LDPE) Paper tubes Cardboard boxes

Waste Management

Our approach to the waste management is guided by the 3R policy i.e. Reduce, Reuse and Recycle in our whole operation processes. We prioritize the proper segregation and disposal of the wastes generated. All the wastes generated are segregated at the source into hazardous and non-hazardous. Plastics and metal cones used during manufacturing and packaging are reused and recycled. Fly ash produced during combustion of coal is sent to adjacent plants for brick manufacturing. Textile wastes generated are recycled by recovery fiber, yarn or fabric.



Hazardous waste

Hazardous wastes generated at our plants are waste oil, ETP sludge and chemical containers. Keeping the ill effects of such wastes into consideration, the ETP sludge in our plants are disposed of through authorized waste handlers, while the chemical containers are taken back by the suppliers themselves to be reused again. The waste oil is internally stored inside the facilities till the minimum quantity of oil feasible for disposal is reached. Form 4 is diligently maintained for the monitoring of the hazardous waste generated.



Biodiversity Management

Our environmental stewardship extends to preservation of flora and fauna around us to promote our harmony with nature. We have actively participated in tree-plantation, promoting gardening of fruits and vegetables to enhance the biodiversity in and around our premises.

Social Responsibility

Care for our People

Our employees are valuable as their passion, dedication and sincerity have driven our success.

The Corporate HR Policy provides a comprehensive structure for creating a unique and fulfilling career for all our employees. We adhere to applicable human rights and occupational health and safety regulations. Our policies, as illustrated have led us to create a strong workforce comprising of 1,152 permanents and 1,420 contractual employees.

Diversity and Inclusion

We believe that diversity in our workforce drives innovation and connects us to stakeholders. Our diversity and inclusion strategy thus focuses on striving for continued progress. In this context, 11.80% of our permanent employees are women, who have continuously added value to our business. Besides, we focus on attracting the best talent to work for our organization

Aspects encompassed in our HR Policy

- ❖ Employee discipline code
- ❖ Policy on prohibition of child labour
- ❖ Whistle blower policy
- ❖ Employee hierarchy and salary
- ❖ Leave policy
- ❖ Working hours and holidays
- ❖ Recruitment and selection policy
- ❖ Relocation and new hires policy
- ❖ Transfer expenses and reimbursement policy
- ❖ Prevention of gender harassment at workplace policy
- ❖ Policy on equal employment opportunity
- ❖ Local conveyance policy
- ❖ Domestic travel policy
- ❖ International travel policy
- ❖ Separation procedure
- ❖ Communication devices and workplace tools policy

Hiring

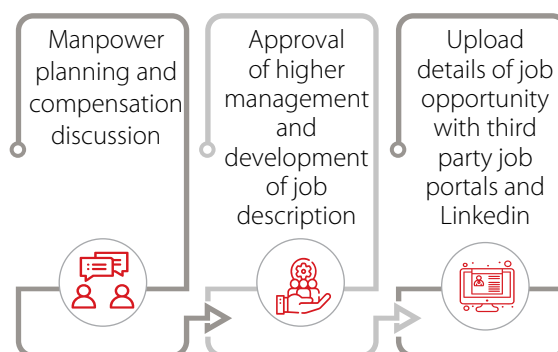
Finding the right talent for the right job has always been our approach for hiring new talents. We have structured recruiting programs including summer internship, apprenticeship, and full-time roles. Our recruitment is impartial, and time bound.

Employee Benefits

Our employee benefits package is instrumental for motivating our staff and promoting employee satisfaction and wellbeing. We provide our employees facilities and benefits that creates a feeling of association for our employees to our organization.

Performance Evaluation

To assess and improve our employees, we have established a comprehensive performance appraisal and promotion system. Under the performance appraisal system, we regularly conduct comprehensive evaluation on employee's work performance, training records and personal qualities based on the principles of fairness, consistency, and objectivity.



Employee Training

Training is important for organizational success. Not only do these programs offer opportunities for staff to improve their skillsets, but also enhances employee productivity and company culture. We have structured training programs for which need assessments are done at three levels: organisational, operational and individual.

During the last financial year, we provided 1,318 hours of trainings to our employees with 379 participants (non-absolute). The different categories of employee training programmes with the total training hours are provided below:-

Training Category	Description	Total Training Hours in FY 21-22
Product Trainings	The trainings is designed for our Product and Sales team to foster a sound product knowledge to help the trainees excel in sales.	1,004
Behavioural Trainings	Behavioural trainings include the Customer Relationship Management (CRM), Leadership trainings, 'Knowing your Team' and 'Offering Me to Myself' training, through which we aim at enhancing the effective soft skills, management skills and creativity of our employees.	252
Functional Trainings	The functional trainings include Netiquette training and Excel training programmes which are focussed at improving the effectiveness of our people in their daily work.	44
Personality Prototype	These trainings have been curated for the new joiners to enhance their professionalism and personality required for our work environment.	18



Awards and Recognition

The simple act of acknowledging achievement is a major boost for employee morale and performance. When employees are rewarded for their contributions, they feel ownership and pride and are willing to work just as hard on their next assignment. Recognition connects them to the organization and elevates performance. We recognize our employees periodically for their pronounced contributions to the organization. Few awards and recognition are mentioned below:

 <p>Dronacharya Award For Sales Leader</p>	 <p>Best Employee Award</p>	 <p>Arjuna Award for best Sales Person</p>
--	---	--

Employee Engagements

Employee engagement is a function of the relationship between an organization and its employees. It is about improving workplace culture such that employees feel more connected and dedicated to company's goals and values. Through various employee engagement activities, we make our people feel connected and belonged with their work organization. Our employee engagement activities are broadly breakdown into two categories: 'Soft' Engagements and 'Hard' Engagements.

1. Soft Engagements

The different programmes and initiatives included under the 'Soft' engagements and celebrated every year are as follows:

- ❖ **Wish and Greet** - Under this initiative, we make employee birthdays memorable with cake cutting. We also greet them on their anniversaries by sending SMS and Whatsapp message.
- ❖ **Diwali Celebration** - Diwali is celebrated by decorating the office and inviting employees to wear ethnic dress. Also arrange inter-floor 'Rangoli' competition in our corporate office.
- ❖ **Christmas Celebration** - Christmas is celebrated every year to enrich the cultural and social connection among the employees.
- ❖ **Women's Day Celebration** - Female employees are gifted with flowers and a specially designed Women's Day card. This years 'Women's Day celebration, we observed a video on "Leadership in Women: A Video of Corporate Women Icon Ms. Indra Nooyi" to promote women empowerment. The programme also included singing and recitation performances.
- ❖ **Bengali New Year Celebration** - The day is celebrated with our office being decorated using traditional Shola motives and Shola balls. All employees are invited to dress in their ethnic attire and provided snacks.

2. Hard Engagements

Our 'Hard' engagements include the following programmes and initiatives:

- ❖ **Team building activity among the departments-**
The event is organized with the purpose of creating a synergy between different teams to enhance the productivity of the organization.
- ❖ **Career guidance** - This programme is designed to understand the aspirations and interests of each employee and guide them through a career fulfilling path by providing them the right opportunities.
- ❖ **Self-awareness sessions** - These sessions are provided with the aim of enabling our employees to have control of their actions and emotions at workplace.



Health and Safety

We recognize that our employees are vital to the company's mission. During the pandemic, we updated and added programs to assist employees and their families with many challenges resulting from Covid-19. To protect our employees from Covid-19 infection we organized free vaccination camp not only for our employees and but also for their family members. Along with that we also arrange annual health check-up camp for our employees to ensure their wellbeing.



Human Rights

We, at Rupa recognize our fundamental responsibilities in respecting and protecting human rights. Our commitment to human rights is contained in the Code of Conduct, which is reflected in all employee or contracts with third party. We adhere to and conform with the applicable regional labour laws.

Corporate Social Responsibility

We at Rupa operate with a strong belief that giving back to the society and contributing towards its sustainable development is every organization's responsibility. We are committed to society, ecology, and environment. Building upon our Values, our CSR policy has been designed to systematically assess community requirements and implement programmes in alignment with our CSR Vision and Mission.







The proposed program undergoes several steps before the final implementation. The planning and need assessment process are briefly explained below.

Planning and Need Assessment: Prior to getting into the specifics of the CSR activities, careful planning and budgeting are done. The roles and responsibilities of the team members is decided, and the first task carried out is need assessment for the CSR Project. To maximise the project impact and make it sustainable it is necessary to assess the exact need of community. The socio-political impact, environmental issues, condition of infrastructure, health facilities, education awareness and level, availability of food and water, public transport & sanitation requirements are to be assessed before the CSR project kicks-off. A thorough need assessment is required to make it effective for the community and to showcase the corporate philanthropy.

Monitoring and Evaluation of CSR: Monitoring is important to assess our projects, if they are viable and where to make some amendments. The CSR activity of our project is duly monitored. The monitoring process adopted by our company include obtaining reports of different kind, self-declaration, On-site visit, pictures or videos of project sites, etc. Further monitoring process involve following process.

1. **Periodic reporting:** The implementing agency is required to submit project fund utilization statement along with photographs of the project.
2. **Periodic review and assurance visits:** Periodic field visits, review calls, conducting evaluation visits to assess the project implementation including key milestones or key performance indicator and usage of capital assets, etc.

Our focus areas of CSR projects along with total capital invested are shown below:

					
Eradicating hunger, poverty and malnutrition	Promoting healthcare including preventive healthcare	Education to children	Creating access to safe drinking water	Disaster relief	Ecological balance and animal welfare
₹14.97 Lakhs	₹ 135.97 Lakhs	₹ 60.15 Lakhs	₹ 24.85 Lakhs	₹ 9.14 Lakhs	₹ 40.72 Lakhs

Promotion and making available safe drinking water

Considering the impact of climate change and rise in global temperature, which has impacted the day-to-day life of millions of people and scorching heat led to the higher demand of portable water. Access to clean water is basic need. In connection to this, Rupa has created a Pico water tank to provide drinking water facilities to the local people. This kind of water tank has been provided at around 480 locations under CSR activities of Rupa.



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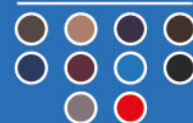
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Corporate Information

Board of Directors

Mr. Prahlad Rai Agarwala, *Chairman*
 Mr. Ghanshyam Prasad Agarwala, *Vice-Chairman*
 Mr. Kunj Bihari Agarwal, *Managing Director*
 Mr. Ramesh Agarwal, *Whole-time Director*
 Mr. Mukesh Agarwal, *Whole-time Director*
 Mr. Vikash Agarwal, *Whole-time Director**
 Mr. Niraj Kabra, *Executive Director*
 Mr. Dipak Kumar Banerjee, *Independent Director*
 Mr. Dharam Chand Jain, *Independent Director*
 Mr. Ashok Bhandari, *Independent Director*
 Mr. Sushil Patwari, *Independent Director*
 Mrs. Alka Devi Bangur, *Independent Director*
 Mr. Vinod Kumar Kothari, *Independent Director*
 Mr. Sunil Rewachand Chandiramani, *Independent Director**

Chief Financial Officer

Mr. Sumit Khowala**

Company Secretary & Compliance Officer

Mr. Manish Agarwal

Statutory Auditors

M/s. Singhi & Co., *Chartered Accountants*

Secretarial Auditor

M/s. Nidhi Bagri & Company
Practising Company Secretary

Bankers

IndusInd Bank Ltd.
 State Bank of India
 Citi Bank N.A.
 Standard Chartered Bank
 HDFC Bank Ltd.
 Kotak Mahindra Bank Ltd.
 Yes Bank Ltd
 The HSBC Ltd.

Registrar and Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.
 23, R. N. Mukherjee Road, 5th Floor
 Kolkata - 700 001
 E-mail ID: mdpldc@yahoo.com
 Website: www.mdpl.in

* w.e.f. May 23, 2022

** w.e.f. June 1, 2022

Board Committees

Audit Committee

Mr. Dipak Kumar Banerjee, *Chairman*
 Mr. Vinod Kumar Kothari, *Member*
 Mr. Ashok Bhandari, *Member*
 Mr. Sushil Patwari, *Member*
 Mr. Ramesh Agarwal, *Member*
 Mr. Mukesh Agarwal, *Member*

Nomination and Remuneration Committee

Mr. Vinod Kumar Kothari, *Chairman*
 Mr. Dipak Kumar Banerjee, *Member*
 Mr. Ashok Bhandari, *Member*

Corporate Social Responsibility Committee

Mr. Prahlad Rai Agarwala, *Chairman*
 Mr. Kunj Bihari Agarwal, *Member*
 Mr. Dipak Kumar Banerjee, *Member*

Stakeholders' Relationship Committee

Mr. Ashok Bhandari, *Chairman*
 Mr. Ramesh Agarwal, *Member*
 Mr. Mukesh Agarwal, *Member*

Risk Management Committee

Mr. Dipak Kumar Banerjee, *Chairman*
 Mr. Ashok Bhandari, *Member*
 Mr. Ramesh Agarwal, *Member*
 Mr. Mukesh Agarwal, *Member*
 Mr. Vikash Agarwal, *Member*
 Mr. Niraj Kabra, *Member*
 Mr. Arihant Kumar Baid, *Member*

Operations Committee

Mr. Kunj Bihari Agarwal, *Member*
 Mr. Ramesh Agarwal, *Member*
 Mr. Mukesh Agarwal, *Member*

Registered Office

Metro Tower, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700 071
 Phone: +91-33-4057 3100, Fax: +91-33-2288 1362
 Website: www.rupa.co.in, E-mail ID: connect@rupa.co.in
 CIN: L17299WB1985PLC038517

Report of the Board of Directors

for the Financial Year ended March 31, 2022

Dear Shareholders,

Your Directors take pleasure in presenting the 37th Annual Report on the business and operations of the Company, along with the Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

The financial performance of the Company during the year under review as compared to previous financial year is summarized hereunder:

Particulars	(₹ in lakhs)			
	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	1,42,867.48	1,28,740.17	1,47,413.86	1,31,267.15
Profit before Finance Costs, Tax, Depreciation/ Amortization (PBITDA)	27,780.06	26,319.86	27,932.85	26,462.85
Less: Finance Costs	1,870.46	1,342.91	1,872.16	1,343.31
Profit before Tax, Depreciation/Amortization (PBTDA)	25,909.60	24,976.95	26,060.69	25,119.54
Less: Depreciation	1,383.69	1,373.14	1,389.24	1,378.98
Profit before Tax (PBT)	24,525.91	23,603.81	24,671.45	23,740.56
Less: Tax Expense	5,449.91	6,211.77	5,487.36	6,214.66
Net Profit after Tax (PAT)	19,076.00	17,392.04	19,184.09	17,525.90
Other Comprehensive Income	18.82	17.29	19.58	17.27
Total Comprehensive Income for the year	19,094.82	17,409.33	19,203.67	17,543.17

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company achieved a Turnover of ₹1,42,867.48 lakhs during the financial year 2021-22, as against ₹1,28,740.17 lakhs in 2020-21, registering a growth of 10.97% over the last year. During the year, the Profit before Finance Charges, Depreciation and Tax stood at ₹27,780.06 lakhs, as against ₹26,319.86 lakhs during the previous year, an increase of 5.55% in comparison to previous year. The Net Profit for the year 2021-22 stood at ₹19,076.00 lakhs, as compared to ₹17,392.04 lakhs, during the previous year, a growth of 9.68% over the last year.

On consolidated basis, the Turnover for the year 2021-22 was ₹1,47,413.86 lakhs, as against ₹1,31,267.15 lakhs in 2020-21, registering a growth of 12.30% over the last year. The Profit before Finance Charges, Depreciation and Tax stood at ₹27,932.85 lakhs during 2021-22, as against ₹26,462.85 lakhs during the previous year, an increase of 5.55% in comparison to previous year. The Net Profit for the year 2021-22 stood at ₹19,184.09 lakhs, as compared to ₹17,525.90 lakhs, during the previous year, a growth of 9.46% over the last year.

The second wave of Covid-19 disrupted the operation of the Company in the starting of the financial year, but the strong sales and distribution network helped the Company to overcome the hurdles during the subsequent quarters. The Company has been proactive to support its entire workforce in best possible manner during the entire distress period and Work from Home (WFH) model was part of the working structure, wherever necessary.

The Company continues to maintain its performance, despite all the challenges and has seen a growth across all our financial parameters including Revenue, EBITDA and PAT. The Company delivered increased revenues and profitability on back of operational efficiencies, better product mix and cost specialization programs. In view of the robust performance, the Board of Directors have recommended a final dividend of ₹3/- per equity share for the financial year ended March 31, 2022.

Report of the Board of Directors

for the Financial Year ended March 31, 2022

The Company is engaged in the manufacturing, marketing, sales and distribution of innerwear, thermal wear and casual wear for men, women and kids segment and serves all sections of the society with its economy, mid-premium, premium and super-premium ranges. The Company has over 18 sub-brands and 9000 SKUs (Stock Keeping Units) which includes brands like Frontline, Jon, Air, Macroman, Euro, Bumchums, Torrido, Thermocot, Kidline, Footline and Softline. The Company also has premium brand like Macroman M-Series and Macrowoman W-Series which includes products like innerwear, lingerie, active wear and leisurewear. After the restructuring of Oban Fashions Private Limited, Wholly-owned Subsidiary of the Company, the premium brands 'FCUK' and 'Fruit of the Loom' or 'FOTL' now forms part of the Company's product portfolio.

In order to nurture its brands, the Company has been consistently involved in robust advertisement and brand promotion activities and have engaged leading celebrities including Ranveer Singh and Kiara Advani for endorsement of its products.

The Company always endeavor's to be responsive towards the changing fashion needs by introducing new line of products across all segments where the product has a latest fabric innovation and advance design element to give the finest style and comfort to the end user.

The male innerwear segment contributes significantly to the Company's business in comparison to the female innerwear segment. Presently, the Company is catering to female innerwear and loungewear space through its brands Jon and Softline for economy and premium category; and Macrowoman W-Series for super-premium category. The Company is continuously striving at strengthening its children and women's segment as the same has a lower presence of organized players and hence, provide a huge opportunity for the Company. The Company is also reinforcing high growth segment like Athleisure and Thermal wear segment.

The Company is one of the leaders in the innerwear garments industry and has a large distribution network consisting of 4 central warehouses, 20 EBOs (Exclusive Brand Outlets), more than 1500 dealers and 1,50,000 retailers. As a part of strategy the Company is expanding in new areas like South India by building new distributor network. The Company is also enhancing its availability through presence in e-commerce, MBOs (Multi-Brand Outlets) and LFRs (Large Format Retail Stores). The Company has tied-up with leading online/ offline stores in this regard during the last financial year and is aggressively focusing on expanding e-commerce and EBO business. The Company is also expanding in new international geographies in its export business.

The Company has manufacturing facilities situated at Howrah, Kolkata, Tiruppur, Bengaluru and Ghaziabad and have sales offices situated at Kolkata, Patna, Mumbai, Delhi, Ghaziabad, Bengaluru and Tiruppur. The Company follows efficient business strategy by outsourcing low end and labour intensive work and utilizes its resources on key areas involving value addition, product differentiation, branding and distribution.

SCHEME OF ARRANGEMENT

The Scheme of Arrangement ("Scheme") for the demerger of premium brand undertaking (i.e., business pertaining to brands "FCUK" and "FOTL") of Wholly-owned Subsidiary of the Company, Oban Fashions Private Limited ("Oban") into the Company, as was approved by the Board of Directors of the Company in its meeting held on December 9, 2020, was duly approved by the Hon'ble NCLT, Kolkata *vide* order dated July 26, 2021, with effect from Appointed Date April 1, 2021. The Certified copy of the Order was filed with the Registrar of Companies, West Bengal, on August 12, 2021.

The Hon'ble Mumbai Bench has heard the matter on November 25, 2021 and *vide* Order dated November 25, 2021 (uploaded on NCLT's website on January 5, 2022) has sanctioned the said Scheme with effect from the Appointed date, i.e. April 1, 2021. The Certified copy of the Order of the Hon'ble Mumbai Bench was filed with the Registrar of Companies, Maharashtra, on January 17, 2022. Accordingly, the demerger became effective on January 17, 2022, w.e.f. Appointed Date April 1, 2021.

SUBSIDIARIES

The Company has the following 5 (five) Wholly-owned Subsidiaries as on March 31, 2022:

- (i) **Euro Fashion Inners International Private Limited**, which was earlier engaged in selling hosiery premium products under the brand name "EURO", has transferred its Business Operations to the Company through a Business

Report of the Board of Directors

for the Financial Year ended March 31, 2022

Collaboration Agreement effective from April 1, 2014 and gets royalty from the Company for using the brand EURO in its business.

During the Financial Year under review, the Revenue from Operations, including Other Income, was ₹ 17.55 lakhs, as against ₹ 12.26 lakhs during the previous year. Net Profit during the year was ₹ 5.35 lakhs, as compared to ₹ 3.48 lakhs, during the previous year.

- (ii) **Imoogi Fashions Private Limited** is engaged in manufacturing, processing and selling of premium category hosiery and casual wear products for female and kids segments under the brand name "Femmora".

During the Financial Year under review, the Revenue from Operations, including Other Income, was ₹ 389.48 lakhs, as against ₹ 243.64 lakhs during the previous year. Net Profit during the year was ₹ 11.06 lakhs, as compared to ₹ 4.35 lakhs, during the previous year.

- (iii) **Oban Fashions Private Limited**

Oban Fashions Private Limited, had exclusive license with respect to brands "FCUK" from the French Connection Limited, and the brand "Fruit of the Loom" from Fruit of the Loom, Inc, a New York Corporation, being a Wholly-owned Subsidiary of Berkshire Hathaway Company, to develop, manufacture, market and sell innerwear and related products under the respective brand names, in India.

Oban entered into a Scheme of Arrangement ("Scheme") for demerger of its premium brand undertaking (i.e., business pertaining to brands "FCUK" and "FOTL") into the Company and the same became effective on January 17, 2022, w.e.f. Appointed Date April 1, 2021. After the demerger, Oban is currently engaged in trading of Yarn.

During the Financial Year under review, the Revenue from Operations, including Other Income was ₹ 4,449.54 lakhs, as against ₹ 5,385.94 lakhs, during the previous year. Net Profit during the year was ₹ 92.31 lakhs, as compared to loss of ₹ 570.21 lakhs, during the previous year.

- (iv) **Rupa Fashions Private Limited**, was incorporated as Wholly-owned Subsidiary of the Company, on December 11, 2019 with the object, *inter alia*, to be engaged in manufacturing and trading activities, etc.

During the Financial Year under review, there was no Revenue from Operations and the Net Loss during the year under review was ₹ 0.39 lakhs, as against ₹ 0.45 lakhs in the previous year.

- (v) **Rupa Bangladesh Private Limited**, was incorporated as Wholly-owned Subsidiary of the Company in Dhaka, Bangladesh, on September 1, 2019 with the object, *inter alia*, to be engaged in manufacturing activities, in Bangladesh.

During the Financial Year under review, there was no Revenue from Operations and the Net Loss during the year under review was ₹ 0.22 lakhs, as against ₹ 1.22 lakhs in the previous year.

None of the above mentioned subsidiaries are 'Material Subsidiary' in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations').

The statement in Form AOC-1 containing the salient features of the aforesaid subsidiaries has been separately annexed hereto, in terms of the first proviso to the Section 129(3) of the Companies Act, 2013, including any subsequent amendment thereto (the 'Act') read with Rule 5 of the Companies (Accounts) Rules, 2014. Further, the contribution of these subsidiaries to the overall performance of the Company is provided under the Notes to the Consolidated Financial Statements. The Audited Financial Statements, together with the Consolidated Financial Statements of the Company and other related information and the Audited Accounts of the Company's subsidiaries are also available on the website of the Company at www.rupa.co.in.

The Annual Accounts of the subsidiaries and the related detailed information shall be made available to the Members of the Company, seeking such information at any point of time. The Members may request for such information by writing to the Company Secretary at the registered office of the Company. The copies of the Annual Accounts of the subsidiaries shall remain open for inspection by the Members at the Company's registered office.

Except as stated hereinabove, the Company did not have any other subsidiary, joint venture or associate company, during the year under review.

Report of the Board of Directors

for the Financial Year ended March 31, 2022

CHANGE(S) IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business of the Company.

CAPITAL STRUCTURE & CHANGES IN SHARE CAPITAL

During the year under review, there were no changes in the Share Capital of the Company.

DIVIDEND

Your Company has adopted a Dividend Distribution Policy in accordance with the provisions of Regulation 43A of Listing Regulations. The Policy lays down various parameters to be considered by the Board before declaration/recommendation of dividend to the members of the Company. The Dividend Distribution Policy is available on the website of the Company at <http://rupa.co.in/livesite/wp-content/uploads/2018/12/Dividend-Distribution-Policy.pdf>.

Your Directors are pleased to recommend a final dividend of ₹ 3/- per equity share of face value of ₹ 1 each for the financial year ended March 31, 2022. The final dividend on the equity shares, if approved by the members as above, would involve an outflow of ₹ 2,385.74 lakhs towards dividend.

TRANSFER OF UNPAID/ UNCLAIMED DIVIDEND AND EQUITY SHARES TO THE IEPF AUTHORITY

In terms of Section 125 of the Act, read with rules made thereunder, the Company is required to transfer the unpaid/unclaimed dividend amounts which remained unclaimed for seven years from the date of such transfer to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall also be transferred by the Company to the IEPF.

During the year ended March 31, 2022, the Company has transferred unclaimed and unpaid dividend for the Financial Year 2013-14, amounting to ₹ 1,79,980/- (Rupees One Lakh Seventy-Nine Thousand Nine Hundred and Eighty only), to the IEPF, within the due date.

Further, during the year ended March 31, 2022, 4,002 Equity Shares of Re. 1/- each, held by 3 shareholders, in aggregate, whose dividends have remained unpaid or unclaimed for a period of seven consecutive years or more, has been transferred to the demat account of the IEPF Authority within the due date.

The unpaid/unclaimed dividend for the Financial Year 2014-15 will be due for transfer to the IEPF on October 22, 2022. Shareholders are requested to kindly check the status of their unpaid or unclaimed dividend available at the website of the Company at <https://rupa.co.in/unpaid-dividend/>.

TRANSFER TO RESERVES

No amount is proposed to be transferred to General Reserve during the financial year 2021-22.

DIRECTORS

As on March 31, 2022, the Board consisted of 12 (twelve) Directors comprising of 6 (six) Independent Directors including a woman director. The position of the Chairman of the Board and the Managing Director are held by separate individuals, wherein the Chairman of the Board is an Executive Director. No changes in the Directors have taken place during the period under review. The profile of all the Directors can be accessed on the Company's website at <https://rupa.co.in/board-members/>.

None of the Directors of the Company have incurred any disqualification under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Directors have confirmed that they are not debarred from accessing the capital market as well as from holding the office of Director pursuant to any order of Securities and Exchange Board of India or Ministry of Corporate Affairs or any other such regulatory authority.

In the view of the Board, all the directors possess the requisite skills, expertise, integrity, competence, as well as experience considered to be vital for business growth. The detailed analysis of various skills, qualifications and attributes as required and available with the Board has been presented in the Corporate Governance Report.

Report of the Board of Directors

for the Financial Year ended March 31, 2022

Pursuant to the provisions of Section 152(6) (d) of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company, Mr. Ghanshyam Prasad Agarwala (DIN: 00224805) and Mr. Mukesh Agarwal (DIN: 02415004) will retire by rotation at the ensuing Annual General Meeting and being eligible has offered themselves for re-appointment.

The Board of Directors at its meeting held on May 23, 2022, re-appointed Mr. Niraj Kabra (DIN: 08067989) as Whole-time Director of the Company for a further period of five years with effect from February 12, 2023 and has appointed Mr. Vikash Agarwal (DIN: 00230728) as Additional Director (Whole-time Category) and Mr. Sunil Rewachand Chandiramani (DIN: 00524035) as Additional Director (Independent Category) w.e.f May 23, 2022.

Information regarding the directors seeking appointment/re-appointment as required by Regulation 36 of the Listing Regulations and Secretarial Standard-2 has been given in the notice convening the ensuing Annual General Meeting.

KEY MANAGERIAL PERSONNEL

Mr. Kundan Kumar Jha, who was serving as the Company Secretary and Compliance Officer of the Company, tendered his resignation from the services of the Company with effect from February 28, 2022. The Board places on record its deep appreciation for the contributions made by Mr. Kundan Kumar Jha.

Mr. Manish Agarwal was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. March 1, 2022.

Apart from the aforesaid, no changes in the KMP's have taken place during the year under review.

DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 of the Act as well as Regulation 16 of Listing Regulations. The Independent Directors have also submitted a declaration confirming that they have registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

None of the Independent Directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the same and in their opinion the Independent Directors are persons of integrity, expertise and experience and fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act along with the Code of Conduct for Directors and Senior Management Personnel formulated by the Company as per Listing Regulations.

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

On the recommendation of Nomination and Remuneration Committee, the Company has formulated and adopted a Nomination and Remuneration Policy which is in accordance with the Act and the Listing Regulations.

The Nomination and Remuneration Policy of the Company has been designed with the following basic objectives:

- a. to set out a policy relating to appointment and remuneration of Directors, Key Managerial Personnel's and other employees of the Company;
- b. to ensure that the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;
- c. to ensure that the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;

Report of the Board of Directors

for the Financial Year ended March 31, 2022

- d. to ensure that the remuneration of the Executives are aligned with the Company's business strategies, values, key priorities and goals;
- e. setting up the Board Diversity Criteria.

The Policy is available on the website of the Company at http://rupa.co.in/livesite/wp-content/uploads/2018/12/Remuneration_Policy.pdf.

The remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

PERFORMANCE EVALUATION OF THE BOARD, THE COMMITTEES AND THE INDIVIDUAL DIRECTORS

Pursuant to the provisions of Section 178 of the Act and the Listing Regulations, the Nomination and Remuneration Committee has laid down the criteria for performance evaluation on the basis of which the Board has carried out evaluation of its own performance, the performance of Board Committees and of the Independent Directors individually.

The Independent Directors of the Company, without the participation of Non-Independent Directors and members of management, in their separate meeting held on March 29, 2022, have reviewed the performance of Non-Independent Directors and the Board as a whole and also the performance of the Chairperson of the Company. The review of performance of Non-Independent Directors was done, on various parameters, such as, skill, competence, experience, governance, degree of engagement, ideas & planning, attendance, leadership, etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in the knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board members, etc. The evaluation of performance of the Chairperson of the Company was conducted on various parameters, such as, leadership quality, capability, availability, clarity of understanding, governance & compliance and degree of contribution, etc.

The Nomination and Remuneration Committee of the Board, based on the report of the Independent Directors, evaluated the performance of the Non-Independent Directors. The said Committee members also evaluated the performance of the Independent Directors of the Company, based on the reports of the Executive Directors, considering their requisite skills, competence, experience and knowledge of the regulatory requirements relating to governance, such as, roles and responsibilities under the Code for Independent Directors, the Act, the SEBI Listing Regulations, etc.

The Board of Directors of the Company, based on the report of the Independent Directors and the Nomination and Remuneration Committee, evaluated the performance of Board and of individual Directors. The Board also carried out the evaluation of performance of its Committees on various parameters, such as adequacy of meetings in enhancing the effectiveness of the Committee, existence of a defined set of objectives/ terms of reference, etc.

The result of review and evaluation of performance of Board, its Committees and of individual Directors was found to be satisfactory.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, we hereby make the following statements in terms of Section 134(3)(c) and 134(5) of the Act:

- (i) that in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- (ii) that such accounting policies as mentioned in Notes to the Annual Accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for that period;
- (iii) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities has been taken;

Report of the Board of Directors

for the Financial Year ended March 31, 2022

- (iv) that the Annual Accounts has been prepared on a going concern basis;
- (v) that internal financial control to be followed by the Company are in place and that such internal financial controls are adequate and are operating effectively; and
- (vi) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems were adequate and operating effectively.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The Board met 4 (four) times during the Financial Year 2021-22, viz., on May 31, 2021, August 11, 2021, November 01, 2021 and February 08, 2022. The details relating to attendance of Directors in each board meeting held during the FY 2021-22 has been separately provided in the Corporate Governance Report.

COMMITTEES OF THE BOARD

The Board of Directors have constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Operations Committee to deal with specific areas/activities that need a closer review and to have an appropriate structure for discharging its responsibilities.

The composition, terms of reference, attendance of directors at the meetings of all the above Committees has been disclosed in the Corporate Governance Report.

There has been no instance where the Board has not accepted any of the recommendations of the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY

The Company recognizes the value of being a socially responsible corporate and therefore, it is committed towards the society and its people in a dedicated way.

The Company has constituted a Corporate Social Responsibility (CSR) Committee, in terms of provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 inter alia to give directions and assistance to the Board for leading the CSR initiatives of the Company. The Committee formulates and reviews the Annual Action Plan and also monitors the progress of the CSR activities. The details of the Committee including term of reference have been disclosed in the Corporate Governance Report.

The Company has adopted a Corporate Social Responsibility Policy in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which can be accessed at https://rupa.co.in/livesite/wp-content/uploads/2021/03/Corporate_Social_Responsibility_Policy.pdf

The Company has undertaken several projects during the year 2021-22 in accordance with the budget laid down by the Board and has spent ₹ 285.80 lakhs (after adjustment of surplus amount of ₹ 42.70 lakhs of previous year) towards CSR activities. The projects have been continuously monitored by the Board on a quarterly basis.

Since there was no unspent amount, the Company was not required to transfer any amount to the fund or separate bank account during the year, in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company during the financial year ended March 31, 2022, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in "Annexure-1" to this report.

RISK MANAGEMENT POLICY

The Company has a Risk Management Policy which lays down the framework for identification and mitigation of various risks. The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated and managed to establish a framework for the Company's risk management process.

Report of the Board of Directors

for the Financial Year ended March 31, 2022

The Risk Management Framework emphasises proper analysing and understanding the underlying risks before undertaking any transaction. This enables a proper assessment of all risks and ensures that the transactions and processes conform to the Company's risk appetite and regulatory requirements.

The Risk Management Policy is discussed at the meeting of the Audit Committee and Risk Management Committee of the Board of Directors. The management accepts the suggestions with regard to mitigation of risks that may arise in future. In the opinion of the Board, there are no existing factors which threaten the existence of the Company.

INTERNAL FINANCIAL CONTROL

According to Section 134(5) (e) of the Act, the term Internal Financial Control ('IFC') means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has adequate Internal Financial Control systems and procedures which are commensurate with its size and nature of business. It is ensured that all the assets are safeguarded and protected against loss and all transactions are authorized, recorded and reported correctly. The Internal Financial Control systems of the Company are monitored and evaluated and reviewed by the Audit Committee.

The Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively. In this regard, the Board confirms the following:

- i) Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization;
- ii) Systems and procedures exist to ensure that all transactions are recorded, as necessary to permit preparation of Financial Statements in conformity with Generally Accepted Accounting Principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information;
- iii) Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted;
- iv) The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to differences, if any; and
- v) Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

Further, the certificate from Managing Director, Chief Executive Officer and Chief Financial Officer, in terms of Regulation 17(8) of the Listing Regulations, provided in this Annual Report, also certifies the adequacy of our Internal Control systems and procedures. Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3)(i) of the Act forms part of the Audit Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In terms of the Section 177 of the Act, read with the Rules made thereunder and Regulation 22 of the SEBI Listing Regulations, the Company has framed a 'Whistle Blower Policy' with an objective to provide an avenue to address concerns, in line with the policy of the Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, as well as timely redressal of concerns and disclosures to build and strengthen a culture of transparency and trust in the Company.

The mechanism also provides for adequate safeguards against victimization of Director(s) or employee(s) or any other person for availing the mechanism and in exceptional cases, direct access to the Chairman of the Audit Committee to report instances of fraud/ misconduct. The Audit Committee looks into the complaints raised, if any, and their redressal. The Whistle Blower Policy of the Company, is available on the website of the Company, at the link, https://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf.

Report of the Board of Directors

for the Financial Year ended March 31, 2022

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Act and the Listing Regulations, your Company has formulated a Policy on dealing with Related Party Transactions ('RPTs') and the same is available on the website of the Company at https://rupa.co.in/livesite/wp-content/uploads/2022/03/Policy_on_Related_Party_Transactions.pdf. The Policy intends to ensure that proper approval, reporting and disclosure processes are in place for all the transactions taking place between the Company and Related Parties.

There were no materially significant related party transactions entered into by the Company which may have potential conflict with the interest of the Company. All contracts/ arrangements/ transactions entered by the Company during the Financial Year 2021-22, with its related parties, were on an arm's length basis and were reviewed and approved by the Audit Committee of the Board. Further, during the Financial Year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Company's policy of Materiality of Related Party Transactions except those provided in Form AOC-2, annexed hereto, marked as **'Annexure – 2'**. Further, suitable disclosure as required by the Accounting Standards has been made in the Notes to the Financial Statements.

In terms of Regulation 34(3) read with Part A of Schedule V to the Listing Regulations, the details of the transactions entered into by the Company with promoter/ promoter group, which hold(s) 10% or more shareholding in the Company, are as hereunder:

Name of the Person	% of shares held in the Company	Nature of relationship	Nature of transaction	Amount (₹)
Ullas Sales Promotion LLP (formerly known as Ullas Sales Promotion Limited)	27.20%	Enterprises owned or significantly influenced by key management personnel or their relatives	Dividend	10,81,54,300
Mr. Prahlad Rai Agarwala, jointly with Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal, on behalf of a partnership firm, M/s Binod Hosier	21.08%		Dividend	8,38,18,280

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The loan and guarantee given by the Company are within the limits prescribed under Section 186 of the Act. Further, the details of the said loan given, guarantee given and investment made are provided in the Notes to the Financial Statements of the Company.

The related party disclosures with respect to loans/ advances at the end of the Financial Year under review and maximum outstanding amount thereof during the year, as required under Part A of Schedule V to the Listing Regulations, have been provided in the Notes to the Financial Statements of the Company.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time in respect of Directors/employees of the Company is attached as **"Annexure- 3"** to this report.

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

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided in **"Annexure – 4"** to this Report.

Report of the Board of Directors

for the Financial Year ended March 31, 2022

AUDITORS & AUDIT REPORTS

Statutory Auditors and Auditor's Report

M/s. Singhi & Co. (Firm Registration Number 302049E), Chartered Accountants, were appointed as the Statutory Auditor of the Company for a period of five (5) consecutive years to hold the office from the conclusion of the 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company for the Financial Year 2021-22. The Board of Directors of the Company on recommendation of the Audit Committee at its meeting held on May 23, 2022 have re-appointed M/s. Singhi & Co as the Statutory Auditors of the Company for a 2nd term of five consecutive year's subject to the approval of shareholders in the ensuing Annual General Meeting of the Company. M/s. Singhi & Co. have consented to the said re-appointment and confirmed that their re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be re-appointed as statutory auditors in terms of the provisions of Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Auditor's Report on the standalone and consolidated financial statements of the Company for the year ended March 31, 2022 forms part of this Annual Report and there are no qualifications, reservation, adverse remark or disclaimer made by the Statutory Auditors in their report.

Internal Auditors

M/s. Das & Prasad, Chartered Accountants (Firm Registration Number 303054E), were appointed as the Internal Auditors of the Company to conduct the Internal Audit for the Financial Year 2021-22 in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014. The Audit Committee considers and reviews the Internal Audit Report submitted by the Internal Auditor on a quarterly basis.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Nidhi Bagri & Company, Practicing Company Secretaries, as Secretarial Auditor of the Company for the Financial Year 2021-22. The Secretarial Audit Report in Form MR-3, for the Financial Year 2021-22, is annexed hereto and marked as 'Annexure – 5'.

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

Cost Audit and Cost Records

The provisions of Section 148 of the Companies Act, 2013, with respect to maintenance of Cost records and Cost Audit are not applicable to the Company.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, none of the auditors have reported any instances of fraud committed against the Company as required to be reported under Section 143 (12) of the Act.

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act, as amended, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft Annual Return of the Company for the Financial Year ended March 31, 2022 is available on the website of the Company at <https://rupa.co.in/livesite/wp-content/uploads/2022/07/F.Y.-2021-22.pdf>

CREDIT RATING

The credit rating of your Company for long term facilities is CRISIL AA-/Stable, for short term facilities is CRISIL A1+ and for Commercial Papers is CRISIL A1+. Details of the same are provided in the Corporate Governance Report.

Report of the Board of Directors

for the Financial Year ended March 31, 2022

DEPOSITS

During the year under review, the Company has not accepted any deposits from the public within the meaning of Sections 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. As on March 31, 2022, there were no deposits lying unpaid or unclaimed.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report, in terms of Regulation 34(3), read with Schedule V, of the Listing Regulations, forms part of this Annual Report. The Company has obtained a certificate from the Statutory Auditors of the Company, M/s. Singhi & Co. confirming compliance with the same.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report, in terms of Regulation 34, read with Schedule V of the Listing Regulations, forms part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2) of Listing Regulations, the top 1000 listed companies are required to prepare a Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and the governance perspective. The Company has accordingly prepared a Business Responsibility Report as set out in "Annexure-6" to this Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the Financial Year 2021-22, the Company has complied with all the relevant provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Employees are the most valuable and indispensable asset for a Company. A Company's success depends on the ability to attract, develop and retain best talent at every level. The Company has always been proactive in providing growth, learning platforms, safe workplace and personal development opportunities to its workforce. Company strive's to maintain a skilled and dedicated workforce, representing diverse experiences and view points. The human resource department of the Company are rooted in ensuring a fair and reasonable process for all-round development and upliftment of talent through its persistent effort. During the year, the Company continued to introduce initiatives and tools that helped continuous learning and development of new skills.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees and has formulated 'Policy for Prevention of Sexual Harassment' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment. Further, the Company has complied with the provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no cases were filed under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Report of the Board of Directors

for the Financial Year ended March 31, 2022

GENERAL DISCLOSURES

Your Directors state that:

- i) No material changes and commitments affecting the financial position of the Company have occurred from the close of the financial year ended March 31, 2022 and till the date of this report.
- ii) During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
- iii) The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- iv) No proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- v) The Company serviced all the debts & financial commitments as and when they became due and no settlements were entered into with the bankers.
- vi) The Company does not have any Employee Stock Option Plan.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the significant contribution made by its employees through their dedication, hard work and commitment at all levels throughout the year. The Director place on record their special gratitude towards the front line employee who were working in our factories and in the market to ensure that the Company's products reach to the consumers.

The Board conveys its appreciation towards its customers, stakeholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities both at the Central and State level for their continued support and co-operation.

By order of the Board
For **Rupa & Company Limited**

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Place: Kolkata

Date: May 23, 2022

Annexures forming a part of this Report of the Directors

Annexure	Particulars
1	Annual Report on CSR Activities
2	Particulars of Contracts or Arrangements with Related Parties in Form AOC-2
3	Particulars of Employees
4	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
5	Secretarial Audit Report
6	Business Responsibility Report

Annexure to the Board's Report

Annexure – 1

Annual Report on CSR Activities

For the Financial Year 2021-22

(Pursuant to Annexure II of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

- Brief outline on CSR Policy of the Company:** Rupa & Company Limited (the "Company") operates with a strong belief that giving back to the society and contributing towards its sustainable development is every organization's responsibility. The Company and its people are committed to society, ecology and environment. The Company also realizes that caring for the society, country and the planet is not philanthropy or generosity – *it is the very way of doing sustainable business.*

CSR Committee's Vision is "improving lives in pursuit of collective development and environmental sustainability". This vision encompasses all CSR activities of the Company. The CSR Committee's Mission is primarily to pursue initiatives directed towards enhancing welfare measures of the society based on long term social and environmental consequences of the CSR activities. Within the above mission, the CSR Committee chooses Priority Projects from time to time. The objective is not only to guide the Company and its people to indulge in social activities but also to integrate the business processes with social processes. The Company believes that the CSR Policy of the Company is the Company's faith in socially inclusive and sustainable business as the way of doing business.

During the Financial Year 2021-22, the Company has contributed towards making available safe drinking water at public places, promoting healthcare including preventive healthcare, education, animal welfare, eradicating hunger, poverty and malnutrition, environmental sustainability, etc.

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Prahlad Rai Agarwala	Chairman/ Whole-time Director	2	2
2	Mr. Kunj Bihari Agarwal	Member/ Managing Director	2	2
3	Mr. Dipak Kumar Banerjee	Member/ Independent Director	2	2

- Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company**

Web-link where Composition of CSR committee and its Terms of Reference are disclosed:

<https://rupa.co.in/livesite/wp-content/uploads/2019/10/Corporate-Social-Responsibility-Committee.pdf>.

Web-link where CSR Policy and CSR Projects are disclosed: <http://rupa.co.in/csr/>

- Details of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:**

Not applicable, as the Company does not have average CSR obligation of ₹ 10 crore or more in pursuance of Section 135(5) of the Companies Act, 2013 ("the Act") in the three immediately preceding financial years.

Annexure to the Board's Report

5. Details of the amount available for set off in pursuance of Sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year:

(₹ in Lakhs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹)	Amount required to be set-off for the financial year, if any (₹)
1	2020-21	42.70	42.70

6. Average net profit of the Company as per Section 135(5) of the Act: ₹ 16,425.04 Lakhs

7.

(a)	Two percent of average net profit of the Company as per Section 135(5) of the Act	:	₹ 328.50 lakhs
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	:	Nil
(c)	Amount required to be set off for the financial year, if any	:	₹ 42.70 lakhs
(d)	Total CSR obligation for the financial year (7a+7b-7c)	:	₹ 285.80 lakhs

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

Total Amount Spent for the Financial Year (₹)	Amount Unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 285.80 lakhs	Nil	Not applicable	Not applicable	Nil	Not applicable

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

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

*N.A. – Not applicable

Annexure to the Board's Report

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation- through implementing agency	
				State	District			Name	CSR Registration Number
1	Installation of Water Coolers and purifiers at public places	Making available safe drinking water	Yes	West Bengal – Kolkata and surroundings		9.78	Yes	Rupa & Company Limited	NA
2	Maintenance of existing Water Coolers and purifiers facilities		Yes	West Bengal – Kolkata and surroundings		9.22	Yes	Rupa & Company Limited	NA
			Yes			5.85	No	Rupa Foundation	CSR00000893
3	Eradicating hunger, poverty and malnutrition	Eradicating hunger, poverty and malnutrition	Yes	West Bengal – Kolkata and surroundings		2.00	Yes	Rupa & Company Limited	NA
			Yes			4.00	No	Shree Hanuman Parishad	CSR00017127
			Yes			8.97	No	Parasdharm Kolkata	CSR00005134
4	Promoting health care including preventive health care	Promoting health care including preventive health care	Yes	West Bengal – Kolkata , Surat, Rajasthan		2.07	Yes	Rupa & Company Limited	NA
			Yes			0.48	No	Yug Nirman Trust	CSR00002894
			Yes			0.30	No	Assocham Foundation for Corporate Social Responsibility	CSR00001076
			Yes			17.70	No	S.V.S. Marwari Hospital	CSR00001804
			Yes			18.49	No	Nagrik Swasthya Sangh	CSR00002886
			Yes			10.97	No	Marwari Relief Society	CSR00006109
			Yes			10.49	No	East Kolkata Nagrik Foundation	CSR00002035
			Yes			1.25	No	Indian Cancer Society	CSR00000792
			No			60.00	No	Shree Mahavir Health and Medical Relief Society	CSR00006704
			No			7.22	No	Shri Agrawal Samaj Pranyas	CSR00012001
5	Promoting Education	Promoting Education	Yes	West Bengal – Kolkata, Surat		0.14	Yes	Rupa & Company Limited	NA
			Yes			21.00	No	Shree Burrabazar Kumarsabha Pustakalaya	CSR00000334
			No			11.00	No	Friends of Tribals Society	CSR00001898
			Yes			4.46	No	Arya Seva Girls Education Society	CSR00009074
			Yes			20.00	No	Help Us Help Them	CSR00002874
			Yes			2.50	No	Rotary Club of Calcutta Welfare Trust	CSR00003263
			Yes			1.05	No	Sankalp Shruti	CSR00005542

Annexure to the Board's Report

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation- through implementing agency	
				State	District			Name	CSR Registration Number
6	Setting up old age homes	Setting up old age homes, day care centres and such other facilities for senior citizens	Yes	West Bengal – Kolkata,		7.00	No	Shree Manav Seva Trust	CSR00011270
7	Environment Sustainability, Animal Welfare	Ensuring Environmental Sustainability, ecological balance and Animal Welfare	Yes	West Bengal – Kolkata and surroundings, Tiruppur, Rajasthan		5.00	No	The Agri Horticultural Society of India	CSR00010329
			No			3.00	No	Voluntary Organization for People Empowerment of Rural Areas by Youth (VETRY)	CSR00009409
			Yes			22.40	No	Calcutta Pinjrapole Society	CSR00007320
			No			10.32	No	Shree Balaji Goshala Sansthan	CSR00018260
8	For providing relief and rehabilitation for disaster management	Disaster management, including relief, rehabilitation and reconstruction activities	N.A.	Not applicable		6.30	No	West Bengal State Disaster Management Authority	NA
						2.84	No	West Bengal Emergency Relief Fund	NA
		Total				285.80			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 285.80 lakhs

(g) Excess amount for set off, if any

Sl No.	Particular	Amount (₹ in Lakhs)
1	Two percent of average net profit of the company as per Section 135(5) of the Act	328.50
2	Total amount spent for the Financial Year*	328.50
3	Excess amount spent for the financial year [(ii)-(i)]	0
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

* After set-off of ₹ 42.70 lakhs of previous financial year

Annexure to the Board's Report

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

(₹ in lakhs)

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (₹)	Amount spent in the reporting Financial Year (₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years. (₹)
				Name of the Fund	Amount (₹)	Date of transfer	
1	2020-21	Nil	Nil	Not applicable	Nil	Not applicable	Nil
2	2019-20	Nil	Nil	Not applicable	Nil	Not applicable	Nil
3	2018-19	Nil	Nil	Not applicable	Nil	Not applicable	Nil

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹)	Amount spent on the project in the reporting Financial Year (₹)	Cumulative amount spent at the end of reporting Financial Year (₹)	Status of the project- Completed/ Ongoing
1	Not applicable	Not applicable	Not applicable	Not applicable	Nil	Nil	Nil	Not applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a)	Date of creation or acquisition of the capital asset(s)	:	Nil
(b)	Amount of CSR spent for creation or acquisition of capital asset	:	Nil
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	:	Not applicable
(d)	Details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	:	Not applicable

11. Reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) of the Act: Not applicable.

For Rupa & Company Limited

Place: Kolkata
Date: May 23, 2022

Kunj Bihari Agarwal
(Managing Director)
DIN: 00224857

Prahlad Rai Agarwala
(Chairman of CSR Committee)
DIN: 00847452

Annexure to the Board's Report

Annexure – 2

FORM AOC-2

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

Disclosure of particulars of Contracts/Arrangements entered into by the Company with Related Parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain Arms Length Transactions under third proviso thereto

1. Details of Contracts or Arrangements or Transactions not at Arm's Length basis: None

2. Details of material Contracts or Arrangement or Transactions at Arm's Length basis, are as hereunder:

a	Name(s) of the related party and nature of relationship	:	Mr. Suresh Agarwal, President in the Company and relative of Director	Mr. Manish Agarwal, President in the Company and relative of Director	Mr. Ravi Agarwal, President in the Company and relative of Director	Mr. Vikash Agarwal, President in the Company and relative of Director	Mr. Rajnish Agarwal, President in the Company and relative of Director	Mr. Siddhant Agarwal, Vice-President in the Company and relative of Director
b	Nature of contracts/ arrangement/ transactions	:	The aforesaid related parties have been appointed as President/Vice-President in the Company, being office or place of profit within the meaning of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.					
c	Duration of the contracts/ arrangements/ transactions	:	Ongoing					
d	Salient terms of the contracts or arrangements or transactions including the value	:	Value of transactions: Financial Year 2021-22– ₹ 76.80 lakhs	Value of transactions: Financial Year 2021-22– ₹ 115.20 lakhs, each.			Value of transactions: Financial Year 2021-22– ₹ 50.40 lakhs	
e	Date(s) of approval by the Board	:	For Presidents- the terms of remuneration has been approved by the Board on 31/05/2021 as well as by the Members at the Annual General Meeting (AGM) held on 31/08/2021 and for Vice-President- the terms of remuneration has been approved by the Board on 26/06/2020 and by the Members at the AGM on 18/09/2020.					
f	Amount paid as advances	:	Nil					

By Order of the Board
For **Rupa & Company Limited**

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Place: Kolkata
Date: May 23, 2022

Annexure to the Board's Report

Annexure – 3

Details pertaining to the Remuneration, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, for the Financial Year 2021-22

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary, during the Financial Year 2021-22, are as under:

Sl. No.	Name of Director/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase/ decrease in remuneration received by Director/ KMP in the Financial Year 2021-22
1	Mr. Prahlad Rai Agarwala	Chairman	197:1	10.38
2	Mr. Ghanshyam Prasad Agarwala	Vice-Chairman	105:1	20.00
3	Mr. Kunj Bihari Agarwal	Managing Director	105:1	20.00
4	Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer	105:1	13.33
5	Mr. Mukesh Agarwal	Whole-time Director	105:1	13.33
6	Mr. Niraj Kabra	Executive Director	18:1	23.12
7	Mr. Dipak Kumar Banerjee	Independent Director	12:1	(6.83)
8	Mr. Dharam Chand Jain	Independent Director	6:1	13.64
9	Mr. Sushil Patwari	Independent Director	10:1	(10.99)
10	Mrs. Alka Devi Bangur	Independent Director	6:1	(10.71)
11	Mr. Vinod Kumar Kothari	Independent Director	11:1	(2.69)
12	Mr. Ashok Bhandari	Independent Director	12:1	(1.83)
13	Mr. Dinesh Kumar Lodha	Chief Executive Officer (KMP)		14.69
14	Mr. Kundan Kumar Jha	Company Secretary and Compliance Officer	NA	NA
15	Mr. Manish Agarwal			NA

Note:

- Remuneration to Independent Directors consists of Commission and Sitting fees. Numbers are rounded off to nearest number.
 - Mr. Kundan Kumar Jha ceased to be the Company Secretary & Compliance Officer w.e.f February 28, 2022 and Mr. Manish Agarwal was appointed w.e.f March 1, 2022 as the Company Secretary & Compliance Officer.
- The percentage increase in the median remuneration of employees in the financial year 2021-22 was 7.84%
 - Number of permanent employees on the rolls of Company as on March 31, 2022 was 1152.
 - Average percentile increase in total remuneration paid to employees other than the managerial personnel in the Financial Year 2021-22 was 30.88% whereas the increase in the total managerial remuneration for the same Financial Year was 14.75%. The managerial remuneration is linked to market trend and industry segment composition.
 - We hereby affirm that the remuneration paid is as per the Remuneration Policy of the Company.
 - The Managing Director and the Whole-time Directors of the Company do not receive any remuneration or commission from its Wholly-owned Subsidiaries.

Annexure to the Board's Report

Statement of particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time

Name	Designation	Remuneration (₹ in Lakhs)	Qualification and Experience(years)	Age (years)	Date of Commencement of Employment	Last Employment
Employed throughout the financial year						
Mr. Prahlad Rai Agarwala	Chairman (Whole-time Director)	229.60	Bachelor's degree in Law, B. Com, having an experience of more than 54 years	84	February 6, 1985	None
Mr. Ghanshyam Prasad Agarwala	Vice-Chairman (Whole-time Director)	122.40	B. Com, having an experience of more than 49 years	76	July 13, 1987	None
Mr. Kunj Bihari Agarwal	Managing Director	122.40	B. Com, having an experience of more than 47 years	72	July 17, 1987	None
Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer	122.40	B. Com, having an experience of more than 27 years in the textile industries	53	April 1, 2004	None
Mr. Mukesh Agarwal	Whole-time Director	122.40	B. Com, having an experience of more than 22 years in the textile industries	51	April 1, 2004	None
Mr. Ravi Agarwal ⁴	President	115.20	MBA in Marketing from Geneva, Switzerland, having an experience of more than 18 years	48	September 11, 2004	None
Mr. Manish Agarwal ⁵	President	115.20	Bachelor's degree in Mechanical Engineering, having an experience of more than 18 years	47	September 11, 2004	None
Mr. Vikash Agarwal ⁴	President	115.20	Diploma in Marketing Management from University of California, USA, having an experience of more than 18 years	45	September 11, 2004	None
Mr. Rajnish Agarwal ⁵	President	115.20	Master's in Business Administration in Marketing from University of Cardiff, having an experience of more than 18 years	44	September 11, 2004	None
Mr. Dinesh Kumar Lodha ⁶	Chief Executive Officer	434.85	CA, CS, Black Belt (Quality Certification) – Lean Six Sigma, GE USA, Graduated from GE Crotonville, USA in Executive & Strategic Leadership (GE MDC), Global Director Course in Samsung leadership center in Korea for 2 weeks, Graduated from ISB Hyderabad on marketing strategies in competitive environment, having an experience of more than 25 years	50	February 25, 2019	Group CEO – (India and Global Business) Healthium Medtech (Apax portfolio company) Formerly known as Sutures India

Annexure to the Board's Report

Notes:

- 1) *Remuneration includes salary, commission, bonus, allowances and monetary value of perquisites but excludes gratuity provision.*
- 2) *All appointments are contractual.*
- 3) *The inter-se relation between the Directors of the Company has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.*
- 4) *Mr. Ravi Agarwal and Mr. Vikash Agarwal, employed throughout the Financial Year, were in receipt of remuneration for the year, at a rate, which was in excess of that drawn by a Whole-time Director of the Company and they hold 2.19% and 2.37% of the equity shares of the Company, respectively. Mr. Ravi Agarwal and Mr. Vikash Agarwal are sons of Mr. Kunj Bihari Agarwal, Managing Director of the Company.*
- 5) *Mr. Manish Agarwal and Mr. Rajnish Agarwal are sons of Mr. Ghanshyam Prasad Agarwala, Vice-chairman, and brothers of Mr. Mukesh Agarwal, Whole-time Director.*
- 6) *Mr. Dinesh Kumar Lodha is not related to any Director of the Company.*
- 7) *The above details include details of top ten employees of the Company, in terms of remuneration drawn during the Financial Year 2021-22.*

By Order of the Board
For **Rupa & Company Limited**

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Place: Kolkata
Date: May 23, 2022

Annexure to the Board's Report

Annexure – 4

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

[Pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) Conservation of Energy

(i) Steps taken or impact on conservation of energy:

All units of the Company continued their efforts to improve energy usage efficiencies, reduce energy consumption and find alternate source of energy to align with the Company's overall sustainability approach. This is done by adopting an approach of continual improvement process like energy related parameters are monitored on regular basis, regular maintenance of machinery, installation of automated machines and watchful supervision which results in reduction in energy consumption.

Some of the steps undertaken:

- (a) Installation of a Heat Recycling System whereby the heat from the discharged affluent is trapped and used for heating of normal water from 30 to 65 degrees without using any extra energy.
- (b) Condensed water from the steam is recycled to heat water, thereby, saving energy.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

Instead of furnace oil, diesel or wood, the Company tries to use paddy husk as fuel for the boiler for generating power as and when possible. The Company has also installed Turbine to generate electricity.

(iii) Capital investment on energy conservation equipment's:

No direct identifiable investment pertaining to conservation of energy was done during the year. Hence the amount of investment cannot be directly measured.

(B) Technology Absorption

(i) Efforts made towards technology absorption:

The Company has always been aware of the latest technological developments and adapted them to make products more cost effective and to attain high levels of quality.

(ii) Benefits derived through use of machines:

By using new technology, the Company is being able to get more accuracy in cutting fabrics, resulting in huge savings of fabrics, thus, leading to reduced consumption. At the same time, it also helps the Company to reduce the number of days of work in progress. Also, there is an improvement in the quality.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):

- (a) **Details of technology imported:** The Company has imported machines with the latest and updated technology. Several cutting machines, knitting machines, spreader machine, PLC controlled multi chamber stenter and compactor and slitting machine including accessories have been imported during the last three years. The said machines were purchased from Morgan Tecnica SPA, Italy, Unitex Texmac Pte Ltd, Singapore, Bierrebi Italia SRL, Italy, Mahela Machines India Ltd (Bullmer), Bruckner Textile technologies GmbH & Co. KG, Germany and Ferraro SPA, Italy, Unitex Texmac Pte Limited, China.

- (b) **Year of import:** 2018-19, 2020-21, 2021-22.

- (c) **Whether the technology has been fully absorbed:** Yes.

(iv) Expenditure incurred on Research and Development: Nil.

Annexure to the Board's Report

(C) Foreign Exchange Earnings and Outgo

Foreign Exchange earned in terms of actual inflows during the year	:	₹ 2,345.33 lakhs
Foreign Exchange outgo during the year in terms of actual outflows	:	₹ 153.20 lakhs

By Order of the Board
For **Rupa & Company Limited**

Prahlad Rai Agarwala

Chairman

DIN: 00847452

Place: Kolkata
Date: May 23, 2022

Annexure to the Board's Report

Annexure – 5

MR-3

SECRETARIAL AUDIT REPORT

FOR THE YEAR FROM APRIL 1, 2021 TO MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Rupa & Company Limited
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor
Kolkata-700071

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rupa & Company Limited** (hereinafter called the "*Company*"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2021 to March 31, 2022 (hereinafter referred to as "*Audit Period*"), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 and as shown to us during our audit, according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. Secretarial Standard -1 & Secretarial Standard – 2 issued by ICSI.
3. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
4. The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
5. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings, if any;
6. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) viz:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – *Not applicable during the Audit Period*;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – *Not applicable during the Audit Period*;

Annexure to the Board's Report

- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021 – *Not applicable during the Audit Period*; and
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – *Not applicable during the Audit Period*.
7. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
 - a. Environment Protection Act, 1986;
 - b. The Air (Prevention & Control of Pollution) Act, 1981;
 - c. The Water (Prevention & Control of Pollution) Act, 1974
 - d. The Legal Metrology Act, 2009;
 - e. Intellectual Property Acts;
 - f. Consumer Protection Act, 1986

The Company has further confirmed that during the Audit Period they have not contravened any of the provisions of the above specific laws and had obtained all the requisites registrations, permits and licenses except in some units where few licenses are under process of renewal.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent directors. No changes in the composition of the Board of Directors took place during the Audit Period.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.
4. We have found following material events during the Audit Period which has major bearing on the Company's affairs in pursuance of any of the laws, Rules, Regulations or Guidelines covered by this audit:

Composite Scheme of Arrangement under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 between Rupa & Company Limited and Oban Fashions Private Limited, WOS and their respective Shareholders and Creditors for demerger of Demerged Undertaking of Oban Fashions Private Limited into Rupa & Company Limited

On December 09, 2020, the Board of Directors, after discussing the rationale of the Scheme, has approved the draft Scheme of Arrangement ('Scheme') between Rupa & Company Limited (the 'Company') and Oban Fashions Private Limited ('Oban'), a wholly owned subsidiary of the Company, to demerge the Premium Brand Undertaking of Oban into the Company, subject to necessary approvals from the concerned authorities, with effect from April 01, 2021 as the Appointed Date. The Scheme do not proposes any share allotment by the Company, as it is a demerger of WOS with the holding company.

Annexure to the Board's Report

On March 26, 2021, the shareholders and creditors of the Company have approved the Scheme in separate meetings of shareholders and creditors respectively, convened by the Hon'ble National Company Law Tribunal (NCLT).

The Hon'ble Kolkata Bench vide order dated July 26, 2021, has approved the Scheme of Arrangement between Oban and the Company. The certified copy of the Order was filed with the Registrar of Companies, West Bengal, on August 12, 2021. Requisite disclosures have also been made to the Stock Exchanges in this regard.

The Hon'ble Mumbai Bench vide Order dated November 25, 2021 (uploaded on NCLT's website on January 5, 2022) has sanctioned the said Scheme. The certified copy of the Order of the Hon'ble Mumbai Bench was filed with the Registrar of Companies, Maharashtra, on January 17, 2022. Requisite disclosure has been made to the Stock Exchanges.

Therefore, the demerger has become effective on January 17, 2022, w.e.f. Appointed Date i.e. April 1, 2021. In this regard, the stand-alone as well as the consolidated financial accounts of the Company for the FY 2020-21 were revised and re-stated to give effect to the demerger.

Procedure for monitoring and ensuring compliance with General Laws

We have been informed that a proper procedure has been laid down to monitor and ensure compliance with general laws. On perusal of the documents provided by the Company, we observed that the Company has a system of ensuring compliance with applicable laws. The Company Secretary of the Company also provides an internal compliance certificate which is placed in the Board Meetings.

Our Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with the annexure to this letter.

Thanking you,

For **Nidhi Bagri & Company**

(Practising Company Secretaries)

(Nidhi Bagri)

Proprietor

ACS No. 24765

C.P.No. 9590

Date: May 23, 2022

Place: Kolkata

UDIN : A024765D000363191

Peer Review Cert no. 2103/2022

Annexure to the Board's Report

ANNEXURE TO SECRETARIAL AUDIT REPORT

May 23, 2022

To,

The Members,

Rupa & Company Limited

1, Ho Chi Minh Sarani,

Metro Tower, 8th Floor

Kolkata-700071

Our Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter.

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

Thanking you,

For **Nidhi Bagri & Company**

(Practising Company Secretaries)

(Nidhi Bagri)

Proprietor

ACS No. 24765

C.P.No. 9590

UDIN : A024765D000363191

Peer Review Cert no. 2103/2022

Annexure to the Board's Report

Annexure – 6

BUSINESS RESPONSIBILITY REPORT

For the Financial Year ended March 31, 2022

[Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L17299WB1985PLC038517
2.	Name of the Company	Rupa & Company Limited
3.	Registered address	1, Ho Chi Minh Sarani, Metro Tower, 8 th Floor, Kolkata -700071
4.	Website	www.rupa.co.in
5.	E-mail ID	cs@rupa.co.in
6.	Financial Year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing of knitted apparel including hosiery- 14309
8.	Key products/services that the Company manufactures/ provides	Manufacturing and sale of Hosiery Goods
9.	Total number of locations where business activity is undertaken by the Company a) Number of International Locations b) Number of National Locations	<p>The Company exports to several countries, however there are no permanent establishment's outside India. **</p> <p>The Company carries out its operation through its registered/corporate office situated in Kolkata and has several offices/warehouses and stores across India. The Company has manufacturing facilities at 4 locations across India. The details of the same are given in the Corporate Governance Report, forming part of this Annual Report.</p>
10.	Markets served by the Company	The Company's products have national presence and some of the products are exported as well.

** The Company has a subsidiary based out of Bangladesh, however the same has not yet started its operations.

Section B: Financial Details of the Company

1.	Paid-up Capital (₹ in Lakhs)	795.25
2.	Total Turnover (₹ in Lakhs)	1,42,867.48
3.	Total Profit after Taxes (₹ in Lakhs)	19,076.00
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after taxes	The Company has spent ₹ 285.80 Lakhs during the FY 2021-22 and has adjusted the surplus of ₹ 42.70 lakhs arising out of previous year. Accordingly, the Company fulfilled its CSR liability of ₹ 328.50 for the FY 2021-22.

Annexure to the Board's Report

5.	List of activities in which expenditure in 4 above has been incurred	The Company has carried out various CSR activities, as prescribed under Schedule VII of the Companies Act, 2013. The details of such activities are annexed to the Board's Report, forming part of this Annual Report.
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Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	The Company has 5 (five) Wholly-owned Subsidiaries, details of which are provided in the Board's Report.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company?	No, the Subsidiary Companies do not participate in the BR initiatives of the Company. However, the Company encourages its subsidiary companies to participate in the BR initiatives of the Company.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	Other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, do not participate in the BR initiatives of the Company.

Section D: BR (Business Responsibility) Information

The Board of Directors of the Company has entrusted the Corporate Social Responsibility (CSR) Committee of the Board, with the responsibility of BR implementation, reporting and other related matters. The terms of reference of the CSR Committee includes the activities relating to BR implementation and other related matters and the same is available on the website of the Company, at the link, <https://rupa.co.in/livesite/wp-content/uploads/2019/10/Corporate-Social-Responsibility-Committee.pdf>

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

DIN	00224857
Name	Mr. Kunj Bihari Agarwal
Designation	Managing Director

b) Details of the BR head

DIN (if applicable)	08067989
Name	Mr. Niraj Kabra
Designation	Executive Director
Telephone Number	+91-33-40573100
E-mail ID	niraj.kabra@rupa.co.in

2. **Principle-wise (as per NVGs) BR Policy/policies:** The Company operates with a strong belief that giving back to the society and contributing towards its sustainable development is every organizations responsibility. The Company practices highest standards of corporate and individual behaviour in the conduct of business and the discharge of their duties. The Company focuses on the areas of ethical risk, integrity and honesty, provides guidance to help individuals to recognize and deal with ethical issues and help foster a culture of honesty, integrity and accountability.

The BR Policy of the Company is based on the National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business (NVGs) issued by the Ministry of Corporate Affairs, Government of India.

This Policy is supported by the Code of Conduct and Business Ethics of the Company which describes the standards that everyone, at Rupa & Company Limited, follows.

Annexure to the Board's Report

The National Voluntary Guidelines provide the following nine principles.

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment.
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of Compliance (Reply in Y/N)

Principle-wise as per National Voluntary Guidelines (NVGs) BR Policy/Policies:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policy is based on National Voluntary Guidelines on Social, Environmental & Economical Responsibilities of Business released by Ministry of Corporate Affairs, Government of India.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The BR Policy has been signed by the Chairman of the Company.								
5.	Does the Company have a specified Committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is authorised to oversee the implementation of the Business Responsibility Policy, reporting and other related matters.								
6.	Indicate the link for the policy to be viewed online?	The BR Policy can be viewed at: https://rupa.co.in/livesite/wp-content/uploads/2018/12/Business_Responsibility_Policy1.pdf . For further reference on various policies, the same can be viewed in link, as mentioned in the following notes:								
		6a		6b	6c	6d			6e	

Annexure to the Board's Report

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Audit/ evaluation has been carried out with the internal resources.								

Notes to the Clause 2(a)(6):

6(a) - Code of Conduct and Business Ethics: https://rupa.co.in/livesite/wp-content/uploads/2022/04/Code_of_Conduct.pdf

Whistle Blower Policy: https://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf

6(b) - Whistle Blower Policy: https://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf

6(c)- CSR Policy: https://rupa.co.in/livesite/wp-content/uploads/2021/03/Corporate_Social_Responsibility_Policy.pdf
Whistle Blower Policy: https://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf

Dividend Distribution Policy: <https://rupa.co.in/livesite/wp-content/uploads/2018/12/Dividend-Distribution-Policy.pdf>

6(d) - Whistle Blower Policy: https://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf

6(e) - CSR Policy: https://rupa.co.in/livesite/wp-content/uploads/2021/03/Corporate_Social_Responsibility_Policy.pdf

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not applicable

3. Governance related to BR

a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:** The CSR Committee of Board of Directors assesses the BR Performance of the Company, annually.

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?** – The Business Responsibility Report, forms part of the Annual Report for the Financial Year 2021-22. The same is also available on the Company's website, www.rupa.co.in.

Section E: Principle-wise Performance

PRINCIPLE 1- BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1) **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?** – The Policy relating to ethics, bribery and corruption covers only the Company and its employees. The Company strives to maintain the highest standards of ethics in all spheres of its business activities. It is our endeavor to inculcate ethical behavior at all levels across the Company, making it an essential part of the work culture. Apart from BR Policy, the Company has following policies dealing with ethics, transparency and accountability:

Code of Conduct and Business Ethics: This Code is applicable to Company's directors, senior management and employees. All concerned are required to strictly adhere to this Code of Conduct and Business Ethics. The Company

Annexure to the Board's Report

ensures maximum appropriate disclosure to its various stakeholders without impacting its strategic intent.

Whistle Blower Policy: Company's Whistle Blower mechanism provides an avenue to address concerns, in line with the Company's policy of highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, as well as timely redressal of concerns and disclosures to build and strengthen a culture of transparency and trust in the Company.

This Policy does not extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others. However, the Company encourages them to participate in the BR initiatives of the Company.

- 2) **How many stakeholder complaints have been received in the Financial Year under review and what percentage was satisfactorily resolved by the management?** – During the Financial Year, 1 (one) Shareholder's complaint was received by the Company. No complaints were pending as on March 31, 2022. All communications/ queries received, were resolved, by the Company, to the satisfaction of the Shareholders. Customers' complaints and other correspondence are attended promptly by the Company.

PRINCIPLE 2 - BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

- 1) **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities** – The Company is engaged in manufacturing and sale of the hosiery and related products and services. The Company ensures that the goods it produces meets the safety standards. The manufacturing units of the Company meet applicable environmental norms. The Company ensures that its business goals are pursued without compromising on social or environmental concerns.
- 2) **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.)** – The Company ensures that it keeps balance of the social, environmental and economic impact of the business it conducts. The Company also ensures that its business goals are pursued without compromising any of the three elements, throughout the life cycle of the goods, from design to disposal/ delivery, i.e., from acquisition of raw materials through manufacturing and processing, smart packaging, distribution and transportation, use and reuse, recycling and disposal. The details of steps taken by the Company for conservation of energy has been detailed out in the Board's Report, forming part of this Annual Report.
- 3) **Does the Company have procedures in place for sustainable sourcing (including transportation)?** – The Company strives to use all the resources viz. raw materials, natural resources and other resources, like, electricity, air, power, etc., sustainably, with maximum optimisation at all stages, including recycling the same to the extent possible. The Company also regularly advises its employees, workers, engineers, value chain members including suppliers and distributors, customers and recyclers, on optimum utilisation of resources.
- 4) **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?** – The Company strives to procure goods from local & small producers. The Company also outsources some of its jobs to local contractors and job-workers.
- 5) **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).** – The Company ensures that the waste products generated during the process of manufacturing are re-cycled or the by-products generated, if any, are put to best possible use to safeguard the environment from over utilization of resources and minimize the hazards. The Company has installed plant and machinery with latest technology which reduces the wastage. The Company strives to reduce its own environmental footprints, influence the stakeholders in order to encourage them to reduce their footprints and engage with the employees to help reduce their personal footprints.

The waste cutting fabrics are being sold to third party for recycling thereof to make it reusable in some manner and accordingly more than 90% of the wastes are recycled.

Annexure to the Board's Report

PRINCIPLE 3 - BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

- 1) **Total number of permanent employees**– 1152
- 2) **Total number of employees hired on temporary/contractual/casual basis**– 1420
- 3) **Number of permanent women employees**– 136
- 4) **Number of permanent employees with disabilities**– The Company does not follow differential recruitment policy based on employees' demographic details and physical abilities. Hence, this number is not tracked.
- 5) **Do you have an employee association that is recognized by management**– No, there is no trade union in the factories of the Company. Employees have formed Works Committee in manufacturing units to address the grievances.
- 6) **Percentage of permanent employees who are members of this recognized employee association**– Not applicable.
- 7) **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year**–

No.	Category	No of complaints filed during the Financial Year	No of complaints pending as on end of the Financial Year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

- 8) **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?** –Human Resources function is instrumental in creating and developing human capital in alignment with the Company's requirement. One of the key focus areas in the Company's objective is to groom and to train employees. It imparts training to its employees at regular intervals, which enrich their knowledge, skill and competency to perform their job effectively and efficiently. Workplace safety training is also being provided to the workmen to enhance their knowledge and skills, they need to protect equipment, facilities and unintentional physical injuries. Training has been provided to the workforce according to the training module.

PRINCIPLE 4 - BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.

- 1) **Has the Company mapped its internal and external stakeholders? Yes/No** – Yes, the Company has mapped its internal and external stakeholders. We recognise employees, business associates (network of suppliers, stockists and dealers), customers, shareholders/ investors, communities surrounding our operations and regulatory authorities as our key stakeholders.
- 2) **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?** – The Company believes that all its stakeholders are not equally influential and therefore it encourages to proactively engage with and responds to safeguard the interest of those that are disadvantaged, vulnerable and marginalized and who are at an underdeveloped area. The Corporate Social Responsibility (CSR) initiatives undertaken by the Company has been driven towards the benefit of the disadvantaged, vulnerable and marginalized stakeholders.
- 3) **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?** – The initiatives taken by the Company have been detailed out in the Annual Report on CSR activities, which has been annexed to the Board's Report, forming part of this Annual Report.

PRINCIPLE 5 - BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

- 1) **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?** – In Rupa, the issues related to human rights are covered under

Annexure to the Board's Report

the Code of Conduct and Business ethics and Whistle Blower Policy, apart from the BR Policy, which covers only the Company and its employees. The Company understands and continuously strives to promote human rights.

- 2) **How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?** - No complaint was received pertaining to human rights violation during the past Financial Year. Details of complaints received from shareholders have been dealt in clause 2 of Principle 1.

PRINCIPLE 6 - BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

- 1) **Does the policy related to Principle 6, cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?** – The Policy related to Principle 6 cover only the Company. However, the Company encourages that the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others should follow the underlying standard stated under this principle.
- 2) **Does the Company has strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage, etc.** – The Company ensures undertaking of pollution control measures not only at all stages of production but also within the workplace, i.e., within the administrative offices, units, depots and such other places where the Company operates.
- 3) **Does the Company identify and assess potential environmental risks? Y/N** – The Company assesses the potential environmental risks periodically by gauging the environmental impacts of the existing practices and procedures adopted by the Company and the extent to which practices can be modified so as to mitigate the environmental damage and to reduce adverse impact on environment by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
- 4) **Does the Company has any project related to Clean Development Mechanism?** – No, the Company does not have any project related to Clean Development Mechanism.
- 5) **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.?** – The Company continuously endeavour to use the latest energy efficient technologies to ensure optimal utilisation of the resources without having to compromise with the quality of its products. The Company has in place an Environment Management Systems (EMS) which deals with preventing, mitigating and controlling environmental damages and disasters and also devises plans to deal with contingencies.
- 6) **Are the emissions/ waste generated by the Company within the permissible limits given by CPCB/ SPCB for the Financial Year being reported?** – During the Financial Year, the emissions, solid waste and effluent generated were within the limits as prescribed by CPCB or SPCB.
- 7) **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year**– No show cause/ legal notices have been received from CPCB/ SPCB during the Financial Year.

PRINCIPLE 7- BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER.

- 1) **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with** – The Company strives to engage with the Government and be a part of various chambers and associations to make recommendations/ representations before regulators and associations for advancement and improvement of the industry to which it pertains. The executives of the Company participate and play an active role in committees, associations, etc., constituted for industry reforms and advancement. The Company or its executive(s) is/ the member, or associated with the (a) Indian Chamber of Commerce; (b) Federation of Hosiery Manufacturers Association of India; (c) West Bengal Hosiery Association; and (d) South India Hosiery Association.
- 2) **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No** – The Company shall perform the function of policy advocacy in a transparent and responsible manner while engaging with all the authorities and shall take into account the Company's interest as well as the larger national interest.

Annexure to the Board's Report

The Company believes that policy advocacy must preserve and expand public good and thus, it does not advocate any policy change to benefit itself alone or a select few.

PRINCIPLE 8 - BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

- 1) **Does the Company has specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8?** – Yes, the Company supports the principles of inclusive growth and equitable development through not just its Corporate Social Responsibility initiatives but through its core business as well.
- 2) **Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?** – The Company undertakes programmes/ projects directly through in-house team as well as through other trusts, NGOs, etc.
- 3) **Have you done any impact assessment of your initiative?** – Yes, the Company internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.
- 4) **Company's direct/ indirect contribution to community development projects and the details of the projects undertaken** – The Company's contribution to the community development projects undertaken during the year through its CSR activities is Rs. 285.80 lakhs. The details are given in Annexure – 1 to the Board's Report, forming part of this Annual Report. Apart from this, the Company also contributes, directly or indirectly, towards development projects for the community benefit.
- 5) **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?** – The Company continuously engages with communities surrounding their operations through focused approach. This is done to gauge the needs, priorities and expectations of the local community. Initiatives are, thus designed and delivered in a transparent manner in line with inputs from the community itself. We also try to create sustainable infrastructure/ programmes so that it should be continued on sustainable basis. The Company also takes reports from the implementing agencies to ensure the utilization of the fund.

PRINCIPLE 9 - BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

- 1) **What percentage of customer complaints/ consumer cases are pending as on the end of Financial Year?** – The Company addresses the customer/ consumer complaints, if any, promptly on priority basis. There was no customer/ consumer complaint pending as at the end of the Financial Year. The Company has dedicated email id and Toll free number to address customer complaints.
- 2) **Does the Company display product information on the product label, over and above what is mandated as per local laws?** – The Company understands the importance of fair disclosure of the description of its products and thereby, ensures to disclose, truthfully and factually, such relevant information including risks about the product, as may be required statutorily, through labelling so that the consumers can exercise their freedom to consume in a responsible manner.
- 3) **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year** – No case of material nature has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on the end of Financial Year.
- 4) **Did your Company carry out any consumer survey/ consumer satisfaction trends?** – The Company engages with its consumers on an ongoing basis and conducts methodical research on their satisfaction with respect to its products and advertisements. We undertake regular brand tracking exercises to assess brand preference scores and impact of our advertisements.

By Order of the Board
For **Rupa & Company Limited**

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Place: Kolkata
Date: May 23, 2022

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is a system by which corporate entities are directed and controlled, encompassing the entire mechanics of the functioning of a Company. Good Corporate Governance practices are a *sine qua non* for sustainable business that aims at generating long term value to all its shareholders and other stakeholders.

The Company believes that strong governance standards, focusing on fairness, transparency, accountability and responsibility are vital not only for the healthy and vibrant corporate sector growth, but also for inclusive growth of the economy. The Company has always focused on good Corporate Governance, which is a key driver of sustainable corporate growth and long term value creation for its stakeholders. The Company has measures to periodically review and revise the Corporate Governance practices by subjecting business processes to audits and checks that measures up to the required standards. The Company believes that Corporate Governance is not just limited to creating checks and balances; it is more about creating organizational excellence leading to increasing employee and customer satisfaction and shareholder value. The Company always endeavors to leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision and spark dynamism and entrepreneurship at all levels.

2. BOARD OF DIRECTORS

I. COMPOSITION OF THE BOARD

The Board of Directors ('Board') provides leadership, strategic guidance and independent view to the Company's management while discharging its responsibilities. Your Company firmly believes that a diversified and cohesive Board with strong independent representation is necessary to ensure the highest level of corporate governance. Accordingly, the Board has been constituted with distinguished persons having requisite knowledge and expertise in the field of business & industry, corporate governance, corporate finance, taxation, legal matters, strategic & risk management, marketing, etc.

The Board's composition is in accordance with the provisions of Section 149 of the Companies Act, 2013 (hereinafter referred to as 'Act') and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and has an optimum combination of Executive Directors and Non-Executive Directors, including Independent Directors and Woman Director. On March 31, 2022, the Board consists of 12 (twelve) Directors, 6 (six) of whom were Independent Non-Executive Directors including one Women Director, constituting 50% of the Board's strength and other 6 (six) were Executive Directors, 5 (five) of them belonging to Promoter Group of the Company and 1 (one) Executive Director Non-Promoter. The position of the Chairman of the Board and the Managing Director are held by separate individuals. The Chairman is an Executive Director.

Further, pursuant to Regulation 17(1A) of the Listing Regulations, the requisite approval by way of special resolution has been taken in relation to Non-Executive Director who has attained the age of 75 years. The Company does not have any alternate Director on its Board for any Independent Director in accordance with Regulation 25(1) of the Listing Regulations.

II. DIRECTORSHIP(S), COMMITTEE MEMBERSHIP(S)/CHAIRMANSHIP(S) AND SHAREHOLDING

Every Director on the Board notifies the Company on an annual basis about the Board and the Committee positions which he/she occupies in other Companies and constantly updates any changes therein. The number of Directorship(s), Committee Membership(s)/Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and the Listing Regulations.

Corporate Governance Report

The details of each member of the Board as on March 31, 2022 are given below:

Sl.No.	Name & Designation/ Category	DIN	Number of equity shares held in the Company *	Number of Directorship in other Companies #		Number of Membership/ Chairmanship of Committees of other Companies **		Names of the other Listed entities & category of directorship
				Unlisted Companies	Listed Public Companies	As Chairman	As Member (including chairmanship)	
1.	Mr. Prahlad Rai Agarwala (Chairman, Executive, Promoter)	00847452	21,52,506	10	0	-	-	-
2.	Mr. Ghanshyam Prasad Agarwala (Vice-chairman, Executive, Promoter)	00224805	13,17,148	2	0	-	-	-
3.	Mr. Kunj Bihari Agarwal (Managing Director, Promoter)	00224857	12,77,965	6	0	-	-	-
4.	Mr. Ramesh Agarwal (Executive, Promoter)	00230702	10,59,230	17	0	-	2	-
5.	Mr. Mukesh Agarwal (Executive, Promoter)	02415004	7,29,550	18	0	-	-	-
6.	Mr. Niraj Kabra (Executive, Non-Promoter)	08067989	123	1	0	-	-	-
7.	Mr. Dipak Kumar Banerjee (Independent Non-Executive)	00028123	-	1	1	-	2	i) Shristi Infrastructure Development Corporation Limited (Non-executive, Independent)
8.	Mr. Vinod Kumar Kothari (Independent Non-Executive)	00050850	-	4	1	-	1	i) Greenply Industries Limited (Non-executive, Independent)
9.	Mr. Ashok Bhandari (Independent Non-Executive)	00012210	-	6	5	-	7	i) Maithan Alloys Limited ii) Skipper Limited iii) IFB Industries Limited iv) Maharashtra Seamless Limited v) N.B.I. Industrial Finance Company Limited (Non-executive, Independent in all the above Companies)
10.	Mr. Dharam Chand Jain (Independent Non-Executive)	00453341	40,000	5	-	-	-	-
11.	Mrs. Alka Devi Bangur (Independent Non-Executive)	00012894	-	4	1	1	2	i) The Peria Karamalai Tea and Produce Company Limited\ (Managing Director, Executive)
12.	Mr. Sushil Patwari (Independent Non-Executive)	00023980	-	12	2	1	2	i) Nagreeka Exports Limited (Promoter, Executive) ii) Nagreeka Capital & Infrastructure Limited (Promoter, Non-Executive)

*Other Directorships includes Directorships in Public Limited Companies, Private Limited Companies as well as Section 8 Companies (i.e., Companies formed with charitable objects, etc.)

* Apart from as stated above the directors do not hold any other shares/convertible instruments.

**Only covers Membership/ Chairmanship of Audit Committee and Stakeholders' Relationship Committee of other Public Limited Companies.

Corporate Governance Report

III. CORE SKILLS, EXPERTISE, COMPETENCIES AND ATTRIBUTES OF THE DIRECTORS

Details of core skills/ expertise/ competencies required by the Board for efficient functioning of the Company, in the context of business of the Company and sector to which the Company belongs and status of those skills/expertise/ competence available with the Board as well as the directors who have such skills/ expertise/ competence, are as hereunder:

Sl	Broad parameters and summary	Skills/ Expertise/ Competencies	Status of availability with the Board	Name of Directors, who have such skills/ expertise/ competence											
				Prahlad Rai Agarwala	Ghanshyam Prasad Agarwala	Kunj Bihari Agarwal	Ramesh Agarwal	Mukesh Agarwal	Niraj Kabra	Dipak Kumar Banerjee	Vinod Kumar Kothari	Ashok Bhandari	Dharam Chand Jain	Alka Devi Bangur	Sushil Patwari
1	Understanding of business/ industry	Experience and knowledge of textile and hosiery business and sector and associated businesses;	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.	Yes	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓
3	Critical and innovative thoughts	The ability to critically analyze the information and develop innovative approaches and solutions to the problems.	Yes	✓	✓	✓	✓	✓	×	✓	✓	✓	×	✓	✓
4	Financial understanding	Ability to analyze and understand the key financial statements, assess financial viability of the business and efficient use of resources.	Yes	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Market understanding	Understanding of market, consumer behavior and sales.	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Corporate Governance Report

Sl	Broad parameters and summary	Skills/ Expertise/ Competencies	Status of availability with the Board	Name of Directors, who have such skills/ expertise/ competence											
				Prahlad Rai Agarwala	Ghanshyam Prasad Agarwala	Kunj Bihari Agarwal	Ramesh Agarwal	Mukesh Agarwal	Niraj Kabra	Dipak Kumar Banerjee	Vinod Kumar Kothari	Ashok Bhandari	Dharam Chand Jain	Alka Devi Bangur	Sushil Patwari
6	Corporate governance	Understanding of the corporate governance norms and practices for sustainable growth and for generation of long term value to all its stakeholders.	Yes	✓	x	✓	✓	x	x	✓	✓	✓	x	✓	✓
7	Risk and compliance oversight	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance, monitor risk and compliance management frameworks.	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	x	✓

IV. INTER-SE RELATIONSHIP AMONGST DIRECTORS

The relationship between the Directors inter-se has been depicted in the table below:

Sl.	Name	Designation	Relationship
1	Mr. Prahlad Rai Agarwala	Chairman (Whole-time Director)	Father of Mr. Ramesh Agarwal and brother of Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal
2	Mr. Ghanshyam Prasad Agarwala	Vice-Chairman (Whole-time Director)	Father of Mr. Mukesh Agarwal and brother of Mr. Prahlad Rai Agarwala and Mr. Kunj Bihari Agarwal
3	Mr. Kunj Bihari Agarwal	Managing Director	Brother of Mr. Prahlad Rai Agarwala and Mr. Ghanshyam Prasad Agarwala
4	Mr. Ramesh Agarwal	Whole-time Director cum Chief Financial Officer	Son of Mr. Prahlad Rai Agarwala
5	Mr. Mukesh Agarwal	Whole-time Director	Son of Mr. Ghanshyam Prasad Agarwala

Apart from the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

Corporate Governance Report

V. BOARD PROCEDURE AND FLOW OF INFORMATION

The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board is involved in all the important decisions relating to the Company and policy matters, strategic business plans, new avenues of investment and expansion, compliance with statutory/ regulatory requirements, major accounting provisions, etc. The information, as specified in Regulation 17(7) of the Listing Regulations and Secretarial Standard – 1, as amended, is made available to the Board, wherever applicable. The Board meets at least once in a quarter to review the quarterly business and the financial performance of the Company, apart from other Board businesses. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. The Independent Directors provide an effective monitoring role and play an important role in the deliberations at the Board and Committee Meetings and bring to the Company their expertise in the fields of business, corporate governance, strategic & risk management, finance, management and law.

The agenda of the Board/Committee meeting are circulated amongst the Director's well in advance to enable the Board to take informed decisions. The agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting. The Board is free to take up any matter, apart from those included in the Agenda, for consideration with the permission of the Chairman and with the consent of majority of the Directors present in the Meeting.

Draft minutes of the proceedings of the meetings are circulated in time and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The Minutes of the Meetings of the Committees of the Board are placed before the Board Meeting of the Company for its review. Also, the Minutes of the Board Meetings of the Subsidiary Companies are placed at the Board Meetings of the Company for its review. Important decisions taken by the Board and its Committees are promptly communicated to the concerned departments. Action taken reports on decisions of the previous meetings are placed at the next meeting(s) for information and further recommended actions, if any.

VI. MEETING OF THE BOARD OF DIRECTORS

Four Board Meetings were held during the FY 2021-22 in compliance with the various provisions of the Act/ Listing Regulations. The Details of Board Meetings held are as follows:

Sl. No.	Name of the Directors	Attendance at Board Meetings held during the year						Attendance at last AGM held on August 31, 2021
		May 31, 2021	August 11, 2021	November 01, 2021	February 08, 2022	No. of meetings held	No. of meetings attended	
1	Mr. Prahlad Rai Agarwala	✓	✓	✓	✓	4	4	✓
2	Mr. Ghanshyam Prasad Agarwala	✓	✓	✓	✓	4	4	✓
3	Mr. Kunj Bihari Agarwal	✓	✓	✓	✓	4	4	✓
4	Mr. Ramesh Agarwal	✓	✓	✓	✓	4	4	✓
5	Mr. Mukesh Agarwal	✓	✓	✓	LOA	4	3	✓
6	Mr. Niraj Kabra	✓	✓	✓	✓	4	4	✓
7	Mr. Dipak Kumar Banerjee	✓	✓	✓	✓	4	4	✓
8	Mr. Vinod Kumar Kothari	✓	✓	✓	✓	4	4	✓
9	Mr. Ashok Bhandari	✓	✓	✓	✓	4	4	✓
10	Mr. Dharam Chand Jain	✓	✓	✓	✓	4	4	✓
11	Mrs. Alka Devi Bangur	✓	✓	✓	✓	4	4	✓
12	Mr. Sushil Patwari	✓	✓	✓	✓	4	4	✓
Board Strength		12	12	12	12	-	-	12
Number of Directors Present		12	12	12	11	-	-	12

Necessary quorum was present in all the meetings.

LOA stands for Leave of Absence

Corporate Governance Report

VII. INDEPENDENT DIRECTORS

In the opinion of the Board, all the Independent Directors of the Company meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management. The number of Directorship of all the Independent Directors is within the respective limits prescribed under the Act and Listing Regulations. None of the Independent Directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. All the Independent Directors of the Company have duly registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. None of the Independent Directors of the Company are on the Board of any other Company as Non-Independent Director where the Non-Independent Director of the Company is an Independent Director.

None of the Independent Director(s) of the Company have resigned during the year.

VIII. MEETING OF THE INDEPENDENT DIRECTORS

Independent Directors of the Company met separately on March 29, 2022 without the presence of Non-Independent Directors and members of management. Pursuant to Para VII of Schedule IV of the Act and Regulation 25(4) of the Listing Regulations, the following matters were, inter alia, reviewed and discussed in the meeting:

- performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- performance of Non-Independent Directors;
- performance of the Board as a whole;
- assessment of quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Independent Directors were assisted by an independent external facilitator to carry out the evaluation process. The outcome of the meeting was apprised to the Chairman of the Company.

IX. FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

All Independent Directors are taken through a detailed induction and familiarization programme at the time of their appointment on the Board of the Company. The induction programme is an exhaustive one that covers the history, culture, background of the Company and its growth over the last several decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Further, the Company, from time to time, familiarizes its existing Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The detail of familiarization programme is disclosed on the website of the Company and is available at the link https://rupa.co.in/livesite/wp-content/uploads/2022/03/Familiarization_Program_for_Independent_Directors_08.02.2022.pdf

X. REMUNERATION OF DIRECTORS

The Company has adopted a Nomination & Remuneration Policy to determine the compensation structure of the Executive/Non-Executive Directors. Remuneration of Executive and Non-executive Directors is determined by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders, where ever required. Presently, the Company does not have any stock option plan.

Corporate Governance Report

Remuneration paid to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending Board/ Committee meetings. The sitting fees of ₹ 90,000/- (Rupees Ninety Thousand only) is paid to each Non-Executive Director for attending each Meeting of the Board. Further ₹ 60,000/- (Rupees Sixty Thousand only) is paid for attending each Meeting of the Audit Committee and ₹ 25,000/- (Rupees Twenty-Five Thousand only) for attending each Meeting of the Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. Further, each Independent Director is paid sitting fees of ₹ 90,000/- (Rupees Ninety Thousand only) for attending their separate Meeting.

The shareholders of the Company at the AGM held on August 31, 2018, has approved the payment of profit related commission to Non-Executive Directors (Independent) of the Company, annually, for a period not exceeding 5 (five) consecutive Financial Years, commencing from the financial year 2017-18, up to 1% of the net profits of the Company in any Financial Year, subject to a maximum ceiling of ₹ 26,00,000/- (Rupees Twenty-Six Lakhs only), in aggregate, per annum. The said Commission would be divided amongst the Non-Executive Directors (Independent) in such manner, as decided by the Board of Directors of the Company.

The criteria of making payment to the Non-Executive Directors of the Company have been uploaded on the website of the Company at the link, http://rupa.co.in/livesite/wp-content/uploads/2018/12/Remuneration_Policy.pdf.

The sitting fees and commission paid during the Financial Year 2021-22, is given in the table below:

Name of Directors	Sitting fees (₹ in Lakhs)	Commission (₹ in Lakhs)	Total (₹ in Lakhs)	Period of appointment
Mr. Dipak Kumar Banerjee	8.65	5.00	13.65	Re-appointed in the AGM held on September 6, 2019, for a consecutive period of 5 (five) years, w.e.f. September 6, 2019.
Mr. Vinod Kumar Kothari	7.65	5.00	12.65	
Mr. Sushil Patwari	7.15	5.00	12.15	
Mr. Dharam Chand Jain	4.50	3.00	7.50	
Mrs. Alka Devi Bangur	4.50	3.00	7.50	Re-appointed in the AGM held on September 6, 2019, for a consecutive period of 5 (five) years, w.e.f. November 14, 2019.
Mr. Ashok Bhandari	8.40	5.00	13.40	Appointed w.e.f. August 10, 2018 for a consecutive period of 5 (five) years.
Total	40.85	26.00	66.85	

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company except for payment of remuneration.

Remuneration paid to Executive Directors

The appointment of Executive Directors is governed by resolutions passed by the Board of Directors and Shareholders of the Company, which covers the terms of such appointment and payment of remuneration to them. Remuneration paid to the Executive Directors were recommended by the Nomination and Remuneration Committee and approved by the Board and the Shareholders of the Company at General Meeting and is within the limits prescribed under the Act. The remuneration package of Executive Directors comprises of salary, commission, perquisites & allowances, performance bonus, etc. Annual increments are recommended by the Nomination and Remuneration Committee to the Board for their approval.

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Remuneration paid to the Executive Directors during the Financial Year 2021-22 is stated below:

Name of Directors	Salary & Allowances (₹ in Lakhs)	Commission (₹ in Lakhs)	Performance based Incentive* (₹ in Lakhs)	Perquisites (₹ in Lakhs)	Total (₹ in Lakhs)	Service Contract/ Notice Period/ Severance Fees*
Mr. Prahlad Rai Agarwala, Chairman (Whole-time Director)	129.60	100.00	-	-	229.60	Re-appointed w.e.f. April 1, 2020 for 5 (five) years
Mr. Ghanshyam Prasad Agarwala, Vice-Chairman (Whole-time Director)	122.40	-	-	-	122.40	Re-appointed w.e.f. April 1, 2021 for 5 (five) years
Mr. Kunj Bihari Agarwal, Managing Director	122.40	-	-	-	122.40	Re-appointed w.e.f. April 1, 2021 for 5 (five) years
Mr. Ramesh Agarwal, Whole-time Director-cum-Chief Financial Officer	86.40	-	36.00	-	122.40	Re-appointed w.e.f. April 1, 2020 for 5 (five) years
Mr. Mukesh Agarwal, Whole-time Director	86.40	-	36.00	-	122.40	Re-appointed w.e.f. April 1, 2020 for 5 (five) years
Mr. Niraj Kabra, Executive Director	21.37	-	-	-	21.37	Appointed for a period of 5 (five) years, w.e.f. February 12, 2018
Total	568.57	100.00	72.00	-	740.57	

*As per the terms of appointment and policy of the Company.

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulation which concern the Company and need a closer review. Each Committee is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meeting of all Committees are placed before the Board for review.

The Board has constituted the following committees.

A. Audit Committee

The composition of the Audit Committee is in accordance with the provisions of the Regulation 18 of the Listing Regulations and Section 177 of the Act. It is comprised of 6 (six) members, of which majority are Independent Directors including the Chairman of the Committee. All the members of the Audit Committee are financially literate and bring in expertise in the fields of accounting or related finance management. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

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During the financial year 2021-22, the Audit Committee met four times in compliance with the various provisions of the Act/ Listing Regulations. All the recommendations made by the Audit Committee during the year under review were duly accepted by the Board. The Chairman of the Audit Committee attended the last Annual General Meeting of the Company.

The composition of the Audit Committee as on March 31, 2022 and the details of meetings attended by the members are hereunder:

Name	Category	Position	Attendance at Committee Meetings held during the year					
			May 31, 2021	August 11, 2021	November 1, 2021	February 8, 2022	No. of meetings held	No. of meetings attended
Mr. Dipak Kumar Banerjee	Independent, Non-Executive	Chairman #	✓	✓	✓	✓	4	4
Mr. Vinod Kumar Kothari	Independent, Non-Executive	Member**	✓	✓	✓	✓	4	4
Mr. Ashok Bhandari	Independent, Non-Executive	Member	✓	✓	✓	✓	4	4
Mr. Sushil Patwari	Independent, Non-Executive	Member	✓	✓	✓	✓	4	4
Mr. Ramesh Agarwal	Promoter, Executive	Member	✓	✓	✓	✓	4	4
Mr. Mukesh Agarwal	Promoter, Executive	Member	✓	✓	✓	LOA	4	3
Committee Strength	-	-	6	6	6	6	-	-
Number of Directors Present	-	-	6	6	6	5	-	-

Necessary quorum was present in all the meetings.

LOA stands for Leave of Absence

**Mr. Vinod Kumar Kothari ceased to be the Chairman of the Audit Committee w.e.f 01-07-2021

Mr. Dipak Kumar Banerjee has been appointed as Chairman of the Audit Committee w.e.f 15-07-2021

Terms of Reference of Audit Committee

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The terms of reference of Audit Committee, as approved by the Board, include the following:

- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgement by management;
 - significant adjustments made in the Financial Statements arising out of audit findings;

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- e) compliance with listing and other legal requirement relating to financial statements;
- f) disclosure of any related party transactions;
- g) modified opinion(s) in the draft audit report;
- 5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6. reviewing, with the management, the statement of uses/ application of fund raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notices and report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8. approval or any subsequent modification of transactions of the Company with related parties;
- 9. scrutiny of inter-corporate loans and investments;
- 10. valuation of undertakings or assets of the Company, wherever it is necessary;
- 11. evaluation of internal financials controls and risk management systems;
- 12. reviewing, with the management, performance of Statutory and Internal Auditors; adequacy of the internal control systems;
- 13. reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14. discussion with Internal Auditors of any significant findings and follow up there on;
- 15. reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17. to look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18. to review the functioning of the Whistle Blower mechanisms;
- 19. approval of appointment of Chief Financial Officer (i.e. Whole-time Finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 20. carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 21. reviewing the following information:
 - i) management discussion and analysis of financial condition and results of operations;
 - ii) statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii) management letters/ letters of internal control weaknesses issued by the Statutory Auditors;
 - iv) internal audit reports relating to internal control weaknesses; and
 - v) the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee.

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vi) statement of deviations:

- a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
22. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision).
 23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
 24. reviewing the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
 25. to perform such other function as may be delegated by the Board of Directors from time to time.

The detailed terms of reference of the Audit Committee is also available on the website of the Company at the link, https://rupa.co.in/livesite/wp-content/uploads/2021/09/Audit_Committee-.pdf.

B. Nomination and Remuneration Committee

The Nomination & Remuneration Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. The Committee comprises of 3 (three) members, all being Independent Non-Executive Directors. The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

During the financial year 2021-22, the Nomination & Remuneration Committee met three times in compliance with the various provisions of the Act/ Listing Regulations.

The composition of Nomination and Remuneration Committee as on March 31, 2022 and the details of meetings attended by the members are given below:

Name	Category	Position	Attendance at Committee Meetings held during the year				
			May 31, 2021	August 11, 2021	February 8, 2022	No. of meetings held/entitled to attend	No. of meetings attended
Mr. Vinod Kumar Kothari	Independent, Non-Executive**	Chairman	✓	✓	✓	3	3
Mr. Dipak Kumar Banerjee	Independent, Non-Executive #	Member	✓	✓	✓	3	3
Mr. Sushil Patwari (ceased w.e.f. May 31, 2021)	Independent, Non-Executive	Member	✓	NA	NA	1	1
Mr. Ashok Bhandari (appointed w.e.f. May 31, 2021)	Independent, Non-Executive	Member	NA	✓	✓	2	2
Committee Strength	-	-	3	3	3	-	-
Number of Directors Present	-	-	3	3	3	-	-

Necessary quorum was present in all the meetings.

** Mr. Vinod Kumar Kothari has been appointed as Chairman of the Nomination and Remuneration Committee w.e.f 11-08-2021.

#Mr. Dipak Kumar Banerjee ceased to be the Chairman of the Nomination and Remuneration Committee w.e.f 11-08-2021.

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Terms of Reference of Nomination & Remuneration Committee

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The terms of reference of Nomination and Remuneration Committee, as approved by the Board, include the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. recommend to the board, all remuneration, in whatever form, payable to senior management;
7. shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance; and
8. To perform such other function as may be delegated by the Board of Directors from time to time.

The detailed terms of reference of the Nomination and Remuneration Committee is also available on the website of the Company at the Link, https://rupa.co.in/livesite/wp-content/uploads/2021/09/Nomination_Remuneration_Committee.pdf

Performance Evaluation Criteria for Independent Directors

Pursuant to the provisions of the Listing Regulations and as per the requirement of Schedule IV of the Act, the criteria and the brief details of the performance evaluation carried out of Independent Directors has been given in the Board's Report.

C. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 20 of Listing Regulations. The Committee comprises of 3 (three) members, one being Independent Director and the other two are Executive Directors. The Company Secretary of the Company acts as Secretary to the Committee.

During the financial year 2021-22, the Stakeholders Relationship Committee met two times in compliance with the various provisions of the Act/ Listing Regulations.

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The composition of the Committee as on March 31, 2022 and the details of meetings attended by the members are given below:

Name	Category	Position	Attendance at Committee Meetings held during the year			
			November 06, 2021	March 29, 2022	No. of meetings held	No. of meetings attended
Mr. Ashok Bhandari #	Independent, Non-Executive	Chairman	✓	✓	2	2
Mr. Ramesh Agarwal	Promoter, Executive	Member	✓	✓	2	2
Mr. Mukesh Agarwal	Promoter, Executive	Member	✓	✓	2	2
Committee Strength	-	-	3	3	-	-
Number of Directors Present	-	-	3	3	-	-

Necessary quorum was present in all the meetings.

LOA stands for Leave of Absence

**Mr. Sushil Patwari ceased to be a member w.e.f 31.05.2021

Mr. Ashok Bhandari was appointed as a member and Chairman w.e.f 31.05.2021

Terms of Reference of Stakeholders' Relationship Committee

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The terms of reference of Stakeholders Relationship Committee, as approved by the Board, include the following:

- (1) resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- (2) review of measures taken for effective exercise of voting rights by shareholders;
- (3) review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (4) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- (5) all such complaints directly concerning the shareholders / investors as stakeholders of the Company;
- (6) any such matters that may be considered necessary in relation to shareholders and investors of the Company.
- (7) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- (8) to review, approve or delegate transfer, transmission, transposition and mutation of shares/securities, including issue of duplicate certificates and new certificates on split/ sub-division/ consolidation/ renewal, and to deal with all related matters;

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(9) to review the dematerialization and rematerialisation of securities of the Company and such other related matters;

The detailed terms of reference of the Stakeholders' Relationship Committee is also available on the website of the Company at the link, https://rupa.co.in/livesite/wp-content/uploads/2019/03/Stakeholders_Relationship_Committee.pdf

D. Risk Management Committee

The composition of the Risk Management Committee is in compliance with the provision of Regulation 21 of the Listing Regulations. The Committee comprises of 8 (eight) member's. During the financial year 2021-22, the Risk Management Committee met two times in compliance with the various provisions of the Act/ Listing Regulations.

The composition of the Committee as on March 31, 2022 and the details of meetings attended by the members are given below:

Name	Category	Position	Attendance at Committee Meetings held during the year			
			February 03, 2022	March 29, 2022	No. of meetings held	No. of meetings attended
Mr. Dipak Kumar Banerjee	Independent Director	Chairman	✓	✓	2	2
Mr. Ashok Bhandari **	Independent Director	Member	✓	✓	2	2
Mr. Ramesh Agarwal	Promoter, Executive Director	Member	LOA	✓	2	1
Mr. Mukesh Agarwal	Promoter, Executive Director	Member	LOA	LOA	2	0
Mr. Vikash Agarwal	President	Member	✓	LOA	2	1
Mr. Dinesh Kumar Lodha **	Chief Executive Officer	Member	✓	✓	2	2
Mr. Niraj Kabra	Executive Director	Member	✓	✓	2	2
Mr. Arihant Kumar Baid	Manager-Finance & Accounts	Member	✓	✓	2	2
Committee Strength	-	-	8	8	-	-
Number of Members Present	-	-	6	6	-	-

Necessary quorum was present in all the meetings.

LOA stands for Leave of Absence

** Mr. Ashok Bhandari & Mr. Dinesh Kumar Lodha were appointed w.e.f 31.05.2021

Terms of Reference of Risk Management Committee

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The terms of reference of Risk Management Committee, as approved by the Board, include the following:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.

Corporate Governance Report

- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (7) To generally do all acts and things incidental to the powers hereinabove mentioned and to delegate all or any of the power(s) mentioned above in favour of any person(s) or director(s) of the Company;
- (8) Any other matter as the Risk Management Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The detailed terms of reference of the Risk Management Committee is also available on the website of the Company at the link, https://rupa.co.in/livesite/wp-content/uploads/2019/03/Risk_Management_Committee.pdf

E. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted in accordance with the provisions of Section 135 of the Act. The Committee comprises of 3 (three) members, one being the Independent Director and other two are the Executive Directors of the Company.

The Corporate Social Responsibility Committee assists the Board in effectively discharging the Company's corporate social responsibilities. The CSR Policy is available on the Company's website on http://rupa.co.in/livesite/wp-content/uploads/2021/03/Corporate_Social_Responsibility_Policy.pdf.

The composition of Corporate Social Responsibility Committee as on March 31, 2022 and the details of meetings attended by the members are given below:

Name	Category	Position	Attendance at Committee Meetings held during the year			
			May 31, 2021	February 08, 2022	No. of meetings held	No. of meetings attended
Mr. Prahlad Rai Agarwala	Promoter, Executive	Chairman	✓	✓	2	2
Mr. Kunj Bihari Agarwal	Promoter, Executive	Member	✓	✓	2	2
Mr. Dipak Kumar Banerjee	Independent, Non-Executive	Member	✓	✓	2	2
Committee Strength	-	-	3	3	-	-
Number of Directors Present	-	-	3	3	-	-

Necessary quorum was present in all the meetings.

Corporate Governance Report

Terms of Reference Corporate Social Responsibility Committee

The Terms of Reference of Corporate Social Responsibility Committee is reproduced below:

- (1) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- (2) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- (3) To monitor the CSR policy of the Company from time to time;
- (4) To oversee and make quarterly report to the Board about the utilization of the amounts earmarked for CSR activities in terms of the CSR policy;
- (5) To develop communication strategy to support the implementation of the Business Responsibility Policy and to ensure transparency of initiatives;
- (6) To develop an internal roadmap for implementation of the Business Responsibility Policy and review its effectiveness periodically;
- (7) To identify personnel(s) who shall be responsible for implementation of the Business Responsibility Policy;
- (8) To decide on any matter or doubt with regard to the applicability, interpretation, operation and implementation of the Business Responsibility Policy;
- (9) To research and thereby identify activities, strategies, initiatives for contribution towards each of the nine Principles of Business Responsibility enlisted by the Securities and Exchange Board of India and any additions thereto and recommend the implementation of the same based on their significance and viability;
- (10) To establish periodic priorities, targets, objectives, deliverables with respect to the nine Principles of Business Responsibility enlisted by Securities and Exchange Board of India and any additions thereto.
- (11) To track progress, monitor, oversee and review the effective implementation of the aforesaid Business Responsibility Policy in its spirit;
- (12) Examination and recommendation of the Business Responsibility Report for further approval of Board;
- (13) To formulate a system for grievance redressal mechanism related to the aforesaid Business Responsibility Policy;
- (14) To decide other incidental and ancillary steps as may be required in this connection;
- (15) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The detailed terms of reference of the Corporate Social Responsibility Committee is also available on the Company's website on <http://rupa.co.in/livesite/wp-content/uploads/2019/10/Corporate-Social-Responsibility-Committee.pdf>.

F. Operations Committee

Apart from the above statutory Committees, the Board of Directors has constituted Operations Committee to meet the specific business needs of the Company. The Operations Committee has been set up to oversee routine operations that arise in the normal course of the business, such as decision on banking relations, delegation of operational powers etc. The Committee comprises of Mr. Kunj Bihari Agarwal, Mr. Ramesh Agarwal, and Mr. Mukesh Agarwal, Directors of the Company. The Committee reports to the Board and the minutes of these meetings are placed before the Board for information.

Corporate Governance Report

4. COMPLIANCE OFFICER

Mr. Kundan Kumar Jha, was acting as the Company Secretary & Compliance Officer upto February 28, 2022. Mr. Manish Agarwal has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. March 1, 2022.

5. SHAREHOLDERS COMPLAINTS

One Shareholders' complaint was received during the Financial Year 2021-22 and the same was resolved. Further, there were no Shareholders' complaints pending either at the beginning of the Financial Year as well as at the end of the Financial Year.

6. SUBSIDIARY COMPANIES

The Wholly-owned Subsidiaries of the Company are unlisted and non-material.

The Minutes of the Board Meetings of the Subsidiaries are placed at the Board Meetings of the Company. Statement of important and significant transactions of the Subsidiaries is placed regularly at the Board Meetings of the Company. The Audit Committee of the Company reviews Financial Statement including the investments, if any, made by the Subsidiaries.

7. CODE OF CONDUCT

The Code of Conduct is the Company's statement of values and represents the standard of conduct which all employees are expected to observe in their business endeavours. The Code reflects the Company's commitment to principles of integrity, transparency and fairness. The Company has adopted a comprehensive Code of Conduct as required under the Listing Regulations and the said code is available on the website of the Company at the link, https://rupa.co.in/livesite/wp-content/uploads/2022/04/Code_of_Conduct.pdf.

All members of the Board and Senior Management Personnel have affirmed their compliance with the provisions of the Code of Conduct as on March 31, 2022, as required under Regulation 26(3) of the Listing Regulations and a declaration to this effect signed by the Managing Director and the Chief Executive Officer, forms part of this Annual Report.

8. CODE FOR PREVENTION OF INSIDER TRADING

In accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has adopted a 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' with a view to regulate trading in securities of the Company by insiders. The Company Secretary of the Company has been appointed as the Compliance Officer for the purposes of the Code.

The Company has also adopted 'Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code aims to set forth a framework and policy for fair disclosure of events and occurrences that could resolutely impact price of the Company's securities.

A copy of the aforesaid code is accessible on the Company's website at https://rupa.co.in/livesite/wp-content/uploads/2018/12/Code_of_Fair.pdf

9. CEO AND CFO CERTIFICATION

In terms of the provisions of the Listing Regulations, the Managing Director, Whole-time Director-cum-Chief Financial Officer (CFO) and Chief Executive Officer of the Company have given the annual certification on financial reporting to the Board and that the same forms part of this Annual Report.

Corporate Governance Report

10. GENERAL BODY MEETINGS

Details of the location and time where the last 3 (three) AGMs of the Company were held and the Special Resolutions passed therein:

Financial Year	Date & Time	Location/Mode	Special Resolutions Passed
2020-21 (36 th AGM)	August 31, 2021 at 11:00 a.m.	Held through Video Conferencing/Other Audio Visual Means (VC/OAVM) [Deemed Venue- Metro Tower, 8 th Floor, 1 Ho Chi Minh Sarani, Kolkata – 700 071]	a) Approval for revision in the terms of remuneration of Mr. Ghanshyam Prasad Agarwala (DIN: 00224805), Whole-time director of the Company. b) Approval for revision in terms of remuneration of Mr. Kunj Bihari Agarwal (DIN: 00224857), Managing Director of the Company.
2019-20 (35 th AGM)	September 18, 2020 at 11:00 a.m.	Held through Video Conferencing/Other Audio Visual Means (VC/OAVM) [Deemed Venue- Metro Tower, 8 th Floor, 1 Ho Chi Minh Sarani, Kolkata – 700 071]	a) Approval of re-appointment of Mr. Ghanshyam Prasad Agarwala (DIN: 00224805), as the Whole-time Director of the Company. b) Approval of re-appointment of Mr. Kunj Bihari Agarwal (DIN: 00224857), as the Managing Director of the Company.
2018-19 (34 th AGM)	September 6, 2019 at 11:00 a.m.	Kala Kunj, 48 Shakespeare Sarani, Kolkata – 700 017	a) Approval of re-appointment of Mr. Vinod Kothari (DIN: 00050850), as an Independent Director of the Company. b) Approval of re-appointment of Mr. Dipak Kumar Banerjee (DIN: 00028123), as an Independent Director of the Company. c) Approval of re-appointment of Mr. Sushil Patwari (DIN: 00023980), as an Independent Director of the Company. d) Approval of re-appointment of Mr. Dharam Kumar Jain (DIN: 00453341), as an Independent Director of the Company. e) Approval of re-appointment of Mrs. Alka Devi Bangur (DIN: 00012894), as an Independent Director of the Company. f) Adoption of a new set of Articles of Association of the Company

During the year, no Extra Ordinary General Meeting was convened nor was any approval of the shareholders obtained through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through Postal Ballot.

11. MEANS OF COMMUNICATION

- i) The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the format prescribed under the Listing Regulations. The approved financial results are forthwith sent to the Stock Exchanges, where the Company's shares are listed and are published, within the prescribed time period, in one of the prominent English business daily, the Economic Times and a local language newspaper, Ei Samay. The Company's Financial Results are displayed on the website of the Company at www.rupa.co.in.

Corporate Governance Report

- ii) Official news release are submitted to the stock exchanges and is also placed on the website of the Company at www.rupa.co.in.
- iii) Corporate presentations are made to institutional investors/analysts and are submitted to the stock exchanges and is also placed on the website of the Company, at the link- <http://rupa.co.in/corporate-information/>.
- iv) The Annual Report, inter alia containing, Audited Financial Statements, Directors' Report (including Management Discussion & Analysis Report, Corporate Governance Report, Business Responsibility Report), Auditors' Report and other important information are circulated to the members and forwarded to the stock exchanges and is also made available on the Company's website at <https://rupa.co.in/annual-report-annual-return/>.
- v) In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investor' on the Company's website gives information about the Company, its business and operations, CSR initiatives, information on various announcements made by the Company, status of unclaimed dividend, annual report, annual report of subsidiaries, financial results, policies of the company, shareholding pattern, corporate governance report, etc. The link of the investors section is <https://rupa.co.in/investors/>.
- vi) The Company has designated following email IDs exclusively for redressal of the investor grievances and the necessary disclosure to this effect has also been made on the Company's website, www.rupa.co.in: E-mail IDs: cs@rupa.co.in and investors@rupa.co.in.
- vii) The Company sends reminders for the unpaid dividend to the Shareholders as and when required.

12. GENERAL SHAREHOLDER'S INFORMATION

Detailed information in this regard is provided herein below:

i) Annual General Meeting

Wednesday, 17th August, 2022, 11.00 AM (IST) through Video Conferencing/ Other Audio Visual Means (VC/OAVM)

ii) Financial Year

The Company follows 1st April to 31st March as its Financial Year.

iii) Dividend

The dividend, as recommended by the Board of Directors, if approved at the ensuing AGM, will be paid at par to those Members, whose name shall appear on the Register of Members as on close of business hours on Wednesday, the August 10, 2022. If approved, Dividend shall be paid within 30 days from the date of declaration.

Unclaimed/ unpaid dividends and related shares

The dividend remaining unpaid/ unclaimed for a period of 7 (seven) years from the date of transfer to the Unpaid Dividend Account is required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF') administered by the Central Government. The dates of declaration of dividend and corresponding dates when unpaid/ unclaimed Dividends are due for transfer to the IEPF are as hereunder:

Financial Year	Date of declaration of dividend	Due Date for transfer to IEPF
2014-15	September 15, 2015	October 22, 2022
2015-16 (Interim)	March 11, 2016	April 17, 2023
2016-17	August 31, 2017	October 7, 2024
2017-18	August 31, 2018	October 7, 2025
2018-19	September 6, 2019	October 13, 2026
2019-20	September 18, 2020	October 25, 2027
2020-21	August 31, 2021	October 7, 2028

Corporate Governance Report

The details of the unpaid dividend can be accessed through the link: <http://rupa.co.in/unpaid-dividend/>

During the year ended March 31, 2022, the Company has transferred unclaimed and unpaid dividend for the Financial Year 2013-14, amounting to ₹ 1,79,980/- (Rupees One Lakh Seventy-Nine Thousand Nine Hundred and Eighty only), to the IEPF within the due date.

During the year ended March 31, 2022, 4,002 Equity Shares of ₹ 1/- each, held by 3 shareholders, in aggregate, whose dividends have remained unpaid or unclaimed for a period of seven consecutive years or more, has been transferred to the demat account of the IEPF Authority within the due date.

iv) Stock Exchanges on which shares are listed

The shares of the Company are listed at the below mentioned Exchanges:

Sl. No.	Name of the Stock Exchange	Address	Stock Code/ Symbol	ISIN
1.	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	RUPA	INE895B01021
2.	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	533552	

Annual Listing Fees, as prescribed, has been paid by the Company to BSE and NSE, for the Financial Year 2021-22

v) Market Price Data (Face Value of ₹ 1/- each)

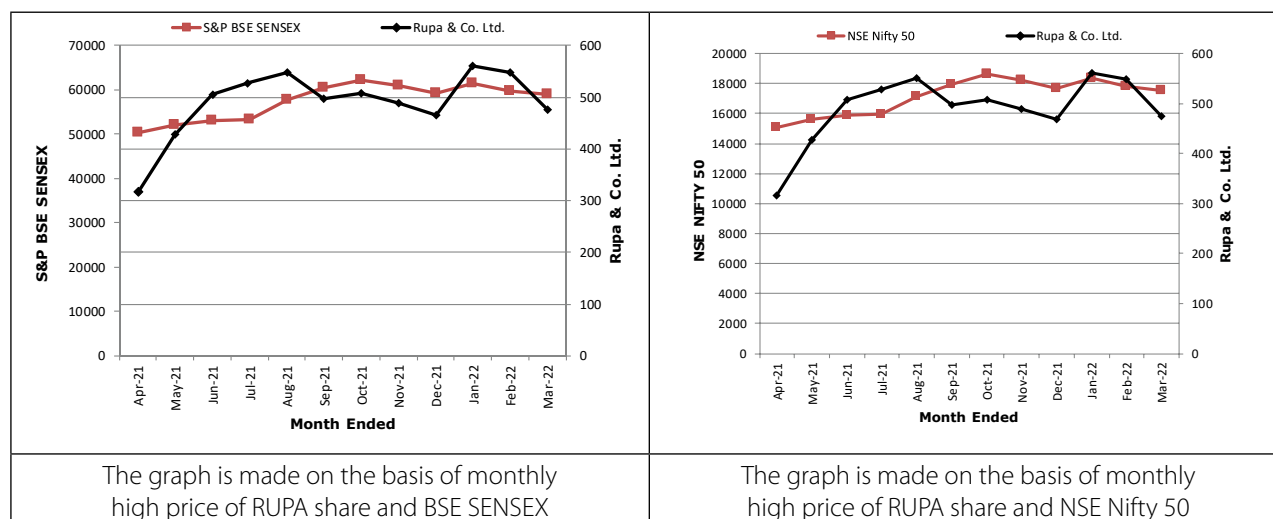
The monthly high and low quotations and volume of shares traded on BSE and NSE during the year are given below:

Month & Year	BSE			NSE		
	Month's high price (₹)	Month's low price (₹)	Volume (Numbers)	Month's high price (₹)	Month's low price (₹)	Volume (Numbers)
April, 2021	317.00	292.15	89,997	316.35	291.40	8,94,213
May, 2021	427.85	288.45	11,58,675	427.70	289.50	2,46,48,102
June, 2021	506.00	435.30	10,13,424	506.90	435.00	1,74,31,490
July, 2021	528.00	461.00	9,06,496	528.70	460.05	1,36,37,032
August, 2021	547.00	395.10	8,43,880	550.00	395.00	91,91,977
September, 2021	496.95	429.15	4,16,763	497.65	426.95	51,90,305
October, 2021	507.95	442.30	5,38,335	507.95	442.20	56,65,232
November, 2021	488.00	402.95	3,69,170	489.40	403.00	49,03,860
December, 2021	464.95	386.00	4,33,128	469.40	386.00	50,56,456
January, 2022	560.70	429.20	18,99,158	561.10	430.75	2,65,76,708
February, 2022	548.00	430.65	11,81,473	548.50	430.00	1,27,14,088
March, 2022	476.65	400.50	10,40,597	473.60	400.10	89,07,696

vi) Share Price Performance in comparison to broad-based indices, namely, BSE Sensex and NSE Nifty 50, respectively

Financial Year	BSE		NSE	
	% change in RUPA share price	% change in BSE SENSEX	% change in RUPA share price	% change in NSE Nifty 50
2021-2022	+41.37%	+17.45%	+41.38%	+18.02%

Corporate Governance Report



vii) **The securities of the Company were available for trading on NSE & BSE throughout the year and were not suspended for any period.**

viii) **Registrar and Share Transfer Agents (RTA)**

M/s. Maheshwari Datamatics Private Limited
 23 R. N. Mukherjee Road, 5th Floor
 Kolkata - 700001
 Phone: 033-2248 2248 / 033-2243 5029
 Fax: 033-2248 4787
 E-mail: mdpldc@yahoo.com

ix) **Share Transfer System**

Effective April 1, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository. Accordingly, the Company has stopped accepting any transfer requests for securities held in physical form.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

A summary of transmissions, dematerialization, re-materialization, etc. is placed before the Board at each meeting. The Company obtains yearly certificate from a Company Secretary in Practice under Regulation 40(9) of the Listing Regulations, confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the Listing Regulation.

The Company also obtains a compliance certificate under Regulation 7(3) of the Listing Regulations confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent and files the same with the Stock Exchanges on a yearly basis.

Reconciliation of Share Capital Audit is conducted every quarter by a Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The report is submitted to the Stock Exchanges.

Corporate Governance Report

x) Distribution of Shareholding as on March 31, 2022

Shareholding Range	Number of Holders	% of total number of Shareholders	Number of Shares	% of Shareholding
Upto 500	59,212	93.21	40,57,345	5.10
501 to 1,000	2,230	3.51	16,93,466	2.13
1,001 to 2,000	1,049	1.66	15,81,019	1.99
2,001 to 3,000	338	0.53	8,69,259	1.09
3,001 to 4,000	139	0.22	5,05,681	0.64
4,001 to 5,000	128	0.20	6,05,086	0.76
5,001 to 10,000	205	0.32	15,23,531	1.92
Above 10,000	224	0.35	6,86,89,173	86.37
Grand Total	63,525	100.00	79,524,560	100.00

xi) Shareholding Pattern as on March 31, 2022

Category	Number of Shares held	% of Share capital
A. Promoter & Promoter Group Shareholding		
Promoter & Promoter Group (Indian)	5,82,75,545	73.28
Sub-total (A)	5,82,75,545	73.28
B. Public Shareholding		
Public – Institutions		
Alternate Investment Funds	25,46,365	3.20
Foreign Portfolio Investors	11,64,822	1.47
Insurance Companies	5,35,838	0.67
Sub-total (B)	42,47,025	5.34
Public – Non-Institutions		
Bodies Corporate	30,45,462	3.83
Indian Public	13,262,043	16.68
Non Resident Individuals	3,82,984	0.48
IEPF Authority	43,624	0.05
Others	2,67,877	0.34
Sub-total (C)	17,001,990	21.38
Total (A+B+C)	7,95,24,560	100.00

xii) Dematerialization of Shares and liquidity as on March 31, 2022

As on March 31, 2022, 99.74% of the equity shares of the Company were held in dematerialized form, with 100% of the shareholding of Promoter(s) and Promoter Group being in dematerialized form. The Company is into an agreement with NSDL and CDSL, whereby shareholders have the option to dematerialize their shares with either of the two depositories.

Corporate Governance Report

Status of Dematerialization as on March 31, 2022

Particulars	Number of Shares	% to Total Paid-up Capital
NSDL	7,08,26,371	89.06
CDSL	85,10,775	10.70
Total Dematerialized	7,93,37,146	99.74
Physical	1,87,414	0.26
Total	7,95,24,560	100.00

xiii) Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Warrants or any Convertible Instruments, conversion date and likely impact on Equity

The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments.

xiv) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company does not have derivative and commodity instruments. Risk to Company from foreign currency exposure on import/ export transactions is very minimal. Further, such risks are managed through Internal Finance Controls. The details of foreign currency transactions are disclosed in Note No. 3.9 and Note No. 48 in the Notes to the Standalone Financial Statements.

xv) Details of credit ratings obtained by the Company along with any revisions thereto during the financial year 2021-22

The details of credit ratings obtained by the Company along with any revisions thereto during the financial year 2021-22, for all debt instruments are as hereunder:

Nature of instrument	Rating Agency	Date of Rating	Amount	Rating outstanding
Long Term Rating	CRISIL	29/09/2021	Rs.308 crores	CRISIL AA-/ Stable (Reaffirmed)
Short Term Rating				CRISIL A1+ (Reaffirmed)
Commercial Paper			Rs.180 crores	CRISIL A1+

xvi) Plant Locations

Jalan Industrial Complex, Bombay Road (National Highway 6) P.O. - Begri, Vill - Biprannapara, Howrah, West Bengal – 711 411	S.F. No.387/4, Angeripalayam Road, Angeripalayam Post, Dist. - Tirupur, Tamil Nadu – 640 602
Paridhan Garment Park, 19, Canal South Road, Kolkata – 700105	Premises No.2/104, Thekkalur Avinashi Road, Avinashi, Tirupur, Tamilnadu – 641 654
E-4, and E-6, Sector D-1 (P-3), Tronica City, Ghaziabad, U.P. – 201 102	Unit 4B, AMR Business Park, Kodihikanahalli Main Road, Bengaluru, Karnataka – 560 068

xvii) Address for Correspondence

For any queries relating to the shares of the Company, correspondence may be addressed at:

The Company Secretary
Rupa & Company Limited

Metro Tower, 8th Floor,
1, Ho Chi Minh Sarani, Kolkata – 700 071
Tel: +91-33-4057 3100; Fax: +91-33-2288 1362
E-mail ID: cs@rupa.co.in

Corporate Governance Report

13. DISCLOSURES

i) Disclosure on materially significant related party transactions, that may have potential conflict with the interests of the Company at large

All related party transactions entered by the Company during the financial year were at an arm's length basis. There are no materially significant related party transactions made by the Company with its subsidiaries, its promoters, directors or management, or their relatives, etc. that may have potential conflict with the interests of the Company at large. Further, disclosure of transactions with related parties is set out in Note No. 42 to the Standalone Financial Statements, forming part of this Annual Report.

The policy on Related Party Transactions has been uploaded on the website of the Company and is available at the link: https://rupa.co.in/livesite/wp-content/uploads/2022/03/Policy_on_Related_Party_Transactions.pdf.

ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 (three) years

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the Regulations and Guidelines of SEBI. Consequently, there were no strictures or penalties imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last 3 (three) years.

iii) Establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee

In terms of Regulation 22 of the Listing Regulations and Section 177 of the Act, read with the Rules made thereunder, the Company has established a vigil mechanism and framed a 'Whistle Blower Policy'.

Audit Committee looks into the complaints raised, if any, and their redressal. No personnel have been denied access to the Audit Committee and there were no cases reported during the Financial Year ended March 31, 2022.

The Policy has been uploaded on the website of the Company and the same is available at the link, <http://rupa.co.in/whistle-blower-policy/>.

iv) Policy on determining material subsidiaries

The policy for determining material subsidiaries is disclosed on the website and available on https://rupa.co.in/livesite/wp-content/uploads/2018/12/Policy_for_determining.pdf

v) Details of utilization of funds raised through preferential allotment or qualified institutions placement

The Company has not raised funds through preferential allotment or qualified institutions placement.

vi) Certificate from Company Secretary in Practice on Director's eligibility to hold office

The Certificate from M/s Nidhi Bagri & Company, Practicing Company Secretaries, stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority, forms part of this Annual Report.

vii) Incidence where recommendation of the Committees has not been accepted by the Board

During the Financial Year, there were no such instances where the Board had not accepted any recommendation of any Committee.

Corporate Governance Report

viii) Fees paid to Auditors

The following payments were made by the Company and its Subsidiaries to M/s Singhi & Co. Statutory Auditors and all the entities in the network firm/ network entity of which Statutory Auditors is a part during the financial year 2021-22:

Name of Company	Amount (₹ in lakhs)
Rupa & Company Limited	38.65
Oban Fashions Private Limited (WOS of the Company)	0.50
Total	39.15

ix) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were no complaint pending at the beginning of the year, no complaint received/ resolved during the year and no complaint pending at the end of the year.

x) Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount

During the Financial year 2021-22, the Company or its subsidiaries has not provided any loans and advances in the nature of loans to firms/companies in which directors are interested.

xi) Compliance with Corporate Governance requirements

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 and Para C of Schedule V of the Listing Regulations.

xii) Demat Suspense Account/ Unclaimed Suspense Account

There were no shares underlying in the demat suspense account or unclaimed suspense account.

14. STATUS OF COMPLIANCE WITH NON STATUTORY RECOMMENDATIONS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

- The Company has an Executive Chairman.
- The quarterly and half yearly financial performance are submitted to Stock Exchanges, published in newspapers and posted on the Company's website and are not sent to the shareholders separately.
- The Auditor's Report on the Company's Financial Statements is unmodified.
- The Company has appointed separate person as Chairman and Managing Director.
- The Report of the Internal Auditors is placed before the Audit Committee on a quarterly basis and the same is reviewed by the Audit Committee.

Corporate Governance Report

Certification by the Managing Director, Chief Financial Officer and Chief Executive Officer in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, the undersigned, in our respective capacities as the Managing Director, Whole-time Director-cum-Chief Financial Officer and Chief Executive Officer of Rupa & Company Limited ("the Company"), in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereby certify that:

- A. We have reviewed the Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended March 31, 2022 and to the best of our knowledge and belief, we state that:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Kunj Bihari Agarwal
Managing Director
Rupa & Company Limited
DIN: 00224857

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
Rupa & Company Limited
DIN: 00230702

Dinesh Kumar Lodha
Chief Executive Officer
Rupa & Company Limited

Place: Kolkata
Date: May 23, 2022

DECLARATION AFFIRMING COMPLIANCE WITH THE CODE OF CONDUCT

[Regulation 34, read with Schedule V(D), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to confirm that the Company has adopted a "Code of Conduct and Business Ethics" for its Board Members, Senior Management Personnel and all other employees and that the same is available on the website of the Company, www.rupa.co.in.

We, hereby declare that all the Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the aforesaid Code for the Financial Year ended March 31, 2022.

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Dinesh Kumar Lodha
Chief Executive Officer

Place: Kolkata
Date: May 23, 2022

Corporate Governance Report

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Rupa & Company Limited

1. We have examined the compliance of conditions of Corporate Governance by Rupa & Company Limited ("the Company"), for the year ended on March 31, 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance ("The Guidance Note") issued by the Institute of the Chartered Accountants of India (the "ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI Listing Regulations during the year ended March 31, 2022.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
9. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

Pradeep Kumar Singhi
Partner
Membership No. 050773
UDIN: 22050773AJLLJV6964

Place: Kolkata
Dated: May 23, 2022

Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Rupa & Company Limited
1, Ho Chi Minh Sarani
Metro Tower, 8th Floor, Kolkata - 700071

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Rupa & Company Limited** having CIN L17299WB1985PLC038517 and having registered office at 1, Ho Chi Minh Sarani, Metro Tower, 8th Floor, Kolkata-700071 (hereinafter referred to as the 'Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Prahlad Rai Agarwala, Executive, Chairman, Promoter	00847452	06.02.1985
2.	Mr. Ghanshyam Prasad Agarwala, Executive, Vice Chairman, Promoter	00224805	13.07.1987
3.	Mr. Kunj Bihari Agarwal, Managing Director, Promoter	00224857	17.07.1987
4.	Mr. Ramesh Agarwal, Whole-time Director-cum-Chief Financial Officer, Promoter	00230702	29.07.2009
5.	Mr. Mukesh Agarwal, Whole-time Director, Promoter	02415004	29.07.2009
6.	Mr. Niraj Kabra, Executive Director, Non-Promoter	08067989	12.02.2018
7.	Mr. Vinod Kumar Kothari, Non Executive and Independent Director	00050850	26.07.2004
8.	Mr. Ashok Bhandari, Non Executive and Independent Director	00012210	10.08.2018
9.	Mr. Dharam Chand Jain, Non Executive and Independent Director	00453341	31.01.2003
10.	Mr. Dipak Kumar Banerjee, Non-Executive and Independent Director	00028123	30.05.2013
11.	Mr. Sushil Patwari, Non Executive and Independent Director	00023980	17.11.2003
12.	Mrs. Alka Devi Bangur, Non Executive Independent Director	00012894	14.11.2014

Please note that ensuring the eligibility of/for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on qualification/disqualification of directors as per provisions of law based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Thanking you,

For **Nidhi Bagri & Company**
(Practising Company Secretaries)

(Nidhi Bagri)

Proprietor

ACS No. 24765

C.P.No. 9590

Date: May 13, 2022

Place: Kolkata

UDIN : A024765D000320159

Management Discussion and Analysis Report

INDIAN ECONOMY REVIEW

As per the Central Statistical Office (CSO), the Indian economy grew by a strong 8.7% in the fiscal year 2021-22, against a contraction of 6.6% in financial year 2020-21. This dramatic reversal that is unseen among large major economies of the world implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators demonstrate that the economic impact of the second wave of the virus in Q1 of 2021-22 fiscal was much smaller than that experienced during the full lockdown phase in 2020-21. This also exhibits the sheer resiliency of the economy to bounce back after a major shock event that has left much of the world paralysed.

The CSO has indicated that GVA (gross value added) during fiscal year ending March 2022 was at 8.1%, as compared to a contraction of 4.8% in the previous year. Furthermore, as far as the major constituents of the economy are concerned, the agriculture sector slowed to 3% in 2021-22, after growing 3.3% in the previous year. While the mining and quarrying sector grew by 11.5% in FY 2021-22, against a contraction of 8.6% in the previous fiscal year, manufacturing also expanded at a good pace of 9.9%, as against -0.6% in the previous year. Moreover the services sector was up by 11.1% during 2021-22, as against a contraction of 202.2% recorded in the previous financial year.

Total consumption expanded by 7% in 2021-22. The primary factor attributable to this is the significant contributions from government spending, especially in the absence of private sector investment. Similarly, gross fixed capital (GFC) formation exceeded pre-pandemic levels on the back of ramped up public expenditure on infrastructure. This is amply evident in the over 35% YoY increase in capex and proposed infrastructure spend of over ₹10 lakh crore, as announced in the Union Budget 2022-23, thus reinforcing the government's commitment to using infrastructure as a force multiplier for sustained economic growth. Furthermore, exports of both goods and services have been exceptionally strong in 2021-22, with imports also recovering strongly on the back of domestic demand resumption as well as higher international commodity prices.

Moreover, despite the disruptions caused by the global pandemic, India's balance of payments has remained in surplus throughout the last two years. This has allowed the Reserve Bank of India (RBI) to keep accumulating foreign exchange reserves, which stand at about US\$ 600 bn. This is equivalent to about 12-13 months of merchandise imports and is higher than the country's external debt. The combination of high foreign exchange reserves alongside sustained foreign direct investment (FDI) and rising export earnings will provide sufficient buffer against possible global liquidity tapering in 2022-23. Besides, the government's GST (Goods and Services Tax) collections have also been robust, indicating healthy recovery of the corporate and trade, services and business sectors. The average monthly gross GST collection for the last quarter (Q4) of FY 2021-22 has been ₹ 1.38 lakh crore, against the average monthly collection of ₹ 1.10 lakh crore, ₹ 1.15 lakh crore and ₹ 1.30 lakh crore in the first, second and third quarters, respectively. Additionally, the gross GST revenue collected in the month of March 2022 was ₹ 1.42 lakh crore, which is an all-time high breaching the earlier record of ₹ 1.40 lakh crore collected in the month of January 2022.

The Production-Linked Incentive (PLI) scheme of the government is a major initiative aimed to uplift MSMEs and enhance manufacturing GVA from the current 16.5%, and is likely to unlock about \$520 bn in the country's output over the medium-term. Further, India is being increasingly seen as a viable alternative sourcing destination by global corporations adopting a 'China+1' strategy to de-risk their supply chain, thus embedding the country deeper in global value chains.

“India is being increasingly seen as a viable alternative sourcing destination by global corporations adopting a 'China+1' strategy to de-risk their supply chain, thus embedding the country deeper in global value chains.”



Management Discussion and Analysis Report

Despite the several positive developments in India, the global environment still remains fraught with uncertainty. Runaway inflation is being exacerbated by the Russia-Ukraine war and the COVID suppression policy of China that has called for strict lockdowns, thus disrupting global supply chains. Further, at the time of drafting this report, the Monetary Policy Committee (MPC) of the RBI had already increased the benchmark policy rate (repo rate) by 40 bps to 4.4% with immediate effect, and also hiked the cash reserve ratio (CRR) by 50 bps to 4.5% effective May 21, 2022 in an off-cycle meeting, thus withdrawing its accommodative stance witnessed during the pandemic. This is being seen as a measure to control inflation that is above the RBI's target range.

Nonetheless, with the vaccination program, which is to be seen as a key economic indicator, has covered the bulk of the Indian population and with economic momentum building back and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to achieve GDP growth of 8-8.5% in fiscal 2022-23, as estimated by the 2022 Economic Survey.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Textile and apparel industry

According to the Ministry of Textiles, Government of India, India's textile industry is one of the largest in the world with a huge raw material base and established manufacturing strengths across the value chain. This makes the country the 6th largest exporter of textiles and apparel globally. India's textiles and clothing industry is one of the mainstays of the national economy.

The uniqueness of the Indian textile industry lies in its strength, both in the hand-woven sector as well as in the capital-intensive mill sector. The country's mill sector is the second largest in the world. Traditional sectors, including handloom, handicrafts and small-scale power loom units are the biggest source of employment for millions of people in rural and semi-urban areas, thus offering direct employment and livelihood opportunity to skilled and semi-skilled workers, including a large number of women. The sector has strong alignment with the government's key initiatives of Make in India, Skill India, Women Empowerment and Rural Youth Employment.



“India recorded its highest-ever textiles and apparel exports in 2021-22 at USD 44.4 billion”

Management Discussion and Analysis Report

India recorded its highest-ever textiles and apparel exports in 2021-22 at USD 44.4 billion, as per the Ministry of Textiles, Government of India. The exports tally, which also includes handicrafts, indicates a substantial increase of 41% and 26% over the corresponding figures in FY 2020-21 and FY 2019-20, respectively.

In a major development for the domestic textiles sector, the government approved the Production-Linked Incentive (PLI) Scheme for textiles, focusing on man-made fiber (MMF) apparel, MMF fabrics, and products of technical textiles to enhance India's manufacturing capabilities and exports. The scheme has an approved financial outlay of ₹ 106.83 billion over a five-year period. While the notification for the scheme was issued on September 24, 2021, operational guidelines for the PLI Scheme were issued on December 28, 2021.

Some of the key other initiatives of the government in support of the domestic textiles and apparel sector include:

- Technology aid through the Amended Technology Fund Upgradation Scheme (ATUFS) with an outlay of ₹ 17,822 crore that aims to mobilise new investments of about ₹ 95,000 crore and create new employment for about 3.5 mn
- Support for skilling through 'Samarth' that was formulated under the broad skilling framework adopted by the Ministry of Skill Development & Entrepreneurship, with advanced features such as training of trainers, dedicated call centre with helpline number, mobile app-based Management Information System (MIS), on-line monitoring of the training process, etc.
- Infrastructure development via the PM-Mega Integrated Textiles Regions and Apparel Park (PM-MITRA) launched in October 2021 to bolster India's textile industry by way of enabling scale of operations, optimising logistics cost by housing the entire value chain in a single location, attracting investment, generating employment and augmenting export potential. The government plans to set up 7 PM-MITRA Parks in greenfield/brownfield sites and has a budgetary outlay of ₹ 4,445 crore for a period 2021-22 to 2027-28.
- Textile Cluster Development Scheme (TCDS) that envisages developing an integrated workspace and linkages-based ecosystem for existing as well as potential textile units to make them operationally and financially viable. The total outlay of the scheme is ₹ 853 crore for completing ongoing projects.
- Integrated Processing Development Scheme (IPDS) that aims to facilitate the textiles industry to meet the required environmental standards and support new Common Effluent Treatment Plants (CETP)/upgradation of CETPs in existing processing clusters, etc.



“The Government of India supported the domestic Textile and Apparel sector through Technology aid through the Amended Technology Fund Upgradation Scheme (ATUFS) with an outlay of ₹ 17,822 crore.”

Indian innerwear industry & Outlook

The Indian innerwear market is currently estimated to be worth ₹ 475 bn, accounting for 9-10% of the total domestic fashion retail market. It is expected to grow at a CAGR of 13% during FY 2020-25 (Source : Dolat Capital).

Innerwear has graduated from being just a functional category to a category that offers additional fashion quotient. With rising aspirations and disposable incomes, the innerwear industry is witnessing a perceptible shift from a price-sensitive category to a brand-sensitive category. This represents a major opportunity for branded players. Furthermore, traditionally, the innerwear market was largely fragmented and unorganised. Yet, over the recent years, the organised innerwear segment has shown promising growth in both men's and women's categories, getting a thrust from rising brand

Management Discussion and Analysis Report



“Innerwear being a discretionary product, consumers with rising discretionary incomes will likely accelerate purchase decisions, thus giving an added impetus to overall demand.”

consciousness, need for added comfort, seamless availability offline and online, including via easy access from several fashion e-comm players, and products being available across diverse price points, thus suiting all budgets and expectations. Today, with the lifting of COVID-induced lockdowns and rising mobility, the innerwear industry is likely to witness huge pent-up demand. Furthermore, innerwear being a discretionary product, consumers with rising discretionary incomes will likely accelerate purchase decisions, thus giving an added impetus to overall demand. Over the long term, urbanisation, growing disposable and discretionary incomes, and increasing consumer preference for branded products, the innerwear industry is likely to emerge as a promising retail segment of the future. The shift from unbranded to branded products and from the unorganised to the organised players embodies a major structural demand driver for India's innerwear industry.

Indian innerwear market

2020	2025 (E)
₹ 475 bn	₹ 876 bn

CAGR 2020-2025 (E): 13%

Men's innerwear segment

Men's innerwear segment, which is currently estimated at ₹ 139 bn, is projected to grow at a CAGR of 10.3% to reach a size of ₹ 226 bn by FY 25E. It contributes 29% of total innerwear market and is characterised by the presence of numerous Indian and international brands. The men's innerwear segment is largely dominated by organised players with about 60% of the market share (Source : Dolat Capital).

The current industry trends exhibit an inclination amongst Indian men to spend more on innerwear, leading to continued growth in this category, especially in the premium, super premium and luxury price segments. Though MBOs (multi brand outlets) are still considered to be the most preferred channel for buying innerwear, organised retail

“The current industry trends exhibit an inclination amongst Indian men to spend more on innerwear, leading to continued growth in this category.”

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formats such as EBOs (exclusive brand outlets), departmental stores and LFS (large format stores) are also gaining traction and popularity, as more and more brands enter into the premium and luxury categories. Furthermore, the recent popularity of online retail, especially for apparel shopping, has also permeated into the innerwear category, providing much more exposure to the consumer. Online retail is also giving consumers the accessibility to top brands in areas where these brands have no physical presence, thereby opening up a new retail/demand channel for companies.

Going forward, men's innerwear category is projected to expand at a 10.3% CAGR to reach a size of ₹ 226 bn by 2025 from ₹ 139 bn in 2020, thus constituting about 26% of the total innerwear industry in 2025. The share of mid and premium product categories is expected to grow to 38% and 18%, respectively in 2022, up from 35% and 16% in 2018. The share of the economy category is projected to decline during this period from 47% to 41%.

Sizeable opportunity exists in terms of growing spends on innerwear and rising need for comfortable innerwear, even as innovation in terms of new designs and materials also help sustain consumer interest.

Men's innerwear market

2020	2025 (E)
₹ 139 bn	₹ 226 bn

CAGR 2020-2025 (E): 10.3%

Women's innerwear segment

The women's innerwear market to grow at a 14% CAGR vs. 10.3% CAGR for men's innerwear market, till 2025 (Source Dolat Capital). This is on account of women's innerwear segment possessing high growth potential considering low penetration and higher share of unorganised/non-branded products. Thus, the industry expects growth in the innerwear market to be driven by women's segment at least over the next decade, as branded players focus on capturing market share from the unorganised players and as women from urban, semi-urban as well as rural areas prioritise comfort and protection through innerwear. Furthermore, given a variety of design options and innovations, the women's innerwear segment, which is approximately 68% of the total innerwear market, is more dynamic and includes a wider range of product offerings.

Thus, women's innerwear market is likely to grow at a faster pace compared to men's innerwear segment, from ₹ 321 bn in FY 2020 to an estimated ₹ 621 bn in FY 2025. This growth in demand is attributable to growing number of working women and rising fashion consciousness amongst women, especially on account of increased online exposure.

Women are becoming increasingly conscious about their intimate wear brands and styles, not just in metros, but also in smaller towns and cities. In order to cater to the growing demand, the industry has consistently launched new collections for women's innerwear. Furthermore, disruptive ad campaigns focused on raising awareness and dedicated women EBOs assuring enhanced privacy have also helped expand the size of the market. As these trends play out and as the market consolidates from being currently fragmented, women's innerwear offers tremendous market potential, with the size of this industry expected to reach about 71% of the total innerwear market size in 2025.

Women's innerwear market

2020	2025 (E)
₹ 321 bn	₹ 621 bn

CAGR 2020-2025 (E): 14%

Kids wear segment

The Indian kids wear market is highly unorganised and fragmented with a large number of local MBOs and regional players. India has the world's largest young population in the age group of 0-14 years and accounts for as much as 27% of the total population. Moreover, with growing trends of nuclear family system, increased spending on children and rising

Management Discussion and Analysis Report

brand awareness among children, the kids wear market in India, which is worth ₹ 1,022 bn in 2020, is expected to grow at a CAGR of 10% in the next 5 years.

Athleisure wear segment

Athleisure as a category was already gaining traction during the pre-COVID era and now, owing to work from home as also growing fitness consciousness amongst consumers, the segment is witnessing significant acceleration. India's athleisure market is estimated at ₹ 54,000 cr and is growing at 18-20% annually (Source : Philip Capital).

Athleisure is not just a fashion essential anymore; it has emerged as a medium for expression and an insignia of the young and the young at heart. In India, the demand for casual wear is rapidly escalating, as the modern Indian consumer does not wish to compromise on comfort, functionality and looks. With rapid globalisation and the advent of digital media, the spread of fashion across global cultures have picked up tremendous pace. Consumers, ever connected and digitally aware, are constantly following international trends, which has also given a boost to the domestic activewear/athleisure segment.

Going forward, the benefits of athleisure apparel, like prolonged durability, improved range of motion, breathability of material and superior comfort are some of the major factors that will continue to influence the growth of the athleisure/activewear industry.

Key trends observed in the innerwear industry

The future outlook of the Indian innerwear industry appears positive on account of several factors as per a research by www.indiaretailing.com which includes:



- Shift from the unorganised sector to the organised segment, especially with the unorganised players being weakened by the pandemic and thus also having limited advertising and marketing power.
 - Transition to branded innerwear products on the back of greater awareness creation by the organised players and consumers choosing these products for enhanced comfort.
 - Rising disposable incomes, thus driving discretionary purchases for consumers to try out new products that innovate around styles, designs and materials.
 - Multiple channels of easy product availability, including EBOs, MBOs and online that provide the added convenience of home delivery.
 - Growing frequency of purchases given an impetus by higher discretionary spends
 - Permanency in hybrid work trends driving the athleisure wear industry, as consumers choose comfort and style.
 - Growing health consciousness and the need to look good while working out will also especially drive athleisure wear demand
-
- Celebrity marketing will continue to have a positive brand rub-off, propelling demand in especially semi-urban and rural regions
 - Growing power of digital influencers and their large fan following will also emerge as a major driver of influencing innerwear and outerwear demand

Opportunities

- Attractive demographics with a large youth population

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- Shift in market demand from unbranded products to proven branded products, especially driven by higher awareness and celebrity advertising
- Premiumisation trends with consumers up-trading from economy to higher value premium and luxury products
- Work from home and hybrid work trends driving demand for comfort wear products
- Increased awareness among women about intimate wear products
- Trends in more women stepping out for work and participating in the formal workforce, driving both- demand for women inner wear and higher discretionary/disposable incomes

Threats

- Inflationary pressures threatening price and demand stability
- Labour availability challenges and costly training expenses incurred for skilling
- Changing consumer behavior.
- High cost of brand building
- Emerging multi-national brands and their entry to the Indian market.
- Infrastructural bottlenecks and efficiency
- Imports from other countries.

Risks and concerns

- **Covid-19 pandemic situation:** Resurgence of potential new waves of Covid-19 may impact the business.
- **Volatility in raw material prices:** Cotton yarn and fabric account for approximately 70% of the total raw material cost. Currently, the Company is able to pass on any rise in raw material costs to the consumer. Any inability to pass on the impact of rise in raw material prices may negatively impact the estimated margin of the Company, resulting in lower earnings.
- **Entry of foreign players:** With markets being global and digital, it is becoming easier for foreign brands to penetrate into Indian domestic markets via direct and indirect strategic tie-ups largely in the premium and super-premium segments, thus creating stiff competition for existing players in the organized sector.
- **Changing customer behaviour and spending capacity:** Rapid changes in consumer preferences from one brand to another makes it difficult for a Company to establish a permanent connect and in gaining brand loyalty, consequently leading to loss of business to competitors. Furthermore, improving Indian demographic profile has given credence to the Indian consumption story and any downward deviation in economic growth may impact consumers' discretionary spends, thereby negatively impacting the earning potential of the Company.

Internal control system and their adequacy

The Company has adequate system of internal controls system commensurate with its nature of business and size of operations to safeguard and protect from loss, unauthorized use or disposition of the Company's resources. There are proper procedures for authorization, recording and reporting of transactions to the management. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with applicable accounting standards and principles or any other criteria applicable to such statements, and to maintain accountability for aspects. The Company's internal audit process covers all significant operational areas and reviews the in-system checks regularly. The internal audit report, submitted by the internal auditors, is placed before the Audit Committee of the Company's Board of Directors on a quarterly basis for review. Suggestions for improvements are

Management Discussion and Analysis Report

considered and the Audit Committee asserts stringent corrective actions and follow-ups on the implementations thereof. The Audit Committee periodically meets the statutory and internal auditors of the Company to ascertain their views on the adequacy of internal control system and keeps the Board informed of its observations from time to time.

Financial performance and Analysis

(₹ in Lakhs)

Particulars	2021-22	2020-21	Change	%
Revenue from Operations	1,42,867.48	1,28,740.17	14,127.31	10.97
Other Income	1,070.45	730.02	340.43	46.63
Profit before Finance Charges, Tax, Depreciation/Amortization (PBITDA)	27,780.06	26,319.86	1,460.20	5.55
Less: Finance Charges	1,870.46	1,342.91	527.55	39.28
Profit before Tax, Depreciation/Amortization (PBTDA)	25,909.60	24,976.95	932.65	3.73
Less: Depreciation/Amortization	1,383.69	1,373.14	10.55	0.77
Profit before Taxation (PBT)	24,525.91	23,603.81	922.10	3.91
Less: Tax Expense	5,449.91	6,211.77	-761.86	-12.27%
Profit after Taxation (PAT)	19,076.00	17,392.04	1683.96	9.68

*Previous year figures have been re-stated wherever required.

The Company is engaged in the business of manufacturing of hosiery and related products and there is no separate reportable segment.

Key financial ratios

As required, pursuant to Schedule V(B) to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, key financial ratios for the financial year 2021-22 vis-à-vis 2020-21, along with changes therein, are reproduced herein below:

(₹ in Lakhs)

Sl. No.	Ratio	FY 2021-22	FY 2020-21
i.	Debtors' Turnover	3.16	4.20
ii.	Inventory Turnover	2.96	3.03
iii.	Interest Coverage Ratio	14.11	18.58
iv.	Current Ratio	2.02	2.32
v.	Debt Equity Ratio	0.28	0.06
vi.	Operating Profit Margin/EBIDTA Margin (%)	18.70	19.88
vii.	Net Profit Margin (%)	13.35	13.51
viii.	Return on Net Worth (%)	23.83	26.76

Notes:

In the preparation of financial statements, the treatment, as prescribed in the applicable IND Accounting Standards are followed.

Human Resources and Industrial Relations

The Human Resources (HR) function of an organization is vital to the creation and development of good quality and dedicated human capital, essential to the Company's business and operations. Rupa always focuses in grooming and training its workforce via imparting specialized and technical training at regular intervals, which helps improve their knowledge, skills and competency to execute their assignments, effectively and efficiently. Employee incentivisation, professional growth, participation and recognition are always part of the Company's HR management, with focus on

Management Discussion and Analysis Report

upgrading their quality of life and job satisfaction. The Company's HR policy empowers it to attract, integrate and retain the best talent, requisite to its line of business and necessary for powering its growth. As on March 31, 2022, the number of permanent employees on the rolls of Company, was 1152. Further, industrial relations have remained cordial during the period under review.

Cautionary Statement

Statements in this Management Discussion and Analysis Report describing the objectives, projections, estimates and expectations are 'forward-looking statements' within the meaning of applicable laws and regulations and are subject to volatile market conditions. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations, include economic conditions affecting demand/supply and price conditions in the markets in which the Company operates, changes in Government regulations, tax laws, statutes and other incidental factors.

Independent Auditors' Report

To
The Members of
Rupa & Company Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Rupa & Company Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants (ICAI) of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Independent Auditors' Report

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>1. Valuation & existence of inventories (Refer to note 11 to the standalone financial statements)</p> <p>The company holds inventories amounting to ₹ 57955.71 lakhs as at the Balance Sheet date, which represent 36.95% of total assets.</p> <p>As described in the accounting policies in Note 3.1 to the standalone financial statements, inventories are carried at the lower of cost and net realisable value. Inventories valuation and existence is a significant audit risk as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.</p> <p>We have determined this to be a matter of significance to our audit due to the quantum of the amount involved.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> ● Obtained a detailed understanding and evaluated the design and implementation of controls that the company has established in relation to inventory valuation and existence. ● Reviewing the document and other record related to physical verification of inventories done by the management during the year and subsequent to year end. ● Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. We have also verified on sample basis confirmation from third parties for inventory lying with them as at year end. ● Obtained assurance over the management's assumptions applied in calculating the gross profit margin and discounts to be deducted from sales price to arrive at cost of products. ● Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. ● Recomputing provisions recorded to verify that they are in line with the Company policy.
<p>2. Revenue recognition including estimation of rebates & discounts (Refer Note 27 to the standalone financial statements)</p> <p>As described in Accounting Policy for Revenue recognition vide Note 3.6 of the standalone financial statements, the revenue is recognised upon transfer of control of goods to the customer and thus requires an estimation of the revenue taking into consideration the rebates, discounts and incentives as per the terms of the contracts.</p> <p>The Company sells its products through various channels like dealers, modern trade, distributors, retailers, etc., and recognize liabilities related to rebates, discounts and incentives.</p> <p>With regard to the determination of revenue, the management is required to make significant estimates in respect of the rebates/ discounts linked to sales, which will be given to the customers pursuant to schemes offered by the Company and compensation (discounts) offered by the customers to the ultimate consumers at the behest of the Company.</p> <p>The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> ● Obtained a detailed understanding and evaluated the design and implementation of controls that the company has established in relation to revenue recognition and recording of rebates, discounts, etc. and period end provisions relating to estimation of revenue, and tested the operating effectiveness of such controls; ● Tested the inputs used in the estimation of revenue in context of rebates, discounts, etc. to source data; ● Assessed the underlying assumptions used for determination of rebates, discounts etc; ● Ensured the completeness of liabilities recognised by evaluating the parameters for sample schemes; ● Performed look-back analysis for past trends by comparing recent actual with the estimates of earlier periods and assessed subsequent events; ● Tested credit notes issued to customers and payments made to them during the year and subsequent to the year- end along with the terms of the related schemes.

Independent Auditors' Report

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>3. Recoverability of Trade Receivables (Refer Note 12 to the Standalone financial statements)</p> <p>The company has trade receivables amounting to ₹ 54169.58 lakhs as at the Balance Sheet date, which represent 34.53% of total assets.</p> <p>Due to the inherent subjectivity that is involved in making judgments in relation to credit risk exposures to determine the recoverability of trade receivables and significant estimates and judgements made by the management for provision for loss allowance under Expected credit loss model. The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated and tested the controls relating to credit control and approval process and assessing the recoverability of overdue receivables by comparing management's views of recoverability of overdue receivables to historical patterns of receipts. • We assessed and validated the ageing profile of trade receivables. • We also checked on sample basis balance confirmations from customers to test whether trade receivables as per books are acknowledged by them. • We also reviewed receipts on sample basis subsequent to the financial year end for its effect in reducing overdue receivables as the financial year end. • We also reviewed at the adequacy of the management judgements and estimates on the sufficiency of provision for doubtful debts through detailed analysis of ageing of receivables and assessing the adequacy of the disclosures in respect of credit risk.

Information Other than the Standalone financial statements and Auditor's Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the

Independent Auditors' Report

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

Independent Auditors' Report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.
 - (g) In our opinion, and according to information and explanation given to us, the managerial remuneration for the year ended March 31, 2022 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Note 10 & 38(a) to the standalone financial statements;

Independent Auditors' Report

- II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- IV. (a) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 52(f)(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 52(f)(ii) to the standalone financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph 2(h) (iv)(a) &(b) above, contain any material mis-statement.
- V. The dividend declared and paid during the year by the company is in compliance with Section 123 of the Act.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

Pradeep Kumar Singhi
Partner
Membership No. 050773
UDIN:22050773AJLJPA2554

Place: Kolkata
Dated: May 23, 2022

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rupa & Company Limited of even date)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventory (excluding inventories in transit) at reasonable intervals during the year and discrepancies of 10% or more in aggregate for each class of inventory were not noticed on physical verification of such inventories. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been substantially confirmed by them at the year end.
- (b) As disclosed in note 23 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ Five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- iii. (a) During the year, the Company has not granted loans, provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year. The company had granted loan to one company in earlier year which is repayable on demand and receipt of interest is regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days
- (e) According to the information and explanations given to us, there were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

Annexure 'A' to the Independent Auditor's Report

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties during the year. However, the Company has granted loans to one company in earlier years, the details of which are as follows :

	All Parties (₹ in lakhs)	Promoters (₹ in lakhs)	Related Parties (₹ in lakhs)
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	200.00	-	-
Percentage of loans/ advances in nature of loans to the total loans	100.00%	-	-

- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Companies Act, 2013. The company has not granted any loans, made any investments, provided any guarantee or security to any party falling under section 185 of the Companies Act, 2013.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the Government has not specified maintenance of the cost records under section 148(1) of the Companies Act, 2013 in regard to the activities of the company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other statutory dues applicable to it. Based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute.

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Tax On Entry of Goods into Local Area Act, 2012	Entry Tax	1091.97	F.Y.2012-13 to F.Y.2016-17	West Bengal Taxation Tribunal
West Bengal Value Added Tax, 2005	Value Added Tax	16.61*	F.Y.2012-13	West Bengal Commercial Taxes Appellate and Revisional Board

*Net of amount deposited under dispute

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

Annexure 'A' to the Independent Auditor's Report

- ix. (a) Based on our audit procedures performed by us and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate company or joint venture.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associate or joint venture.
- x. (a) According to the records of the Company examined by us and the information and explanation given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company which has been noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the cost auditor, secretarial auditor or by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

Annexure 'A' to the Independent Auditor's Report

- (b) We have considered the internal audit reports of the company issued till the date of audit report, for the period under audit.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us by the management, the Group does not have any Core Investment Company.
- xvii. The Company has not incurred cash losses in the current financial year and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Refer note 50 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. (a) In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- (b) In our opinion and according to the information and explanations given to us, there are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

Pradeep Kumar Singhi
Partner
Membership No. 050773
UDIN:22050773AJLJPA2554

Place: Kolkata
Dated: May 23, 2022

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rupa & Company Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting with reference to financial statements of **Rupa & Company Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to these standalone financial statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

Annexure 'B' to the Independent Auditor's Report

and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over financial reporting with reference to these standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2022, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

Pradeep Kumar Singhi
Partner
Membership No. 050773
UDIN:22050773AJLJPA2554

Place: Kolkata
Dated: May 23, 2022

Standalone Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4 (a)	18,608.15	16,622.86
(b) Right to Use Assets	4 (b)	1,625.31	1,811.50
(c) Capital work-in-progress	4 (c)	2,612.65	1,935.26
(d) Intangibles Assets	5 (a)	497.27	600.01
(e) Intangibles assets under development	5 (b)	60.00	2.74
(f) Investments in Subsidiaries	6	577.97	577.97
(g) Financial Assets			
(i) Investments	7	0.18	0.18
(ii) Other Financial Assets	8	401.93	132.85
(h) Non-Current tax Assets (net)	9	1,018.46	1,018.46
(i) Other Non Current Assets	10	735.25	851.41
		26,137.17	23,553.24
Current Assets			
(a) Inventories	11	57,955.71	38,720.50
(b) Financial Assets			
(i) Trade Receivable	12	54,169.58	36,140.63
(ii) Cash and cash equivalents	13	401.95	285.59
(iii) Other bank balances (other than Note 13 above)	14	11,798.06	11,519.43
(iv) Loans	15	200.00	313.25
(v) Other Financial Assets	8	198.41	292.02
(c) Other Current Assets	10	5,992.21	4,188.88
		1,30,715.92	91,460.30
TOTAL ASSETS		1,56,853.09	1,15,013.54
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	796.29	796.29
(b) Other Equity	17	86,966.41	71,847.84
		87,762.70	72,644.13
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,593.36	1,354.09
(ii) Lease Liability	19	1,354.87	1,469.95
(b) Provisions	20	55.07	44.68
(c) Deferred Tax Liabilities (Net)	21	1,135.14	(142.06)
(d) Other Non-Current Liabilities	22	147.51	171.99
		4,285.95	2,898.65
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	33,904.64	13,190.03
(ii) Lease Liabilities	19	134.56	130.47
(iii) Trade Payables	24		
- Total outstanding dues of creditors to micro enterprises and small enterprises		932.72	1,164.71
- Total outstanding dues of creditor to other than micro enterprises and small enterprises		20,697.91	14,998.49
(iv) Other Financial Liabilities	25	7,149.25	7,129.77
(b) Provisions	20	285.58	334.83
(c) Current Tax Liabilities (Net)	26	1,020.90	1,945.91
(d) Other Current Liabilities	22	678.88	576.55
		64,804.44	39,470.76
TOTAL EQUITY & LIABILITIES		1,56,853.09	1,15,013.54
Basis of Accounting	2		
Significant accounting policies	3		
Significant Judgements and Key Estimates	3.21		

The notes are the integral part of the Standalone Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Dinesh Kumar Lodha
Chief Executive Officer

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lakhs)

Sl. No.	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from Operations	27	1,42,867.48	1,28,740.17
II	Other Income	28	1,070.45	730.02
III	Total Income (I+II)		1,43,937.93	1,29,470.19
IV	Expenses			
	Cost of Materials Consumed	29	76,877.40	48,201.46
	Purchase of Stock-in-Trade	30	419.66	640.45
	Changes in Inventories of Finished Goods, Work in Progress	31	(18,252.69)	10,027.90
	Employee Benefits Expense	32	6,765.20	5,233.05
	Finance Costs	33	1,870.46	1,342.91
	Depreciation and Amortisation Expenses	34	1,383.69	1,373.14
	Other Expenses	35	50,348.30	39,047.47
	Total Expenses (IV)		1,19,412.02	1,05,866.38
V	Profit before Exceptional Items & Tax (III-IV)		24,525.91	23,603.81
VI	Exceptional Items		-	-
VII	Profit/(Loss) Before Tax (V-VI)		24,525.91	23,603.81
VIII	Tax Expense	35.1		
	a) Current tax		4,448.00	6,127.00
	b) Tax for earlier years		(268.96)	-
	c) Deferred tax		1,270.87	84.77
IX	Profit for the year (VII- VIII)		19,076.00	17,392.04
X	Other Comprehensive Income			
	A. (i) Items that will not be reclassified to profit or loss - Remeasurements of defined benefit plans		25.15	20.95
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(6.33)	(3.66)
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Other Comprehensive Income for the year [(A(i-ii) + B(i-ii))]		18.82	17.29
XII	Total Comprehensive Income for the year (IX+XI)		19,094.82	17,409.33
XIII	Earnings per equity share			
	Basic earnings per share (₹)		23.99	21.87
	Diluted earnings per share (₹)	36	23.99	21.87
	Basis of Accounting	2		
	Significant Accounting Policies	3		
	Significant Judgements and Key Estimates	3.21		

The notes are the integral part of the Standalone Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Dinesh Kumar Lodha
Chief Executive Officer

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

Standalone Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES				
Profit Before Tax		24,525.91		23,603.81
Adjustment to reconcile Profit Before Tax to Net Cash Flows				
(a) Depreciation and Amortisation	1,383.69		1,373.14	
(b) Finance Cost	1,870.46		1,342.91	
(c) (Profit)/loss on disposal of Plant, Property & Equipment (Net)	(52.55)		(1.51)	
(d) Bad debts written off	15.06		13.44	
(e) Sundry balances written off	53.40		13.29	
(f) Excess provision/Liabilities written back	(97.32)		(155.31)	
(g) Provision for Doubtful Trade Receivables/(written back)	(27.12)		134.85	
(h) Gain on Disposal/Retirement of Right of Use Assets	(7.64)		(38.98)	
(i) Deferred Revenue on Government Grant	(27.58)		(30.67)	
(j) Unrealised Foreign Exchange Gain/Loss	(38.76)		(19.53)	
(k) Interest income	(728.42)	2,343.22	(257.69)	2,373.94
Operating Profit before Working Capital Changes		26,869.13		25,977.75
Changes in Working capital				
(a) (Increase)/decrease in Inventories	(19,235.20)		7,615.26	
(b) (Increase)/decrease in Trade Receivables	(17,977.54)		(11,133.64)	
(c) (Increase)/decrease in Other Financial Assets	(13.95)		17.70	
(d) (Increase)/decrease in Non-Financial Assets	(1,856.71)		1,122.34	
(e) Increase/(decrease) in Trade Payables	5,564.72		2,478.66	
(f) Increase/(decrease) in other Financial Liabilities	45.95		(679.45)	
(g) Increase/(decrease) in Provisions	(13.72)		5.32	
(h) Increase/(decrease) in Non-Financial Liabilities	105.42	(33,381.03)	8.73	(565.08)
Cash Generated from Operations		(6,511.90)		25,412.67
Less: (a) Direct Taxes Paid		(5,212.54)		(4,380.59)
Net Cash from Operating Activities		(11,724.44)		21,032.08
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES				
(a) Purchase of Property, Plant & Equipment and Intangible Assets (including capital advances)		(3,729.16)		(2,269.42)
(b) Proceeds from disposal of Plant, Property & Equipment		83.95		5.23
(c) Redemption/(Investment) of Fixed Deposits (net)		(441.90)		(11,476.78)
(d) Refund of Loan granted		113.25		-
(e) Loans granted		-		(113.25)
(f) Interest received		731.15		174.47
Net Cash used in Investing Activities		(3,242.71)		(13,679.75)

Standalone Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES		
(a) Repayment of Non-Current Borrowings	(566.01)	(428.54)
(b) Proceeds from Non-Current Borrowings	936.96	934.95
(c) Proceeds / (Repayment) of Current Borrowings (net)	20,582.93	(3,870.85)
(d) Payment of lease liabilities	(271.93)	(354.13)
(e) Dividend Paid	(3,976.25)	(2,385.74)
(f) Interest Paid	(1,621.60)	(1,068.55)
Net Cash used in Financing Activities	15,084.10	(7,172.86)
Net increase/(decrease) in Cash & Cash Equivalent (A+B+C)	116.95	179.47
Cash & Cash Equivalents at the beginning of the year	285.59	97.18
Add: Cash & Cash Equivalents pursuant to Scheme of Arrangement*	-	8.15
Add/(less): Effect of exchange rate changes on Cash & Cash Equivalent	(0.59)	0.79
Cash & Cash Equivalents at the end of the year	401.95	285.59

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Note:

- (1) The above statement of cash flows has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows".
- (2) Closing Cash and Cash Equivalents represent balances of cash and cash equivalents as indicated in Note No. 13 to the Standalone Financial Statements.
- (3) Statement of Reconciliation of Financing activities :

Particulars	Term Loan from Banks	Short Term Borrowings
Balance as at April 01, 2021 (including interest accrued thereon)	1,919.63	12,648.06
Cash Flow (Net)	370.95	20,582.93
Non Cash Changes		
Fair Value Changes	-	-
Interest Expense*	162.21	1,203.22
Interest Paid	(160.36)	(1,177.33)
Total	2,292.43	33,256.88

* Gross interest amount before capitalisation

- (4) Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- (5) Previous years figures have been regrouped / reclassified wherever necessary.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Dinesh Kumar Lodha
Chief Executive Officer

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

Standalone Statement of Change in Equity

for the year ended March 31, 2022

(₹ in Lakhs)

a) Equity Share Capital

Balance as at April 01, 2020	796.29
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2021	796.29
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2022	796.29

b) Other Equity

Particulars	Reserves & Surplus				Total
	Capital Reserve	Securities Premium Account	General Reserve	Retained Earnings	
Balance as at April 01, 2020	-	6,880.31	4,231.17	50,785.36	61,896.84
Additions/Adjustments pursuant to Scheme of Arrangement*	148.60	-	-	(5,221.19)	(5,072.59)
Profit for the Year	-	-	-	17,392.04	17,392.04
Remeasurement Gain on defined benefit plans (Net of Taxes)	-	-	-	17.29	17.29
Total Comprehensive Income	-	-	-	17,409.33	17,409.33
Dividend Paid	-	-	-	(2,385.74)	(2,385.74)
Balance as at March 31, 2021	148.60	6,880.31	4,231.17	60,587.76	71,847.84
Profit for the Year	-	-	-	19,076.00	19,076.00
Remeasurement Gain on defined benefit plans (Net of Taxes)	-	-	-	18.82	18.82
Total Comprehensive Income	-	-	-	19,094.82	19,094.82
Dividends Paid	-	-	-	(3,976.25)	(3,976.25)
Balance as at March 31, 2022	148.60	6,880.31	4,231.17	75,706.33	86,966.41

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

The Notes are an integral part of the Standalone Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No. 50773

Place: Kolkata
Date: May 23, 2022

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
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Chief Executive Officer

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Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

1. CORPORATE AND GENERAL INFORMATION

Rupa & Company Limited (the Company) was incorporated in India in the year 1985 and having its registered office in Metro Towers, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700071 .

The Company is a Public Limited Company domiciled in India & is incorporated under provision of Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. The Company is primarily engaged in manufacture of hosiery products in knitted undergarments, casual wears and thermal wears. It also has a Power Generation Unit operated on Windmill process.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The standalone financial statements are approved for issue by the Company's Board of Directors at their meeting held on May 23, 2022.

2.2 Basis of Measurement

The Financial Statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in (₹) has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.5 Current Vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.6 Adoption of new accounting standards

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Ministry of Corporate Affairs ("MCA") issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the company in its financial statements. These amendments are applicable to the company for the period starting April 1, 2021.

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

- **Ind AS 103 – Reference to Conceptual Framework** - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.
- **Ind AS 16 – Proceeds before intended use** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.
- **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract** - The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.
- **Ind AS 109 – Annual Improvements to Ind AS (2021)** - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability.

Based on preliminary assessment, the Company does not expect the amendments listed above to have any significant impact in its financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3.1 Inventories

Raw materials and packing materials are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials is determined on weighted average basis including packing materials, accessories and dyes and chemicals.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

Work-in-progress and Finished Goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Work-in-progress (measured in kgs) is determined on weighted average basis and cost of work-in-progress (measured in pieces) and cost of finished goods is determined on Retail sales price method.

Traded Goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of traded goods is determined on weighted average basis.

Adequate provision is made for obsolete and slow-moving stocks, wherever necessary.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, cheques in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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3.4 Property, Plant and Equipment

3.4.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.3. Depreciation and Amortization

- Depreciation on Property, Plant & Equipment is provided under Straight Line basis using the rates arrived at based on the useful lives as per Schedule II of the Companies Act, 2013. The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and machinery in the range of 10 - 30 years as against useful life of 15 years stipulated under Schedule II of the Act. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its Property Plant & Equipment.

Class of Property Plant & Equipment	Useful Lives estimated by the management (Years)
Factory Buildings	30
Non-factory Buildings	60
Plant and Equipments	10 to 30
Computer and Data Processing Equipments	3 to 6
Furniture and Fixtures	10
Vehicles	8
Office Equipments	5

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- Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

3.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

3.5 Leases

3.5.1. Company as a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.5.2. Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

(i) Right-of-use Assets (ROU Assets)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the

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underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.12 Impairment of non-financial assets.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant & Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.6 Revenue Recognition

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

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Revenue from contracts with customers is recognised when control of the goods or 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.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

3.6.1. Sale of Goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

Certain contracts provide a customer with a right to return the goods within a specified period. The company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

3.6.2. Sale of Services

In contracts involving the rendering of services, revenue is measured using the completed service method.

3.6.3. Sale of Power

Revenue from sale of Energy (Power) is recognised on the basis of Electrical Units generated net of transmission loss as applicable when no significant uncertainty as to measurability & collectability exists.

3.6.4. Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.6.5. Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

3.6.6. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt / acceptance.

3.7 Employee Benefits

3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

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3.7.2. Post Employment Benefits

The Company operates the following post employment schemes:

➤ **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

➤ **Defined Contribution Plan**

Retirement benefits in the form of Provident and Pension Funds are defined contribution schemes and are charged to the statement of profit and loss of the period when the contributions to the respective funds are due. The Company has no obligation other than contributions to the respective funds. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the selected service.

3.8 **Government Grants**

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

3.9 **Foreign Currency Transactions**

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

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3.10 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 directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.11 Interest in Subsidiaries

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

3.12 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.

3.12.1. Financial Assets

➤ Recognition and Initial Measurement:

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Designated Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o Measured at Amortized Cost : A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

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After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- o Measured at FVTOCI : A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- o Measured at FVTPL : FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- o Equity Instruments measured at FVTOCI : All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.12.2. Financial Liabilities

➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as

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FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

➤ **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize 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 counterparty.

3.13 Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.14 Provisions, Contingent Liabilities and Contingent Assets

3.14.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

➤ **Onerous Contracts:**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

3.14.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and 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 but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

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3.14.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.15 Intangible Assets

Recognition and Measurement

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful economic lives.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Amortization

The useful lives over which intangible assets are amortized are as under:

Assets	Useful Life (In Years)
Copyrights & Trade marks	10
Computer software	5
Business Rights	Over the tenure of the agreement (on straight line basis)

Disposal

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit & Loss.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.16 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

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3.17 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker (CODM). An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. Based on assessment of CODM in terms of Indian Accounting Standard – 108, the Company is predominantly engaged in a single segment of Garments & Hosiery goods and related services. The analysis of geographical segments is based on the areas in which customers of the Company are located.

3.18 Earnings Per Share

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

For the purpose of 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.

3.19 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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 the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- 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; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

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External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.20 Business combination under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the 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. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

The scheme of arrangement between the company and its wholly owned subsidiary, M/s Oban Fashions Pvt. Ltd. (OFPL) has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations' and impact has been considered from the beginning of the preceding year i.e. April 1, 2020 as detailed in Note 51 to these standalone financial statements.

3.21 Significant accounting judgements and key sources of estimation:

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets :** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible) :** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Extension and termination option in leases :** Extension and termination options are included in many of the leases. In determining the lease term the Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Company.
- **Defined Benefit Obligation (DBO) :** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies :** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

- **Impairment of Assets (Investment in Subsidiaries)** : Ind AS 36 requires the Company reviews its carrying value of investments in subsidiaries carried at cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for. The values in use (considering discounted cash flows) have been determined by external valuation experts based on management's financial projections. The determination of the value in use / fair value involves significant management judgement and estimates on the various assumptions including relating to growth rates, discount rates, terminal value, etc.
- **Allowances for Doubtful Debts** : The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments** : When the fair values 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 input to these models are taken from observable markets where possible, but where this 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.
- **Estimation uncertainty relating to the global health pandemic on COVID-19** : The Company has considered internal and certain external sources of information up to the date of approval of the standalone financial statements in determining the impact of COVID-19 pandemic on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets. However, the eventual outcome of the impact of the COVID-19 pandemic may be different from those estimated as on the date of approval of these financial statements owing to the nature and duration of COVID-19 pandemic.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 4(a) | Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
Cost							
As at April 01, 2020	2,547.22	9,536.82	7,779.66	418.10	712.67	434.70	21,429.17
Additions/Adjustments pursuant to Scheme of Arrangement*	-	-	-	351.26	-	43.24	394.50
Additions	-	525.78	447.76	49.36	126.16	81.91	1,230.97
Disposals/ Withdrawals	-	-	3.01	-	48.47	3.96	55.44
As at March 31, 2021	2,547.22	10,062.60	8,224.41	818.72	790.36	555.89	22,999.20
Additions	2.81	437.93	2,471.41	29.79	59.60	52.39	3,053.93
Disposals/ Withdrawals/ Transfer	18.86	-	-	-	46.12	130.46	195.44
As at March 31, 2022	2,531.17	10,500.53	10,695.82	848.51	803.84	477.82	25,857.69
Depreciation							
As at April 01, 2020	-	821.91	3,727.01	209.85	287.50	236.68	5,282.95
Additions/Adjustments pursuant to Scheme of Arrangement*	-	-	-	168.66	-	33.20	201.86
Charge for the year	-	232.99	423.27	126.30	89.30	71.39	943.25
On Disposals/ Withdrawals / adjustments	-	-	2.63	-	46.01	3.08	51.72
As at March 31, 2021	-	1,054.90	4,147.65	504.81	330.79	338.19	6,376.34
Charge for the year	-	251.06	519.77	103.21	91.84	71.34	1,037.22
On Disposals/ Withdrawals / adjustments/Transfer	-	-	-	-	39.53	124.49	164.02
As at March 31, 2022	-	1,305.96	4,667.42	608.02	383.10	285.04	7,249.54
Net Block							
As at March 31, 2021	2,547.22	9,007.70	4,076.76	313.91	459.57	217.70	16,622.86
As at March 31, 2022	2,531.17	9,194.57	6,028.40	240.49	420.74	192.78	18,608.15

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Note:

- Refer Note No. 18 and 23 for information on Property, Plant & Equipment pledged as security by the Company.
- Refer Note No. 37 for disclosure on Contractual commitment for acquisition of Property, Plant & Equipment.
- The Company do not have any immovable property (other than the properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee) whose title deeds are not held in the name of company.
- The Company has not revalued its Property, Plant Equipment during the current and previous financial year.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 4(b) | Right to Use Assets

Particulars	Buildings	Leasehold Land	Total
As at April 1, 2020	1,032.24	271.67	1,303.91
Additions/Adjustments pursuant to Scheme of Arrangement*	207.04	-	207.04
Additions	1,257.81	-	1,257.81
Disposals/ Withdrawals	858.48	-	858.48
As at March 31, 2021	1,638.61	271.67	1,910.28
Additions	172.43	-	172.43
Disposals/ Withdrawals	193.40	-	193.40
As at March 31, 2022	1,617.64	271.67	1,889.31
Depreciation			
As at April 01, 2020	224.54	12.87	237.41
Additions/Adjustments pursuant to Scheme of Arrangement*	82.82	-	82.82
Charge for the period	302.95	3.22	306.17
On Disposals/ Withdrawals /adjustments/Transfer	527.62	-	527.62
As at March 31, 2021	82.69	16.09	98.78
Charge for the period	238.96	3.22	242.18
On Disposals/ Withdrawals /adjustments/Transfer	76.96	-	76.96
As at March 31, 2022	244.69	19.31	264.00
Net Right of Use Assets			
As at March 31, 2021	1,555.92	255.58	1,811.50
As at March 31, 2022	1,372.95	252.36	1,625.31

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Note:

- (i) Refer Note No. 43 for detailed disclosure as per IndAS 116
- (ii) The Company has not revalued its Right of Use Asset during the current and previous financial year.

Note 4(c) | Capital Work in Progress (CWIP)

Description	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the Period/Year	1,935.26	636.77
Additions during the Year	2,883.26	2,175.10
Less: Capitalization during the Year	2,205.87	876.61
Balance at the end of the Year	2,612.65	1,935.26

Notes:

- (i) Capital Work in Progress (CWIP) ageing schedule

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

As at March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	2,612.65	-	-	-	2,612.65
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	1,406.12	529.14	-	-	1,935.26
Projects temporarily suspended	-	-	-	-	-

- (ii) There are no projects as on each reporting period where activity has been suspended. Also, there are no projects as on each reporting date which has exceeded the cost as compared to its original plan or where completion is overdue.

Note 5(a) | Intangible Assets

Particulars	Computer Software	Business Rights	Total
Cost			
As at April 01, 2020	385.67	-	385.67
Additions/Adjustments pursuant to Scheme of Arrangement*	17.98	1,000.00	1,017.98
Additions	0.34	-	0.34
As at March 31, 2021	403.99	1,000.00	1,403.99
Additions	1.55	-	1.55
As at March 31, 2022	405.54	1,000.00	1,405.54
Amortisation			
As at April 01, 2020	268.95	-	268.95
Additions/Adjustments pursuant to Scheme of Arrangement*	11.31	400.00	411.31
Charge for the year	69.17	54.55	123.72
As at March 31, 2021	349.43	454.55	803.98
Charge for the year	49.74	54.55	104.29
As at March 31, 2022	399.17	509.10	908.27
Net Block			
As at March 31, 2021	54.56	545.45	600.01
As at March 31, 2022	6.37	490.90	497.27

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Note:

- (i) The Company has not revalued its Intangible Assets during the current and previous financial year.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 5(b) | Intangible Assets Under Development (IAUD)

Description	As at March 31, 2022	As at March 31, 2021
Balance at the Beginning of the Year	2.74	-
Add: Acquisition pursuant to Scheme of Arrangement*	-	2.74
Addition during the Year	60.00	-
Less: Written Off during the year	2.74	-
Less: Capitalization during the year	-	-
Balance at the end of the Year	60.00	2.74

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Notes:

(i) Intangible assets under development ageing schedule

As at March 31, 2022

Intangible Assets Under Development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	60.00	-	-	-	60.00
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

Intangible Assets Under Development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	0.60	2.14	2.74

(ii) There are no projects on March 31, 2022 where activity has been suspended. Also, there are no projects as on each reporting date which has exceeded the cost as compared to its original plan or where completion is overdue.

Note 6 | Investments In Subsidiaries

	Number of shares	
	As at March 31, 2022	As at March 31, 2021
In Equity Shares (at cost unless otherwise stated)		
(Unquoted, Fully Paid up)		
Imoogi Fashions Pvt. Ltd. (Equity Shares of ₹ 10/- each)	10,000	10,000
Euro Fashion Inners International Pvt. Ltd. (Equity Shares of ₹ 10/- each)	41,00,000	41,00,000
Oban Fashions Pvt. Ltd. (Equity Shares of ₹ 1/- each)*	99,10,000	99,10,000
Rupa Fashions Pvt. Ltd. (Equity Shares of ₹ 10/- each)	50,000	50,000
Rupa Bangladesh Pvt. Ltd. (Equity Shares of BDT 10/- each)	1,59,004	1,59,004
In Preference Shares (at cost unless otherwise stated)		
(Unquoted, Fully Paid up)		
Oban Fashions Pvt. Ltd. (0.1% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1/- each)*	49,50,000	49,50,000

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

	Amount ₹	
	As at March 31, 2022	As at March 31, 2021
In Equity Shares (at cost unless otherwise stated)		
Imoogi Fashions Pvt. Ltd.	1.00	1.00
Euro Fashion Inners International Pvt. Ltd.	410.00	410.00
Oban Fashions Pvt. Ltd.*	99.10	99.10
Rupa Fashions Pvt. Ltd.	5.00	5.00
Rupa Bangladesh Pvt. Ltd.	13.37	13.37
In Preference Shares (at cost unless otherwise stated)		
Oban Fashions Pvt. Ltd.*	49.50	49.50
	577.97	577.97
Aggregate Carrying value of Unquoted Investments	577.97	577.97

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Note 7 | Investments

	Number of shares/Units	
	As at March 31, 2022	As at March 31, 2021
In Equity Instruments (at cost unless otherwise stated)		
(Unquoted, Fully Paid up)		
West Bengal Hosiery Park Infrastructure Limited (Equity Shares of ₹ 10/- each)	1,800	1,800
	As at	
	March 31, 2022	March 31, 2021
In Equity Instruments (at cost unless otherwise stated)		
(Unquoted, Fully Paid up)		
West Bengal Hosiery Park Infrastructure Limited	0.18	0.18
	0.18	0.18
Total Investments (A+B)	0.18	0.18
Aggregate Carrying value of Unquoted Investments	0.18	0.18

Note 8 | Other Financial Asset

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)				
Security deposits*	218.97	114.15	115.15	206.02
Interest Accrued on Loan to a Subsidiary	-	-	2.12	5.10
Interest Accrued on Loan to Bodies Corporate	-	-	16.20	16.65
Interest Accrued on fixed deposit	-	-	64.94	64.25
Bank deposits with maturity of more than 12 months**	182.96	18.70	-	-
	401.93	132.85	198.41	292.02

* Dues from private companies in which any director is a director is ₹ 67.40 lakhs (March 31, 2021 ₹ 67.40 lakhs)

** Held as lien by bank against bank guarantees to the extent ₹ 22.40 lakhs (March 31, 2021 : ₹ 18.70 lakhs)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 9 | Tax Assets (Net)

	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Advance tax (Net of Provision)	1,018.46	1,018.46
	1,018.46	1,018.46

Note 10 | Other Assets (Unsecured Considered Good)

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital Advances *	735.25	851.41	-	-
Prepaid Expenses	-	-	234.85	207.05
Advance against supply of Goods & Services ^	-	-	428.44	361.89
Advance to Employees	-	-	80.84	102.97
Balances with Government Authorities	-	-	4,567.68	2,382.25
Claims & Refund Recoverable	-	-	673.30	1,130.51
Sales Tax paid under dispute	-	-	2.89	-
Other Advances	-	-	4.21	4.21
	735.25	851.41	5,992.21	4,188.88

* Includes advance amounting to ₹ 400.92 lakhs (March 31, 2021: ₹ 400.92 lakhs) given to West Bengal Housing Infrastructure Development Corporation (WB HIDCO) towards offer for allotment of land on a freehold basis. WB HIDCO later decided to allot land on a leasehold basis which the Company has challenged the matter with the Hon'ble Calcutta High Court. The Hon'ble High Court at Calcutta has vide its order dated February 10, 2020 has decided the Writ petition in favour of the Company. WB HIDCO has filed Special Leave Petition filed in Hon'ble Supreme Court against the order of Hon'ble High Court at Calcutta. The Hon'ble Supreme Court vide its order dated July 19, 2021 has dismissed and disposed off the said petition.

^ Includes advance amounting to Nil (March 31, 2021: ₹ 0.85 lakhs) given to a Related Party (Refer Note No. 42).

Note 11 | Inventories

	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and Net realisable value)		
Raw Material including packing materials	7,464.03	6,481.52
Finished Goods	34,129.72	18,674.50
Work in Progress	16,361.96	13,564.48
	57,955.71	38,720.50

Mode of Valuation - Ref Note No. 3.1 of Accounting policy.

Note

The above includes Stock in transit		
Work in Progress	105.59	55.06
Finished Goods	162.49	60.62

Note

Inventories are hypothecated against borrowings (Refer Note No. 23)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 12 | Trade receivable

	Current	
	As at March 31, 2022	As at March 31, 2021
Trade Receivable considered good - Secured	3,613.97	2,994.06
Trade Receivable considered good - Unsecured	50,555.61	33,146.57
Trade Receivables which has significant increase in Credit Risk	-	-
Trade Receivable -Credit Impaired	221.61	248.73
	54,391.19	36,389.36
Less: Allowances for Doubtful Receivables		
Trade Receivable -Credit Impaired	221.61	248.73
	221.61	248.73
Total Trade Receivable	54,169.58	36,140.63
The above amount includes:		
Receivables from related Parties	54.96	45.13
Others	54,114.62	36,095.50
	54,169.58	36,140.63

- a) No Trade Receivables due by directors and its officers of the Company.
- b) Allowances for credit losses of trade receivables has been estimated based on ageing of receivables and customer related specific information on specific case basis. Refer note 48(b)(a)(i) for details in movement of loss allowance.
- c) Trade Receivables are hypothecated against borrowings (Refer Note no. 23)

d) Trade receivables Ageing Schedule

Particulars	Outstanding from due date of payment as on March 31, 2022						Total
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	37,385.21	15,285.04	862.51	510.53	55.02	71.27	54,169.58
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	10.54	31.15	83.44	34.53	61.95	221.61
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	(10.54)	(31.15)	(83.44)	(34.53)	(61.95)	(221.61)
Total	37,385.21	15,285.04	862.51	510.53	55.02	71.27	54,169.58

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on March 31, 2021						Total
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	26,035.84	8,134.16	905.79	853.34	107.35	104.15	36,140.63
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	24.35	48.80	81.75	47.43	46.40	248.73
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	(24.35)	(48.80)	(81.75)	(47.43)	(46.40)	(248.73)
Total	26,035.84	8,134.16	905.79	853.34	107.35	104.15	36,140.63

e) There are no unbilled revenue as on each reporting date.

Note 13 | Cash and Cash Equivalents

	As at March 31, 2022	As at March 31, 2021
Cash in hand	18.09	13.85
Balances with banks		
Current Accounts	330.22	59.97
Cash Credit Account	53.64	211.77
	401.95	285.59

Note 14 | Other Bank Balances (Other than Note - 13)

	As at March 31, 2022	As at March 31, 2021
Unpaid Dividend Accounts	15.00	14.01
Bank deposits maturity for more than 3 months but less than 12 months*	11,783.06	11,505.42
	11,798.06	11,519.43

*Held as lien by bank against bank guarantees to the extent ₹ 45.55 lakhs (March 31, 2021 : ₹ 45.55 lakhs)

Note 15 | Loans

	Current	
	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Loan to a Subsidiary	-	113.25
Loan to Bodies Corporate	200.00	200.00
	200.00	313.25

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

(i) Loans or advances to specified persons

Type of Borrower	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Amount		% age	
Promoters	-	-	-	-
Directors	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Parties	-	113.25	-	36.15%
Others	200.00	200.00	100.00%	63.85%
	200.00	313.25	100.00%	100.00%

(ii) As required under section 186(4) of the Companies Act, 2013 loan granted is for general business purpose.

(iii) There are no outstanding debts from director or other officer of the company.

Note 16 | Equity Share Capital

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Equity Shares of ₹ 1/- each	2,00,00,000	2,000.00	2,00,00,000	2,000.00
	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Issued Share Capital				
Equity Shares of ₹ 1/- each	7,97,33,560	797.34	7,97,33,560	797.34
	7,97,33,560	797.34	7,97,33,560	797.34
Subscribed & Paid-up share capital				
Equity shares of ₹ 1/- each	7,95,24,560	795.24	7,95,24,560	795.24
Equity shares forfeited of ₹ 1/- each, Paid up ₹ 0.50 per Share	2,09,000	1.05	2,09,000	1.05
	7,97,33,560	796.29	7,97,33,560	796.29

a) Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

b) Terms/ Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

For the year ended March 31, 2022 the Company has proposed dividend of ₹ 3/- per share (March 31, 2021: ₹ 5/- per share including a special dividend of ₹ 2/- per share as a mark of gratitude to the shareholders during pandemic) subject to approval of members in the ensuing Annual General Meeting.

c) Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

d) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Equity Shares of ₹ 1/- each, fully paid up				
Prahlad Rai Agarwala*	1,67,63,656	21.08%	1,67,63,656	21.08%
Ziyan Developers LLP	-	-	86,50,000	10.88%
Ullas Sales Promotion LLP (Formerly known as Ullas Sales Promotion Limited)	2,16,30,860	27.20%	2,16,30,860	27.20%

* holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of a partnership firm

e) Details of promoter shareholding

Promoter Name	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Prahlad Rai Agarwala	21,52,506	2.71%	-0.01%	21,60,196	2.72%	-0.91%
Prahlad Rai Agarwala*	1,67,63,656	21.08%	-	1,67,63,656	21.08%	-
Ghanshyam Prasad Agarwala	13,17,148	1.66%	-	13,17,148	1.66%	-
Kunj Bihari Agarwal	12,77,965	1.61%	-	12,77,965	1.61%	-
Ullas Sales Promotion LLP	2,16,30,860	27.20%	-	2,16,30,860	27.20%	-

* holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of a partnership firm

As per records of the Company, including its register of shareholders / members as on March 31, 2022, the above shareholding represents legal ownership of shares.

- f) The company has neither issued bonus shares nor has bought back any shares during last 5 years.
- g) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- h) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.
- i) No calls are unpaid by any Director or Officer of the Company during the year.

Note 17 | Other Equity

	Ref. Note	As at March 31, 2022	As at March 31, 2021
Capital Reserve	17.1	148.60	148.60
Securities Premium Reserve	17.2	6,880.31	6,880.31
General Reserve	17.3	4,231.17	4,231.17
Retained Earnings	17.4	75,706.33	60,587.76
		86,966.41	71,847.84

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Changes in Other Equity

Note 17.1 Capital Reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	148.60	-
Add: Additions/Adjustments pursuant to Scheme of Arrangement*	-	148.60
Changes during the year	-	-
	148.60	148.60

Note 17.2 Securities Premium Reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	6,880.31	6,880.31
Changes during the year	-	-
	6,880.31	6,880.31

Note 17.3 General Reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	4,231.17	4,231.17
Changes during the year	-	-
	4,231.17	4,231.17

Note 17.4 Retained Earnings

	As at March 31, 2022	As at March 31, 2021
Opening balance	60,587.76	50,785.36
Add: Adjustments pursuant to Scheme of Arrangement*	-	(5,221.19)
Add: Profit for the year	19,076.00	17,392.04
Less: Remeasurement of Defined Benefit Plans (Net of Tax)	18.82	17.29
Less: Equity Dividend Paid	(3,976.25)	(2,385.74)
	75,706.33	60,587.76

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Nature and purpose of other reserves

i) Capital Reserve

This reserve has been created pursuant to scheme of arrangement between company and its wholly owned subsidiary and can be utilized in accordance with the provisions of the Companies Act, 2013.

ii) Securities Premium Reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

iii) General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

iv) Retained Earnings

This reserve represents the cumulative profit of company and effects of remeasurement of defined benefit obligation. This reserve can be utilised in accordance with the provisions of Companies Act, 2013 .

v) Remeasurement of Defined Benefit Plans

Remeasurement of defined benefit plans comprises actuarial gains and losses and return on plan asset (excluding interest income) which are recognised in other comprehensive income and then immediately transferred to retained earnings.

Note 18 | Non Current Borrowings

	Non Current	
	As at March 31, 2022	As at March 31, 2021
Secured Term Loan		
Rupee Loan from a Banks	2,277.14	1,906.19
Less: Current portion of Long Term Borrowings	683.78	552.10
(Disclosed under Current Borrowings Refer Note No. 23)		
	1,593.36	1,354.09

Note:

1. There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

2. Terms & conditions

- Term Loan with a balance of ₹ 312.56 lakhs (March 31, 2021: ₹ 562.60 lakhs) is repayable in 5 equal quarterly installments of ₹ 62.51 lakhs and carries interest @ 8.90% to 9.15% per annum (March 31, 2021: @ 8.90% to 9.15% per annum). The said Term Loan having sanction limit of ₹ 1150.00 lakhs is secured by first charge by way of hypothecation of specific Property, Plant and Equipment funded by bank.
- Term Loan with a balance of ₹ 558.83 lakhs (March 31, 2021: ₹ 685.35 lakhs) is repayable in 53 equal monthly installments of ₹10.54 lakhs and carries interest @ 9 % per annum (March 31, 2021: 9%). The said Term Loan having sanction limit of ₹ 1445.00 lakhs is secured by first charge by way of hypothecation of specific Property, plant and Equipment funded by bank.
- Term Loan with a balance of ₹ 482.70 lakhs (March 31, 2021: ₹685.23 lakhs) is repayable in 10 equal quarterly installments of ₹ 43.88 lakhs and one quarterly installment of ₹ 41.88 lakhs and last installment of ₹ 2.00 lakhs and carries interest @ 8.85 % per annum (March 31, 2020: 8.85%). The said Term Loan having sanction limit of ₹ 800.00 lakhs is secured by exclusive charge by way of hypothecation of specific Property, Plant and Equipment funded by bank.
- Term Loan with a balance of ₹ 233.00 lakhs (March 31, 2021: Nil) is repayable in 17 equal quaterly installments of ₹13.71 lakhs and carries interest @ 8.85 % per annum (March 31, 2021: Nil). The said Term Loan having sanction limit of ₹ 300.00 lakhs is secured by first charge by way of hypothecation of specific Property, Plant and Equipment and machinery funded by bank .

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

- e) Term Loan with a balance of ₹ 690.05 lakhs (March 31, 2021: Nil) is repayable in 2 quarterly instalments of ₹ 0.10 lakhs starting from April 05, 2022 and balance amount is repayable in 18 equal quarterly installments of ₹ 38.33 lakhs and carries interest @ 7.35 % per annum (March 31, 2021: Nil). The said Term Loan having sanction limit of ₹ 740.00 lakhs is secured by first charge by way of hypothecation of specific Property, Plant and Equipment funded by bank.
- f) No loans have been guaranteed by the directors.

Note 19 | Lease Liabilities

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Lease Obligations (Refer Note No. : 43)	1,354.87	1,469.95	134.56	130.47
	1,354.87	1,469.95	134.56	130.47

Note 20 | Provisions

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity (Refer Note No. 41)	55.07	27.23	215.03	263.10
Provision for Leave	-	17.45	-	1.18
Provision for Litigation, Claims & Contingencies	-	-	70.55	70.55
	55.07	44.68	285.58	334.83

The company has estimated the provision for pending litigation, claims and demands based on the assessment of probability for these demands being crystallising against the company in due course.

Note 20.1 | Movement of Provision

Balance as at April 01, 2020	70.55
Provision utilized during the year	-
As at March 31, 2021	70.55
Provision utilized during the year	-
As at March 31, 2022	70.55

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 21 | Deferred Tax Liabilities (Net)

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities		
Arising on account of:		
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	1,305.98	1,216.86
	1,305.98	1,216.86
Less: Deferred Tax Assets		
Arising on account of:		
Unabsorbed Depreciation & Business Losses	-	1,209.61
Provision for Doubtful Receivables	55.78	37.51
Provision for Employee Benefit Expenses	67.98	82.67
Provision for Litigation, Claims & Contingencies	17.76	17.76
Other	29.32	11.37
	170.84	1,358.92
Deferred Tax Liabilities (Net)	1,135.14	(142.06)

Note 21.1 | Movement in deferred tax assets and liabilities during the year ended March 31, 2021

Particulars	As at April 01, 2020	Adjustment pursuant Scheme of Arrangement	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2021
Deferred Income Tax Liabilities					
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	1,026.73	71.84	118.29	-	1,216.86
A	1,026.73	71.84	118.29	-	1,216.86
Deferred Income Tax Assets					
Unabsorbed Depreciation & Business Loss	-	1,209.61	-	-	1,209.61
Provision for Doubtful Receivables	9.70	-	27.81	-	37.51
Provision for Employee Benefit Expenses	63.78	16.61	5.94	(3.66)	82.67
Provision for Litigation / Claims & Contingencies	17.76	-	-	-	17.76
Others	10.86	0.74	(0.23)	-	11.37
B	102.10	1,226.96	33.52	(3.66)	1,358.92
Deferred Tax Liabilities (Net) (A-B)	924.63	(1,155.12)	84.77	3.66	(142.06)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 21.2 | Movement in deferred tax assets and liabilities during the year ended March 31, 2022

Particulars	As at April 01, 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2022
Deferred Income Tax Liabilities				
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	1,216.86	89.12	-	1,305.98
A	1,216.86	89.12	-	1,305.98
Deferred Income Tax Assets				
Unabsorbed Depreciation & Business Loss	1,209.61	(1,209.61)	-	-
Provision for Doubtful Receivables	37.51	18.27	-	55.78
Provision for Employee Benefit Expenses	82.67	(8.36)	(6.33)	67.98
Provision for Litigation / Claims & Contingencies	17.76	-	-	17.76
Others	11.37	17.95	-	29.32
B	1,358.92	(1,181.75)	(6.33)	170.84
Deferred Tax Liabilities (Net) (A-B)	(142.06)	1,270.87	6.33	1,135.14

Note 22 | Other Liabilities

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Deferred Revenue (Refer Note No. 49)	147.51	171.99	27.58	30.67
Advances from customers	-	-	12.13	21.38
Statutory dues payable	-	-	639.17	524.50
	147.51	171.99	678.88	576.55

Note 23 | Current Borrowing

	Current	
	As at March 31, 2022	As at March 31, 2021
Secured		
From banks:		
Cash Credit	920.86	2,705.78
Working Capital Demand Loans	32,300.00	8,932.15
Packing Credit	-	1,000.00
Current Maturities of Long Term Borrowings (Refer Note No. 18)	683.78	552.10
	33,904.64	13,190.03

Terms & Conditions :

- Working Capital facilities (limit ₹36,300.00 lakhs and PY ₹28,300.00 lakhs) are secured by hypothecation of inventories/ book debts and other current assets of the Company and further secured by second charge of movable and immovable Property, Plant and Equipment of Domjur Unit, West Bengal.
- Working Capital facilities carries interest @ 2.50% to 11.00% p.a. (March 31, 2021: @3.00% to 11.00% p.a.)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

- c) No loans have been guaranteed by the directors and others.
- d) There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.
- e) The quarterly returns/statements filed by the Company with banks are in agreement with the books of accounts of the Company.

Note 24 | Trade payables

	Current	
	As at March 31, 2022	As at March 31, 2021
Due to micro and small enterprises (Refer Note No. 39)	932.72	1,164.71
Due to Creditors other than micro and small enterprises	20,697.91	14,998.49
Total	21,630.63	16,163.20

a) Trade payables Ageing Schedule

Particulars	Outstanding as on March 31, 2022 from date of transaction					
	Unbilled Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	932.72	-	-	-	932.72
(ii) Others	1,969.68	18,327.21	154.74	66.27	180.01	20,697.91
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,969.68	19,259.93	154.74	66.27	180.01	21,630.63

Particulars	Outstanding as on March 31, 2021 from date of transaction					
	Unbilled Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	1,164.71	-	-	-	1,164.71
(ii) Others	966.98	13,262.57	384.78	289.77	94.39	14,998.49
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	966.98	14,427.28	384.78	289.77	94.39	16,163.20

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 25 | Other Financial Liabilities

	Current	
	As at March 31, 2022	As at March 31, 2021
Interest Accrued but not due on borrowings	51.31	23.58
Book Overdraft in Current Account	-	33.21
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	15.00	14.01
Security Deposits from customers	4,607.90	4,525.79
Capital Creditors	59.55	114.75
Dealers Incentive Payable	919.07	1,178.03
Payable to Employees	1,138.68	921.47
Others*	357.74	318.93
	7,149.25	7,129.77

* including refundable to dealers, miscellaneous liabilities and other payables towards claim settlement

Note 26 | Current Tax Liabilities (Net)

	Current	
	As at March 31, 2022	As at March 31, 2021
Provisions for Taxation (Net of Payments)	1,020.90	1,945.91
	1,020.90	1,945.91

Note 27 | Revenue from Operations

	For the year ended	
	March 31, 2022	March 31, 2021
Sale of products		
Finished Goods	1,38,870.52	1,25,859.94
Semi-Finished Goods	566.50	317.85
	1,39,437.02	1,26,177.79
Sale of Services		
Service Income	2,798.74	2,237.14
	2,798.74	2,237.14
Other Operating Revenues		
Sale of Power	43.46	29.83
Scrap Sale	300.62	159.48
Export Incentive	260.06	105.25
Deferred Revenue on Government Grant	27.58	30.68
	631.72	325.24
	1,42,867.48	1,28,740.17

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

A. Nature of goods and services

The following is a description of principal activities separated by reportable segments from which the Company generates its revenue

- a) The Company is engaged in the manufacturing of hosiery products and generates revenue from the sale of hosiery products and the same is only the reportable segment of the Company.

B. Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

	For the year ended	
	March 31, 2022	March 31, 2021
i) Primary Geographical Markets		
Within India	1,38,950.99	1,26,327.06
Outside India	3,284.77	2,087.87
Total	1,42,235.76	1,28,414.93
ii) (a) Major Products		
Hosiery Products	1,39,437.02	1,26,177.79
Total	1,39,437.02	1,26,177.79
ii) (b) Sale of Services		
Service Income	2,798.74	2,237.14
Total	2,798.74	2,237.14
iii) Timing of Revenue		
At a point in time	1,42,235.76	1,28,414.93
Total	1,42,235.76	1,28,414.93
iv) Contract Duration		
Long Term	-	-
Short Term	1,42,235.76	1,28,414.93
Total	1,42,235.76	1,28,414.93

C. Contract balances

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

	For the year ended	
	March 31, 2022	March 31, 2021
Receivables, which are included in 'Trade receivables'	54,169.58	36,140.63
Contract assets	-	-
Contract liabilities (Refer Note No. 22)	12.13	21.38

D. Other Information

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

	For the year ended	
	March 31, 2022	March 31, 2021
Transaction price allocated to the remaining performance obligations	Nil	Nil
The amount of revenue recognised in the current year that was included in the opening contract liability balance	21.38	68.69
The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil	Nil
Performance Obligations- The Company satisfy the performance obligation on shipment/delivery.	Nil	Nil

Reconciliation of amount of revenue recognised in the statement of Profit & Loss with Contracted Price

	For the year ended	
	March 31, 2022	March 31, 2021
Revenue as per Contracted Price	1,54,969.30	1,41,308.23
Adjustments		
Dealer incentive & Discount	12,733.54	12,893.30
Revenue from Contract with Customers	1,42,235.76	1,28,414.93

Note 28 | Other Income

	For the year ended	
	March 31, 2022	March 31, 2021
Interest Income		
On Bank deposits	701.94	180.51
On Receivable	6.12	53.66
On Loan to a Subsidiary Company	2.36	5.51
On Loan to Bodies Corporate	18.00	18.00
	728.42	257.68
Other Non-operating income		
Profit on disposal of Property, Plant and Equipment (Net)	52.55	1.51
Gain on Disposal/Retirement of Right of Use Assets	7.64	38.98
Excess provision/Liabilities written back	97.32	155.31
Provision for Doubtful Trade Receivables written back	27.12	-
Foreign Exchange gain (net)	121.74	0.03
Insurance Claim Received	2.44	110.54
Gain on Disposal of Derivative Instruments	22.50	150.38
Miscellaneous Income	10.72	15.59
	342.03	472.34
	1,070.45	730.02

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 29 | Cost of material consumed

	For the year ended	
	March 31, 2022	March 31, 2021
Opening inventory	6,481.52	4,068.88
Add : Purchases	77,859.91	50,614.10
Less : Inventory at the end of the year	7,464.03	6,481.52
	76,877.40	48,201.46
Details of Material Consumed		
Yarn/Than	56,844.08	34,249.65
Packing Materials, Accessories and other Material	20,033.32	13,951.81
	76,877.40	48,201.46

Note 30 | Purchase of Stock-in-Trade

	For the year ended	
	March 31, 2022	March 31, 2021
Opening inventory	-	-
Add : Purchases	419.66	640.45
Less : Inventory at the end of the year	-	-
	419.66	640.45

Note 31 | Changes in Inventories of Finished Goods and Work in Progress

	For the year ended	
	March 31, 2022	March 31, 2021
Opening stock		
Finished Goods	18,674.50	27,718.29
Work in Progress	13,564.48	12,398.10
Add: Finished Goods acquired pursuant to Scheme of Arrangement*	-	1,994.43
Add: Work in Progress acquired pursuant to Scheme of Arrangement*	-	156.06
	32,238.98	42,266.88
Closing Stock		
Finished Goods	34,129.72	18,674.50
Work in Progress	16,361.96	13,564.48
	50,491.68	32,238.98
	(18,252.69)	10,027.90

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 32 | Employee Benefit Expense

	For the year ended	
	March 31, 2022	March 31, 2021
Salaries, Wages and Bonus	6,464.83	5,039.78
Contribution to Provident and Other Funds	137.27	92.13
Gratuity *	129.91	83.70
Staff Welfare Expenses	33.19	17.44
	6,765.20	5,233.05

* For descriptive notes on disclosure of defined benefit obligation refer note no. 41

Note 33 | Finance Costs

	For the year ended	
	March 31, 2022	March 31, 2021
Interest Expenses		
- On Borrowings	1,597.59	1,089.41
- On Income Tax	108.50	199.50
- On Others	3.46	-
- On Lease Liability	112.60	84.13
Other Financial charges	56.31	50.37
	1,878.46	1,423.41
Less: Borrowings cost capitalized under Capital Work-in-Progress	(8.00)	(80.50)
	1,870.46	1,342.91

Note 34 | Depreciation & Amortisation Expense

	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation on Property, Plant & Equipment	1,037.22	943.25
Amortisation of Intangible Assets	104.29	123.72
Charge for Right to Use Assets	242.18	306.17
	1,383.69	1,373.14

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 35 | Other Expenses

	For the year ended	
	March 31, 2022	March 31, 2021
Consumption of stores and spares	151.78	101.43
Sub-contracting /Job Worker expenses	32,710.94	24,166.31
Power & Fuel	2,263.14	1,401.67
Freight outwards and Forwarding expenses	2,610.04	2,358.48
Rent	90.53	82.13
Rates and taxes	165.65	122.49
Insurance	212.29	198.72
Repairs and Maintenance :		
- Plant and Machinery	412.56	350.69
- Building and others	442.05	369.00
Advertising	6,128.88	5,287.23
Sales Promotion	57.26	15.22
Business Convention	449.99	390.70
Brokerage	1,817.71	1,700.27
Travelling and Conveyance	881.88	669.93
Communication Costs	103.72	96.80
Legal and Professional fees	281.00	267.05
Directors' Sitting fees & Commision	66.85	69.95
Payment to auditor (refer note below)	39.19	34.20
Bad Debts/ Advance written off	68.46	26.73
Provision for Doubtful Trade Receivables	-	134.85
Royalty on Sales	9.70	35.50
Contribution for CSR activities (Refer Note No. 46)	328.51	276.60
Miscellaneous Expenses	1,056.17	891.54
	50,348.30	39,047.47
Note :		
Payment to auditor		
For Audit Fees	19.55	19.40
For Limited Review Fees	15.25	13.50
For Others	3.85	0.95
Out of Pocket Expenses	0.54	0.35
	39.19	34.20

Note 35.1 | Tax Expense

	For the year ended	
	March 31, 2022	March 31, 2021
Current Tax for the year	4,448.00	6,127.00
Deferred Tax for the year	1,270.87	84.77
Tax Expense for Current Year	5,718.87	6,211.77
Income Tax for Earlier Years	(268.96)	-
Tax Expense in Statement of Profit & Loss	5,449.91	6,211.77

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Reconciliation of estimated Income Tax Expense at Indian Statutory Income Tax rate to Income Tax expense reported in Statement of Comprehensive Income

	For the year ended	
	March 31, 2022	March 31, 2021
Income before Income taxes	24,525.91	23,603.81
Indian Statutory Income tax Rate u/s 115BAA of the Income Tax Act, 1961	25.17%	25.17%
Estimated Income tax expenses	6,172.68	5,940.61
Tax effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:		
Expenses Disallowed for tax purpose	113.89	119.45
Deductions allowable under Income Tax Act	-	(59.87)
Tax Payable at different Rate	(7.28)	-
Deferred Tax on brought forward losses of division merged acquired pursuant scheme of arrangement	(545.26)	175.65
Others	(15.16)	35.93
	(453.81)	271.16
Income Tax Expense in the Statement of Profit and Loss	5,718.87	6,211.77

Note 36 | Earnings Per Share

	For the year ended	
	March 31, 2022	March 31, 2021
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	19,076.00	17,392.04
Weighted average number of Equity Shares (in number) (b)	7,95,24,560	7,95,24,560
Basic & Diluted Earnings Per Share (a/b) (Nominal Value - ₹ 1/- per share)	23.99	21.87

Note 37 | Capital and Other Commitments

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed and not provided for (net of advances)	626.86	1,229.13

Note 38 (a) | Contingent Liabilities & Contingent Assets

	As at March 31, 2022	As at March 31, 2021
Demands / claims by various government authorities and others not acknowledged as debts and contested by the management or government		
Sales Tax Matters [Amount deposited under dispute ₹ 2.89 lakhs (PY: Nil)]	19.40	-
Entry Tax *	1,021.42	914.72
Bank Guarantees outstanding	920.00	947.34
Guarantees Given to Bank		
- West Bengal Hosiery Park Infrastructure Ltd	200.00	200.00

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

* During the year 2013-14, the Company had challenged, before the Hon'ble High Court of Calcutta, the imposition of entry tax by the State Government of West Bengal on receipt of materials from outside the state on the ground that such imposition of entry tax is ultra vires / unconstitutional. The Company has received a favourable interim order dated June 05, 2013 and the matter is presently sub judice. Accordingly, the liability (including interest) has not been provided in books of accounts.

Note:

The amount shown above represents the best possible estimate arrived at on the basis of available information. The uncertainties are dependent on outcome of different legal processes. The timing of future cash flows will be determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company does not expect any reimbursements against above.

b) The Code on Social Security, 2020 (Code) related to various employee benefits received Presidential assent in September, 2020 and has been published in the Gazette of India. However, the date on which the Code will come in effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 39 | Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 included in Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid to any supplier at the end of accounting year	932.72	1,164.71
Interest due on above	-	-
Total	932.72	1,164.71
Amount of interest paid by the Company to the suppliers in terms of section 16 of the MSMED Act, 2006 alongwith amount paid to the suppliers beyond the respective due date	-	-
Amount of interest due and payable for the year of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	3.46	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 40 | Dividend

The Board of Directors at its meeting held on May 23, 2022 have recommended a payment of final dividend of ₹ 3/- per equity share of face value of ₹ 1/- each for the financial year ended March 31, 2022. The same amounts to ₹ 2,385.74 lakhs. The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 40.1 | Particulars relating to Dividend paid to Non-Resident Shareholders

	For the year ended	
	March 31, 2022	March 31, 2021
Number of Non-Resident Shareholders	1,052	217
Number of shares held by them	26,64,462	79,313
Dividend relating to the year	2020-21	2019-20
Amount of dividend (₹)	133.22	2.38

Note 41 | Employee Benefit (Defined Benefit Plan)

The Company has a Defined Benefit Gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The Company has got an approved gratuity fund with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities. However, in terms of new regulations/conditions issued by the gratuity fund, employees who have joined the Company during the year are not eligible to register for the existing fund maintained with LIC and thus the gratuity liability for such employees who have joined the Company during the year and for employees of division merged pursuant to scheme of arrangement is unfunded.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the plan.

Note 41(a)

Particulars	Non-Funded		Funded	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Change in projected benefit obligations				
Obligations at beginning of the year	27.87	-	521.34	481.46
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)*	-	24.18	-	-
Current Service cost	26.39	8.42	48.77	56.84
Past Service cost	39.96	-	-	-
Interest Cost	-	1.69	35.98	33.70
Benefits settled	-	-	(28.64)	(21.78)
Actuarial (gain) /loss (through OCI)	(27.87)	(6.42)	(14.77)	(28.88)
Obligations at end of the year	66.35	27.87	562.68	521.34

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Note 41(b)

Particulars	Non-Funded		Funded	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Change in plan assets				
Plan assets at beginning of the year, at fair value			258.88	228.06
Interest income			21.18	16.95
Remeasurement - Return on Assets		Not Applicable	(17.49)	(14.35)
Contributions			125.00	50.00
Benefits settled			(28.64)	(21.78)
Plan assets at end of the year			358.93	258.88

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 41(c)

Particulars	Non-Funded		Funded	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Net Defined Benefit liability / (asset)				
Present value of defined benefit obligation at the end of the year	66.35	27.87	562.68	521.34
Fair value of plan assets at the end of the year	-	-	358.93	258.88
Net liability/(asset) recognised in the Balance Sheet	66.35	27.87	203.75	262.46

Note 41(d)

Particulars	Non-Funded		Funded	
	For the year ended			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Expenses recognised in Statement of Profit and Loss				
Service Cost	66.35	8.42	48.77	56.84
Interest Cost (Net)	-	1.69	14.79	16.75
Total Expense recognised in Statement of Profit and Loss	66.35	10.11	63.56	73.59

Note 41(e)

Particulars	Non-Funded		Funded	
	For the year ended			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Re-measurement gains / (losses) in OCI				
Actuarial (gain) / loss due to financial assumption changes	-	0.93	(8.59)	8.31
Actuarial (gain) / loss due to experience adjustments	(27.87)	(7.35)	(6.18)	(37.19)
Return on plan assets (greater)/less than discount rate	-	-	17.49	14.35
Total amount routed through OCI	(27.87)	(6.42)	2.72	(14.53)

Note 41(f) The major categories of plan assets of the fair value of the total plan assets are as follows:

Actuarial (gain) / loss due to experience adjustments	Non-Funded		Funded	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Investments with insurer	N.A.	N.A.	100%	100%

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 41(g) The principal assumptions used in determining gratuity benefit obligations for the Group are shown below:

	As at March 31, 2022	As at March 31, 2021
Discount Rate	7.10%	6.90%
Salary Escalation Rate	6.00%	6.00%
Mortality Rate	IALM (2012-14) table	IALM (2012-14) table
Withdrawal Rate	1% to 20%	1% to 20%

Note 41(h) A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

Particulars	Sensitivity	As at March 31, 2022		As at March 31, 2021	
		Increase	Decrease	Increase	Decrease
Funded					
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	522.53	608.46	482.35	565.97
Further salary increase	1%	599.15	530.03	556.52	489.55
Withdrawal Rates	1%	568.94	555.63	526.05	515.97

Particulars	Sensitivity	As at March 31, 2022		As at March 31, 2021	
		Increase	Decrease	Increase	Decrease
Non-Funded					
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	61.04	72.55	24.61	31.78
Further salary increase	1%	72.70	60.85	31.93	24.44
Withdrawal Rate	1%	65.65	67.01	27.80	27.90

The sensitivity analyses 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.

Note 41(i) The average duration of the defined benefit plan obligation at the end of the reporting period is 5.42 years (March 31, 2021: 5.47 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows :

Particulars	Non-funded Amount - (₹)	Funded Amount - (₹)
Expected benefits payment for the year ending on		
March 31, 2023	11.28	56.81
March 31, 2024	2.33	43.43
March 31, 2025	2.54	45.63
March 31, 2026	5.68	60.99
March 31, 2027	7.06	52.04
March 31, 2028 to March 31, 2032	26.77	245.15

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 41(j) Defined Contribution Plan

	As at March 31, 2022	As at March 31, 2021
Contribution to Provident/Pension Funds (Refer Note No. 32)	137.27	92.13

Note 42 Related Party Disclosure

Names of related parties and related party relationship

Related parties where control exists

Related Parties which exercises Significant influence over the Company (Forming Part of Promotor Group)	Ullas Sales Promotion LLP
Subsidiary Companies	Euro Fashion Inners International Pvt. Ltd. Imoogi Fashions Pvt. Ltd. Oban Fashions Pvt. Ltd. Rupa Fashions Private Limited Rupa Bangladesh Private Limited

Related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. Prahlad Rai Agarwala	Chairman
	Mr. Ghanshyam Prasad Agarwala	Vice Chairman
	Mr. Kunj Bihari Agarwal	Managing Director
	Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer
	Mr. Mukesh Agarwal	Whole-time Director
	Mr. Niraj Kabra	Executive Director
	Mr. Dinesh Kumar Lodha	Chief Executive officer
	Mr. Ashok Bhandari	Independent Director
	Mr. Dipak Kumar Banerjee	Independent Director
	Mr. Dharam Chand Jain	Independent Director
	Mr. Vinod Kumar Kothari	Independent Director
	Mr. Sushil Patwari	Independent Director
	Mrs. Alka Devi Bangur	Independent Director
	Mr. Kundan Kumar Jha	Company Secretary (ceased w.e.f 28-02-2022)
	Mr. Manish Agarwal	Company Secretary (appointed w.e.f 01-03-2022)
Relatives of Key Management Personnel	Mr. Suresh Agarwal	Son of Mr. Prahlad Rai Agarwala
	Mr. Manish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Ravi Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Vikash Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Rajnish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Siddhant Agarwal	Grand-Son of Mr. Prahlad Rai Agarwala
	Mrs. Rekha Patodia	Daughter of Mr. Prahlad Rai Agarwala
	Ms. Anusha Agarwal	Daughter of Mr. Ravi Agarwal
	Mr. Aparesw Agarwal	Son of Mr. Ramesh Agarwal
	Mr. Avnish Agarwal	Son of Mr. Ravi Agarwal
	Ms. Devanshi Agarwal	Daughter of Mr. Mukesh Agarwal
	Mr. Keshav Agarwal	Son of Mr. Mukesh Agarwal

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

	Ms. Srishti Agarwal	Daughter of Mr. Suresh Agarwal
	Ms. Vaaridhi Agarwal	Daughter of Mr. Ramesh Agarwal
	Mrs. Shanti Devi Agarwal	Wife of Mr. Prahlad Rai Agarwala
	Mrs. Pushpa Devi Agarwal	Wife of Mr. Ghanshyam Prasad Agarwala
	Mrs. Lalita Devi Agarwal	Wife of Mr. Kunj Bihari Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Ramesh Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Mukesh Agarwal
	Mrs. Shalini Agarwal	Wife of Mr. Vikash Agarwal
	Mrs. Sudha Agarwal	Wife of Mr. Suresh Agarwal
	Mrs. Sarita Patwari	Daughter of Mr. Ghanshyam Prasad Agarwala
Enterprises owned or significantly influenced by key management personnel or their relatives	Salasar Projects and Estates Pvt. Ltd.	
	Sidhant Flats & Apartments Pvt. Ltd.	
	Salasar Infrastructure Ltd.	
	Sobhasaria Properties Pvt. Ltd.	
	Lambodar Hosiery Pvt. Ltd.	
	Arrow-Link Stitchers Pvt. Ltd.	
	Rupa Spinners Ltd.	
	Salasar Developers & Garments Pvt. Ltd.	
	Bajrangbali Projects Ltd.	
	Sidhant Textiles Pvt. Ltd.	
	Ganesh Enclave Ltd.	
	Gajkarna Projects Private Limited	
	Ravi Global Pvt. Ltd.	
	Kadambari Impex & Agency Pvt. Ltd.	
	Prahlad Rai Suresh Kumar - HUF	
	Suresh Kumar Agarwal - HUF	
	Mukesh Kumar Agarwal - HUF	
	Ghanshyam Prasad Manish Kumar - HUF	
	K B & Sons - HUF	
	Ravi Agarwal - HUF	
	Binod Hosiery	
	Sidhant Credit Capital Ltd.	
	Yashoda Hosiery Pvt. Ltd.	
	Rupa Foundation	
	Tushar Knitting LLP	
Private companies in which directors or relatives are director or members	Bajrangbali Hosiery Pvt. Ltd.	
	Rupa Dyeing & Printing Pvt. Ltd.	
	Salasar Processors Pvt. Ltd.	
	Bajrangbali Textiles Pvt. Ltd.	
	Metro Towers Office Owners Association	

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Related party transactions

Particulars	Party	Nature of relationship	31.03.2022	31.03.2021
Rent	Mr. Prahlad Rai Agarwala	Key Management Personnel	-	1.69
	Mr. Ghanshyam Prasad Agarwala		1.37	1.37
	Mr. Kunj Bihari Agarwal		0.58	0.58
	Mr. Mukesh Agarwal		-	0.65
	Mrs. Pushpa Devi Agarwal	Relatives of Key Management Personnel	0.22	0.22
	Bajrangbali Hosiery P Ltd	Private companies in which directors or relatives are director or members	1.74	1.74
	Salasar Infrastructure Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	1.30	1.30
	Rupa Spinners Ltd.		1.30	1.30
	Salasar Developers & Garments Pvt. Ltd.		1.30	1.30
	Bajrangbali Projects Ltd.		1.30	1.30
	Sidhant Textiles Pvt Ltd.		1.37	1.37
	Ganesh Enclave Ltd.		1.30	1.30
	Ravi Global Pvt Ltd.		1.37	1.37
	Kadambari Impex & Agency Pvt Ltd.		1.37	1.37
	Sobhasaria Properties Pvt Ltd		1.73	1.73
	Others		1.15	1.15
Payment of Lease Liability	Sobhasaria Properties Pvt Ltd		28.80	28.80
Salary & Perquisites	Mr. Prahlad Rai Agarwala #	Key Management Personnel	229.60	208.00
	Mr. Ghanshyam Prasad Agarwala		122.40	102.00
	Mr. Kunj Bihari Agarwal		122.40	102.00
	Mr. Ramesh Agarwal		122.40	108.00
	Mr. Mukesh Agarwal		122.40	108.00
	Mr. Dinesh Kumar Lodha		434.85	378.25
	Mr. Niraj Kabra		21.37	17.35
	Mr. Manish Agarwal	Relatives of Key Management Personnel	3.21	-
	Mr. Kundan Kumar Jha		28.44	24.53
	Mr. Manish Agarwal		115.20	100.80
	Mr. Ravi Agarwal		115.20	100.80
	Mr. Vikash Agarwal		115.20	100.80
	Mr. Rajnish Agarwal		115.20	100.80
	Mr. Suresh Agarwal		76.80	67.20
	Mr. Siddhant Agarwal		50.40	42.00
	Mrs. Rekha Patodia		25.00	20.99

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Party	Nature of relationship	31.03.2022	31.03.2021
Sitting Fees & Commission	Mr. Dipak Kumar Banerjee	Independent Director	13.65	14.65
	Mr. Dharam Chand Jain		7.50	6.60
	Mr. Vinod Kumar Kothari		12.65	13.00
	Mr. Sushil Patwari		12.15	13.65
	Mr. Ashok Bhandari		13.40	13.65
	Mrs. Alka Devi Bangur		7.50	8.40
Sales of Goods	Imoogi Fashions Pvt. Ltd.	Subsidiary Company	158.93	61.32
	Oban Fashions Pvt. Ltd.		15.49	-
Sale of Services	Imoogi Fashions Pvt. Ltd.		45.07	26.42
Interest Income	Oban Fashions Pvt. Ltd.		2.36	5.51
Royalty	Euro Fashion Inners International Pvt. Ltd.		9.70	8.14
Purchases	Imoogi Fashions Pvt. Ltd.		70.71	56.71
	Bajarangbali Textiles Pvt. Ltd.	Private companies in which directors or relatives are director or members	33.66	37.12
Rental Income	Bajarangbali Textiles Pvt. Ltd.		6.00	6.00
	Tushar Knitting LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	3.60	3.60
	Tushar Knitting LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	53.10	37.22
	Arrow Link Stitchers Pvt. Ltd.		7,991.36	6,427.69
Sub-contracting Expenses	Yashoda Hosiery Pvt. Ltd.		217.80	171.96
	Lambodar Hosiery Pvt. Ltd.		139.93	114.98
	Salasar Processors Pvt. Ltd.		1,179.29	940.70
	Rupa Dyeing & Printing Pvt. Ltd.		1,467.69	1,046.02
	Bajarangbali Textiles Pvt. Ltd.		19.60	26.21
Advertisement Expense	Gajkarna Projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives	3.56	4.48
CSR Expenditure	Rupa Foundation		5.85	25.35
Miscellaneous Expenses	Metro Towers Office Owners Association	Private companies in which directors or relatives are director or members.	37.79	46.97

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Party	Nature of relationship	31.03.2022	31.03.2021
Dividend Paid	Mr. Prahlad Rai Agarwala	Key Management Personnel	108.01	86.67
	Mr. Ghanshyam Prasad Agarwala		65.86	39.51
	Mr. Kunj Bihari Agarwal		63.90	38.34
	Mr Mukesh Agarwal		36.48	21.89
	Mr Ramesh Agarwal		52.96	31.78
	Mr. Vikash Agarwal		94.18	52.66
	Mr. Ravi Agarwal		87.13	52.28
	Mr. Rajnish Agarwal		66.36	37.30
	Mr. Manish Agarwal	Relatives of Key Management Personnel	64.13	36.98
	Mr. Suresh Agarwal		53.33	32.00
	Mrs. Shanti Devi Agarwal		38.82	23.29
	Mrs. Pushpa Devi Agarwal		29.70	17.82
	Others		83.10	35.85
	Ullas Sales Promotion LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	1,081.54	648.93
	Binod Hosiery		838.18	502.91
	Sidhant Credit Capital Ltd.		84.60	50.76
	K.B & Sons (HUF)		33.27	19.96
	Others		32.24	19.35

includes Commission of ₹ 100.00 (March 31, 2021: ₹ 100.00)

Balance at end of the Period

Particulars	Party	Nature of relationship	31.03.2022	31.03.2021
Trade Payables and Other Liabilities (payable to employees)	Mr. Prahlad Rai Agarwala	Key Management Personnel	125.00	109.64
	Mr. Ghanshyam Prasad Agarwala		25.68	17.33
	Mr. Kunj Bihari Agarwal		25.29	9.32
	Mr. Ramesh Agarwal		57.05	41.70
	Mr. Mukesh Agarwal		79.69	47.26
	Mr. Dinesh Kumar Lodha		136.57	163.34
	Mr Niraj Kabra		1.69	1.06
	Mr Manish Agarwal	Relatives of Key Management Personnel	1.81	-
	Mr Kundan Kumar Jha		0.55	0.83
	Mr. Manish Agarwal		52.08	29.70
	Mr. Rajnish Agarwal		57.47	30.17
	Mr. Ravi Agarwal		38.80	29.90
	Mr. Vikash Agarwal		45.41	31.94
	Mr. Suresh Agarwal		42.59	20.20
	Mr. Siddhant Agarwal		27.89	4.84
	Mrs Rekha Patodia		1.08	1.08
	Mrs. Pushpa Devi Agarwal		0.11	0.83

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Party	Nature of relationship	31.03.2022	31.03.2021
Trade Payables and Other Liabilities (payable to employees)	Mr Dipak Kumar Banerjee	Independent Directors	5.00	5.00
	Mr Dharam Chand Jain		3.00	3.00
	Mr Vinod Kumar Kothari		5.00	5.00
	Mr Sushil Patwari		5.00	5.00
	Mr Ashok Bhandari		5.00	5.00
	Mrs Alka Devi Bangur		3.00	3.00
Trade Receivables	Imoogi Fashions Pvt. Ltd.	Subsidiary Company	38.70	45.13
	Oban Fashions Pvt Ltd		16.26	-
Trade Payables	Euro Fashion Inners International Pvt. Ltd.	Subsidiary Company	31.07	22.38
	Rupa Dyeing & Printing Pvt Ltd	Private companies in which directors or relatives are director or members	139.02	153.27
	Lambodar Hosiery Pvt Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	15.50	20.37
	Tushar Knitting LLP		25.76	4.03
	Arrow Link Stitchers Pvt Ltd		471.66	496.97
	M/s Binod Hosiery		0.07	0.55
	Gajkarna Projects Private Limited		0.93	0.75
	Bajarangbali Textiles Pvt. Ltd.	Private companies in which directors or relatives are director or members.	6.22	0.88
	Metro Towers Office Owners Association		0.79	2.99
	Yashoda Hosiery Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	1.87	6.15
	Salasar Processors Pvt. Ltd.	Private companies in which directors or relatives are director or members.	53.57	124.57
	Advance against Supply of Goods & Services	Enterprises owned or significantly influenced by key management personnel or their relatives	-	0.85
Financial Assets - Loan granted & Other Financial Asset	Oban Fashions Pvt Ltd	Subsidiary Company	2.12	118.35

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Party	Nature of relationship	31.03.2022	31.03.2021
Financial Assets - Security Deposit	Salasar Projects and Estates Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	26.00	26.00
	Sidhant Flats & Apartments Pvt Ltd.		26.40	26.40
	Bajrangbali Projects Ltd.		3.00	3.00
	Ganesh Enclave Ltd.		3.00	3.00
	Rupa Spinners Ltd.		3.00	3.00
	Salasar Infrastructure Ltd.		3.00	3.00
	Salasar Developers & Garments Pvt Ltd.		3.00	3.00
Lease Liability Payable	Sobhasaria Properties Pvt Ltd		4.12	-

Note :

The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity as it is determined on an actuarial basis for the Company as a whole.

Note 43 | Leases

- I. The Company has entered into agreements for taking on lease certain offices/ manufacturing units / warehouses on lease and licence basis. The lease term is for a period ranging from 3 to 30 years, on fixed rental basis with escalation clauses in the lease agreements. In addition to the above, the Company has certain leasehold land under finance lease arrangements for terms ranging from 86 to 90 years which has been reclassified from property, plant and equipment to right of use assets during the earlier year.

The changes in the carrying value of right of use assets for the year ended March 31, 2022 are disclosed in Note 4(b).

II. Income / Expenses recognised in the Statement of Profit and Loss:

	As at March 31, 2022	As at March 31, 2021
Other Income		
Gain on retirement of Right of use assets	7.64	38.98
Rent		
Expense relating to short-term leases and leases of low value assets	90.53	82.13
Finance cost		
Interest expense on lease liabilities	112.60	84.13
Depreciation and impairment losses		
Depreciation on right-of-use assets	242.18	306.17

Total cash outflow for leases for the period year ended March 31, 2021 is ₹ 271.93 lakhs (P.Y. ₹ 354.13 lakhs)

III. Contractual maturities of lease liabilities

As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under Liquidity risk (Refer Note No. 48(b)(b)(i)). The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	As at March 31, 2022
Within one year	228.25
After one year but not more than five years	805.70
More than five years	1,335.79

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

IV. Movement in Lease Liabilities

Particulars	Amount
Balance as at April 01, 2021*	1,600.42
Add: Additions during the year	172.44
Add: Finance Cost accrued during the year	112.60
Less: Dercognised on account of Termination of Lease	(124.10)
Less: Payment of Lease Liabilities for the year	(271.93)
Balance as at March 31, 2022	1,489.43

*Includes ₹ 168.81 lakhs acquired pursuant to Scheme of Arrangement

Note 44 | Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Chief Executive Officer of the Company being the CODM, assesses the financial performance and position of the Company and makes strategic decisions. The CODM primarily uses Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) as performance measure to assess the performance of the operating segments. However, the CODM also receives information about the segment's revenues, segment assets and segment liabilities on regular basis.

A. Description of segment

The Company is principally engaged in a single business segment viz., Hosiery Products.

B. Geographical Information

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
i) Segment Revenue from external Customer (Sale of Goods)		
Within India	1,38,950.99	1,26,327.06
Outside India- Export Sales	3,284.77	2,087.87
Total	1,42,235.76	1,28,414.93

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
ii) Carrying value of Non-Current assets (other than financial instruments)		
Within India*	25,735.06	23,420.21
Outside India	-	-
Total	25,735.06	23,420.21

*Non-Current Assets for this purpose consists of Property, Plant and Equipment, Capital Work-in-Progress, Intangible Assets, Intangibles assets under development, Non Current Tax Assets and Other Non-Current Assets.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 45 | Information pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Loan & Advances (in nature of loan both Current & Non Current) to subsidiary company are as under :

Particulars	Balance as on 31-Mar-22	Balance as on 31-Mar-21	Maximum Balance outstanding during FY 2021-2022	Maximum Balance outstanding during FY 2020-21
Oban Fashions Private Limited	-	113.25	113.25	203.25

Note 46 | (a) Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Amount required to be spent by the company during the year	328.50	276.60
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	328.51	319.30
(Excess)/Shortfall at the end of the year*	(0.01)	(42.70)
Total of previous years (Excess)/Shortfall*	-	(42.70)
Contribution to a trust controlled by the company	-	-
The nature of CSR activities undertaken by the Company	Making available safe drinking water, Eradicating hunger / poverty, Promoting Healthcare, Animal Welfare, Environment Sustainability	Making available safe drinking water, Eradicating hunger / poverty, Promoting Healthcare, Animal Welfare, Contribution to PM Care Fund, providing Relief and rehabilitation for disaster management

For details of related party transactions, refer note 42

(b) Pertaining to amendment on Section 135(5) disclosure on excess amount spent to be carry forward

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Opening Balance	(42.70)	-
Amount required to be spent during the year	328.50	276.60
Amount Spent during the year	285.81	319.30
(Excess) /Shortfall spent *	(0.01)	(42.70)

* Excess spent but not carried forward

Note 47 | Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. Refer Note No. 50 for ratios monitored for capital management.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 48 | Disclosure on Financial Instrument

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note No. 3.12 to the financial statements.

(a) Fair Value of Financial Asset & Liabilities

The Company has measured its Financial Asset and Financial Liabilities at Amortised Cost. Hence no separate disclosure has been given for fair value hierarchy.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The carrying value of trade receivables, trade payables, cash and cash equivalents, loans, borrowings and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities.

(b) Financial Risk Management

The Company has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below:

(a) Credit risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels.

(i) Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in note no. 13.

Reconciliation of Loss Allowance provision :

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Loss Allowance at beginning of the year	248.73	38.54
Add: Loss allowance pursuant to Scheme of Arrangement *	-	75.33
Change in loss Allowance	(27.12)	134.85
Loss Allowance at end of the year	221.61	248.73

* Refer Note No. 51 for detailed disclosure of Scheme of Arrangement

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(b) Liquidity risk

The Company determines its liquidity requirement in the short term and long term. The Company manage its liquidity risk in a manner so as to meet its financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

(i) Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at March 31, 2022

Particulars	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-derivative				
Trade payables	-	21,630.63	-	-
Borrowings	920.86	32,983.78	1,036.99	556.37
Other financial liabilities				
Interest Accrued but not due on borrowings	-	51.31	-	-
Book Overdraft in current Account	-	-	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	15.00	-	-	-
Security Deposits from customers	4,607.90	-	-	-
Capital Creditors	-	59.55	-	-
Dealers Incentive payable	-	919.07	-	-
Payable to employees	-	1,138.68	-	-
Lease Liability	-	134.56	251.66	1,103.21
Others	-	357.74	-	-
Total	5,543.76	57,275.32	1,288.65	1,659.58

The following are the remaining contractual maturities of Financial Liabilities as at March 31, 2021

Particulars	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-derivative				
Trade payables	-	16,163.20	-	-
Borrowings	2,705.78	10,484.25	916.67	437.42
Other Financial Liabilities				
Interest Accrued but not due on Borrowings	-	23.58	-	-
Book Overdraft in current Account	33.21	-	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	14.01	-	-	-
Security Deposits from customers	4,525.79	-	-	-
Capital Creditors	-	114.75	-	-
Dealers Incentive Payable	-	1,178.03	-	-
Payable to Employees	-	921.47	-	-
Lease Liability	-	130.47	277.23	1,192.72
Others	-	318.93	-	-
Total	7,278.79	29,334.68	1,193.90	1,630.14

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

- (i) **Interest rate risk:** Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Fixed Rate Instruments		
Financial Assets	12,166.02	12,440.93
Financial Liabilities	6,097.33	7,366.54
Variable Rate Instruments		
Financial Liabilities	35,498.00	13,544.12

- (b) **Interest rate Sensitivity:** A change in 50 basis points in the interest rate would have following impact on profit before tax and other equity

Particulars	Sensitivity Analysis	As at March 31, 2022		As at March 31, 2021	
		Impact on		Impact on	
		Profit before Tax	Other Equity	Profit before Tax	Other Equity
Interest rate increase by	0.50%	(177.49)	(132.82)	(67.72)	(50.51)
Interest rate decrease by	0.50%	177.49	132.82	67.72	50.51

(c) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

(i) Unhedged Foreign Currency Exposure

The Company's exposure to foreign currency in USD at the end of the reporting period expressed in INR is as follows:

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial Assets		
Trade Receivables	1,714.34	1,011.35
EEFC Bank Account	208.10	111.76

(ii) The Company's exposure to unhedged foreign currency being not significant, sensitivity analysis has not been done for the same.

(d) Other Risk

The Company is periodically monitoring the situation arising due to COVID 19 pandemic considering both internal and external information available upto the date of the approval of these Standalone Financial Statements and has assessed the recoverability of the carrying value of its assets on March 31, 2022. Based on the assessment, the Company does not anticipate any material impact on these standalone financial statements.

Note 49 | Movement of Deferred Revenue (Refer Note No. 22)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance (including Current portion)	202.66	233.33
Government Grant received during the year	-	-
Less:		
Deferred Revenue on Government Grant recognised in Statement of Profit and Loss	27.58	30.67
Current portion of Deferred Revenue Grant carried forward as at year end	27.58	30.67
Non-Current portion of Deferred Revenue Grant carried forward as at year end	147.51	171.99

Note 50 | Ratio Analysis and its Elements:

Sl. No.	Ratio	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021
1	Current ratio	Current Assets	Current Liabilities	2.02	2.32
2	Debt-Equity Ratio *	Net Debt : Non-current borrowings + Current borrowings + Lease Liabilities - Cash & Cash Equivalent- Other Bank Balances	Shareholder's Equity : Equity Share Capital + Other Equity (excluding Capital Reserve)	0.28	0.06
3	Debt Service Coverage Ratio	Earnings available for Debt Service : Net Profit before taxes + Depreciation and Amortizations + Finance Cost	Debt Service : Principal Repayments of Non current borrowings+ Lease Payments + Interest on borrowings & lease liability	12.77	15.87
4	Return on Equity Ratio	Profit after Tax (PAT)	Shareholder's Equity : Equity Share Capital + Other Equity (excluding Capital Reserve)	23.83%	26.76%
5	Inventory Turnover Ratio	Revenue from Operations	Average Inventory	2.96	3.03
6	Trade receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	3.16	4.20

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 50 | Ratio Analysis and its Elements:

Sl. No.	Ratio	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021
7	Trade Payables Turnover Ratio	Expenses : Total Expenses - Finance Cost - Depreciation & amortization expenses - Employee benefit expenses - other non cash items	Average Trade Payables	5.79	6.52
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital (Working capital : Current Assets minus Current Liabilities)	274.80%	287.14%
9	Net Profit Ratio	Profit after Tax (PAT)	Revenue from Operations	13.35%	13.51%
10	Return on Capital Employed	Earning before Interest and Taxes (EBIT)	Average Capital Employed [Capital Employed : Equity Share Capital + Other Equity (excluding Capital Reserve)+Total Debt + Deferred Tax Liabilities]	24.99%	30.72%

Return on Investment is not applicable to the company

* Variation in Debt -Equity Ratio is due to increase in working capital facilities availed by the company as compared to previous year.

Note 51 | Scheme of Arrangement

- A) The Board of Directors at its meeting held on December 09, 2020 has approved a Scheme of Arrangement ("the Scheme") between the company and it's wholly owned subsidiary, M/s Oban Fashions Pvt. Ltd. (OFPL) wherein the premium brand undertaking of OFPL shall be demerged and transferred to the Company having an appointed date of April 1, 2021. The Hon'ble National Company Law Tribunal, Kolkata (Parent Company) & Mumbai (Subsidiary Company) vide its orders dated July 26, 2021 and November 25, 2021 respectively has sanctioned the aforesaid Scheme. A copy of the order was filed with the Registrar of Companies, on January 17, 2022 in accordance with the applicable provisions of the Companies Act 2013 and accordingly the Scheme became effective from January 17, 2022 upon completion of necessary formalities.
- B) The merger has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations' and impact has been considered from the beginning of the preceding year i.e. April 1, 2020. Accordingly, the operations of the demerged division (premium brand undertaking of OFPL) for the period April 1, 2020 till March 31, 2021 was given effect by restating the financial statement of the Company for the previous year i.e. financial year ended March 31, 2021. The restated financial statements of the Company has been approved by the Board of Directors of the Company at their meeting held on February 08, 2022.
- C) Pursuant to the Scheme of Arrangement :
- The Company has recorded all assets and liabilities of the demerged division of OFPL at their respective book values thereof as appearing in the books of the OFPL as at April 1, 2020 . The balances of Assets and liabilities as stated above has been considered based on the audited financial statements of OFPL as at and for the year ended March 31, 2020 which was approved by the Board of the directors at their meeting held on June 25 , 2020.
 - The difference, between the book value of the assets over the liabilities of the demerged division of OFPL after adjusting impact of reduction of Equity & Preference Share Capital of OFPL and elimination of inter-company adjustments has been recorded as Capital Reserve in the books of the company. Summary of relevant information has been provided below:"

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	As on April 1, 2020
Non Current Assets	2,081.97
Current Assets	5,009.96
Total Assets (A)	7,091.93
Non Current Liabilities	67.99
Current Liabilities	6,304.13
Total Liabilities (B)	6,372.12
Identifiable Net Assets acquired [(A-B)=C]	719.81
Reserve & Surplus	
Debit Balance in Retained Earnings - [D]	(5,221.19)
Impact of Capital Reduction [E]	5,792.40
Capital Reserve [C-D-E]	148.60

(iii) The reconciliation of Total Equity (Equity Share Capital & Other Equity) of the company as on March 31, 2021 after giving impact of the scheme of arrangement is as follow:

Particulars	Amount
Total Equity of the Company as on 31.03.2021 before the impact of the Scheme	78,408.19
Capital Reserve arisen on Business Combination	148.60
Reserves of demerged division of OFPL as on April 01, 2020	(5,221.19)
Profit / (Loss) after Tax of demerged division of OFPL for the year ended March 31, 2021	(697.89)
Other Comprehensive Income of demerged division of OFPL for the year ended March 31, 2021	6.42
Total Equity as on 31.03.2021 after the impact of the Scheme	72,644.13

Note 52 | Other Statutory Information

(a) Relationship with Struck off Companies

The Company do not have any transactions with company's struck off during the current and previous financial year.

(b) Disclosure in relation to undisclosed income

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current and previous financial year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(c) Details of Benami Property held

The Company does not have any Benami property. Further, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(d) Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period as at March 31, 2022.

(e) Details of Crypto Currency or Virtual Currency

The Company have not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

(f) Utilisation of Borrowed Fund & Share Premium

- i) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(g) Disclosure for no wilful default

The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

(h) Compliance with number of layers of Companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Note 53 | Previous year figures have been reclassified/regrouped wherever considered necessary.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Dinesh Kumar Lodha
Chief Executive Officer

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

Independent Auditors' Report

To
The Members of
Rupa & Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Rupa & Company Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, its consolidated profit including other comprehensive income, its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants (ICAI) of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Independent Auditors' Report

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>1. Valuation & existence of inventories (Refer to Note 12 to the standalone financial statements)</p> <p>The Group holds inventories amounting to ₹ 58303.32 lakhs as at the Balance Sheet date, which represent 36.97 % of total assets.</p> <p>As described in the accounting policies in note 4.1 to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value. Inventories valuation and existence is a significant audit risk as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.</p> <p>We have determined this to be a matter of significance to our audit due to the quantum of the amount involved.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> ● Obtained a detailed understanding and evaluated the design and implementation of controls that the companies in the Group has established in relation to inventory valuation and existence. ● Reviewing the document and other record related to physical verification of inventories done by the management during the year and subsequent to year end. ● Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. We have also verified on sample basis confirmation from third parties for inventory lying with them as at year end. ● Obtained assurance over the management's assumptions applied in calculating the gross profit margin and discounts to be deducted from sales price to arrive at cost of products. ● Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. ● Recomputing provisions recorded to verify that they are in line with the Company policy.
<p>2. Revenue recognition including estimation of rebates & discounts (Refer Note 27 to the consolidated financial statements)</p> <p>As described in Accounting Policy for Revenue recognition vide Note 4.6 of the consolidated financial statements, the revenue is recognised upon transfer of control of goods to the customer and thus requires an estimation of the revenue taking into consideration the rebates, discounts and incentives as per the terms of the contracts.</p> <p>The companies in the group sells its products through various channels like dealers, modern trade, distributors, retailers, etc., and recognize liabilities related to rebates, discounts and incentives.</p> <p>With regard to the determination of revenue, the management is required to make significant estimates in respect of the rebates/ discounts linked to sales, which will be given to the customers pursuant to schemes offered by the Group and compensation (discounts) offered by the customers to the ultimate consumers at the behest of the Group.</p> <p>The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> ● Obtained a detailed understanding and evaluated the design and implementation of controls that the companies in the group has established in relation to revenue recognition and recording of rebates, discounts, etc. and period end provisions relating to estimation of revenue, and tested the operating effectiveness of such controls; ● Tested the inputs used in the estimation of revenue in context of rebates, discounts, etc. to source data; ● Assessed the underlying assumptions used for determination of rebates, discounts etc; ● Ensured the completeness of liabilities recognised by evaluating the parameters for sample schemes; ● Performed look-back analysis for past trends by comparing recent actuals with the estimates of earlier periods and assessed subsequent events; ● Tested credit notes issued to customers and payments made to them during the year and subsequent to the year- end along with the terms of the related schemes.

Independent Auditors' Report

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>3. Recoverability of Trade Receivables (Refer Note 13 to the consolidated financial statements)</p> <p>The Group has trade receivables amounting to ₹ 54,732.66 lakhs as at the Balance Sheet date, which represent 34.70 % of total assets.</p> <p>Due to the inherent subjectivity that is involved in making judgments in relation to credit risk exposures to determine the recoverability of trade receivables and significant estimates and judgements made by the management for provision for loss allowance under Expected credit Loss model. The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated and tested the controls relating to credit control and approval process and assessing the recoverability of overdue receivables by comparing management's views of recoverability of overdue receivables to historical patterns of receipts. • We also checked on sample basis balance confirmations from customers to test whether trade receivables as per books are acknowledged by them. • We also reviewed receipts subsequent to the financial year end for its effect in reducing overdue receivables as the financial year end. • We also reviewed at the adequacy of the management judgements and estimates on the sufficiency of provision for doubtful debts through detailed analyses of ageing of receivables and assessing the adequacy of the disclosures in respect of credit risk.

Information Other than the Consolidated financial statements and Auditor's Report thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report

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

The respective Board of Directors of companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

Independent Auditors' Report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements/ financial information of three subsidiaries whose financial statements/ financial information reflect total assets and net assets of ₹ 1,083.36 lakhs and ₹ 764.48 lakhs respectively as at March 31, 2022, total revenues of ₹ 396.74 lakhs, total profit after tax of ₹ 16.02 lakhs and total comprehensive income of ₹ 16.56 lakhs for the year ended on that date and net cash inflow of ₹ 4.35 lakhs for the year ended March 31, 2022 as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph above.

We did not audit the financial statements / financial information of one foreign subsidiary, whose financial statements / financial information reflect total assets and net assets of ₹ 11.35 lakhs and ₹ 11.15 lakhs respectively as at March 31, 2022, total revenue of ₹ Nil, total loss after tax of ₹ 0.22 lakhs and total comprehensive income of ₹ 0.01 lakhs for the year ended on that date and net cash outflows of ₹ 0.29 lakhs for the year ended March 31, 2022 as considered in the consolidated financial statements. This financial statements / financial information are audited as per the local law of the respective country and have been converted by the management of the Holding Company into Ind-AS compliant financial statements. Our opinion on the statement in so far as relates to the amounts included in respect of these subsidiaries are based solely on audited accounts as per the respective local laws which has been converted into Ind AS by the Holding Company's management and duly certified by them.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure A**, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.
2. As required by section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of the subsidiaries referred to in the other matter paragraph above, we report, to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

Independent Auditors' Report

- (b) In our opinion, proper books of account as required by law relating to the preparation of aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiaries, none of the directors of Group Companies are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/ provided by the Group to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Group has disclosed the impact of pending litigations on its financial position in its financial statements – Note 11 & 39(a) to the consolidated financial statements;
 - II. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries.
 - IV.
 - (a) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 52(f)(ii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 52(f)(ii) to the consolidated financial statements, no funds have been received by the group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

Independent Auditors' Report

- (c) Based on our audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph 2(h) (iv)(a) &(b) above, contain any material mis-statement.
- V. The dividend declared and paid during the year by the Holding company is in compliance with Section 123 of the Act. None of the subsidiaries have declared or paid any dividend during the year and hence, compliance of section 123 is not applicable to these companies.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

Pradeep Kumar Singhi
Partner
Membership No. 050773
UDIN: 22050773AJLKBQ7988

Place: Kolkata
Dated: May 23, 2022

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 of the Independent Auditor's Report of even date to the members of Rupa & Company Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2022)

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies incorporated in India have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

SI No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditors' report	Paragraph number in the respective CARO reports
1	Imoogi Fashions Pvt. Ltd.	U17120WB2010PTC140976	Subsidiary	May 19, 2022	N.A.
2	Euro Fashion Inners International Pvt. Ltd.	U17120MH2005PTC152837	Subsidiary	May 12, 2022	Clause (vii)(b)
3	Oban Fashions Pvt. Ltd.	U18204MH2015PTC271385	Subsidiary	May 20, 2022	Clause (xvii)
4	Rupa Fashions Pvt.Ltd.	U17299WB2019PTC235237	Subsidiary	April 26, 2022	Clause (xvii)

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

Pradeep Kumar Singhi
Partner
Membership No. 050773
UDIN: 22050773AJLKBQ7988

Place: Kolkata
Dated: May 23, 2022

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rupa & Company Limited of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting with reference to financial statements of the Holding Company. Based on comments made by the independent auditors of the subsidiary companies incorporated in India (covered entities) with respect to the internal financial controls with reference to financial statements as required in terms of sub-section (3)(i) of section 143 of the Act, we report as under:

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and the covered entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and covered entities internal financial controls over financial reporting with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters Paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to these consolidated financial statements

A company's internal financial control over financial reporting with reference to financial statements is a process designed

Annexure 'B' to the Independent Auditor's Report

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

Limitations of Internal Financial Controls over financial reporting with reference to these consolidated financial statements

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

Opinion

In our opinion, the Holding Company and its subsidiaries have in all material respects, an adequate internal financial controls system over financial reporting with reference to financial statements and such internal financial controls over financial reporting with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to financial statements in so far as it relates to 3 subsidiaries incorporated in India, is based on the corresponding reports of the auditors of such companies.

For **Singhi & Co.**
Chartered Accountants
Firm Registration No.302049E

Pradeep Kumar Singhi
Partner

Membership No. 050773
UDIN: 22050773AJLKBQ7988

Place: Kolkata
Dated: May 23, 2022

Consolidated Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5 (a)	18,874.41	16,894.99
(b) Right to Use Assets	5 (b)	1,625.31	1,811.51
(c) Capital work-in-progress	5 (c)	2,612.65	1,935.26
(d) Intangibles Assets	6 (a)	497.27	600.01
(e) Intangible Assets under development	6 (b)	60.00	2.74
(f) Financial Assets			
(i) Investments	7	0.18	0.18
(ii) Other Financial Assets	8	407.16	271.07
(g) Deferred Tax Assets (Net)	9(a)	-	1,155.71
(h) Non-Current tax Assets (Net)	10	1,023.37	1,026.17
(i) Other Non Current Assets	11	735.36	851.41
		25,835.71	24,549.05
Current Assets			
(a) Inventories	12	58,303.32	39,058.33
(b) Financial Assets			
(i) Trade Receivable	13	54,732.66	36,440.90
(ii) Cash and Cash Equivalents	14	432.67	317.91
(iii) Other bank balances (other than Note No. 14 above)	15	11,941.48	11,521.71
(iv) Loans	16	200.00	200.00
(v) Other Financial Assets	8	196.80	287.62
(c) Other Current Assets	11	6,071.63	4,269.29
		1,31,878.56	92,095.76
TOTAL ASSETS		1,57,714.27	1,16,644.81
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	796.29	796.29
(b) Other Equity	18	87,384.05	72,156.61
		88,180.34	72,952.90
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1,593.36	1,354.09
(ii) Lease Liabilities	20	1,354.87	1,469.95
(b) Provisions	21	55.14	44.68
(c) Deferred Tax Liabilities (Net)	9(b)	1,172.37	1,050.37
(d) Other Non-Current Liabilities	22	147.51	172.00
		4,323.25	4,091.09
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	33,904.64	13,190.03
(ii) Lease Liabilities	20	134.56	130.47
(iii) Trade Payables			
- Total outstanding dues of creditors to micro enterprises and small enterprises	24	932.72	1,164.71
- Total outstanding dues of creditors to other than micro enterprises and small enterprises		21,056.34	15,096.64
(iv) Other Financial Liabilities	25	7,176.69	7,153.31
(b) Provisions	21	287.64	337.15
(c) Current Tax Liabilities (Net)	26	1,034.91	1,946.76
(d) Other Current Liabilities	22	683.18	581.75
		65,210.68	39,600.82
TOTAL EQUITY & LIABILITIES		1,57,714.27	1,16,644.81
Basis of Accounting	2		
Basis of Consolidation	3		
Significant Accounting Policies	4		
Significant Judgements and Key Estimates	4.19		

The notes are the integral part of the Consolidated Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Dinesh Kumar Lodha
Chief Executive Officer

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lakhs)

Sl. No.	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from Operations	27	1,47,413.86	1,31,267.15
II	Other Income	28	1,078.38	728.75
III	Total Income (I+II)		1,48,492.24	1,31,995.90
IV	Expenses			
	Cost of Materials Consumed	29	76,901.80	48,201.63
	Purchase of Stock-in-Trade	30	4,623.01	2,880.38
	Changes in Inventories of Finished Goods, Work in Progress	31	(18,256.19)	10,060.03
	Employee Benefits Expense	32	6,806.75	5,268.79
	Finance Costs	33	1,872.16	1,343.31
	Depreciation and Amortisation Expense	34	1,389.24	1,378.98
	Other Expenses	35	50,484.02	39,122.22
	Total Expenses (IV)		1,23,820.79	1,08,255.34
V	Profit before Exceptional Items & Tax (III-IV)		24,671.45	23,740.56
VI	Exceptional Items		-	-
VII	Profit/(Loss) Before Tax (V-VI)		24,671.45	23,740.56
VIII	Tax Expense			
	a) Current tax	36	4,485.12	6,129.57
	b) Tax for earlier years		(268.96)	-
	c) Deferred tax		1,271.20	85.09
IX	Profit for the year (VII- VIII)		19,184.09	17,525.90
X	Other Comprehensive Income			
	A. (i) Items that will not be reclassified to profit or loss - Remeasurements of defined benefit plans		25.86	21.31
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(6.51)	(3.75)
	B. (i) Items that will be reclassified to profit or loss - Exchange difference in respect of Non Integral Foreign Operation		0.23	(0.29)
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Other Comprehensive Income for the year [(A(i-ii) + B(i-ii))]		19.58	17.27
XII	Total Comprehensive Income for the year (IX+XI)		19,203.67	17,543.17
XIII	Earnings per equity share			
	Basic earnings per share (₹)	37	24.12	22.04
	Diluted earnings per share (₹)		24.12	22.04
	Basis of Accounting	2		
	Basis of Consolidation	3		
	Significant accounting policies	4		
	Significant Judgements and key estimates	4.19		

The notes are the integral part of the Consolidated Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Dinesh Kumar Lodha
Chief Executive Officer

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES				
Profit Before Tax		24,671.45		23,740.56
Adjustment to reconcile Profit Before Tax to Net Cash Flows				
(a) Depreciation and Amortisation	1,389.24		1,378.98	
(b) Finance Cost	1,872.16		1,343.31	
(c) (Profit)/loss on disposal of Plant, Property & Equipment (Net)	(52.23)		(1.51)	
(d) Gain on Disposal/Retirement of Right of Use Assets	(7.64)		(38.98)	
(e) Bad debts written off	15.06		14.47	
(f) Sundry balances written off	53.40		13.29	
(g) Excess Provisions/Liabilities written back	(98.61)		(155.32)	
(h) Provision for Doubtful Trade Receivables/(written back)	(27.12)		134.85	
(i) Deferred Revenue on Government Grant	(27.58)		(30.67)	
(j) Unrealised Foreign Exchange Gain/Loss	(38.76)		(19.53)	
(k) Interest income	(732.76)	2,345.16	(256.41)	2,382.48
Operating Profit before Working Capital Changes		27,016.61		26,123.04
Changes in Working capital				
(a) (Increase)/decrease in Inventories	(19,244.99)		7,672.79	
(b) (Increase)/decrease in Trade Receivables	(18,240.35)		(11,442.05)	
(c) (Increase)/decrease in Other Financial Assets	(14.46)		17.70	
(d) (Increase)/decrease in Non-Financial Assets	(1,855.84)		781.89	
(e) Increase/(decrease) in Trade Payables	5,826.31		2,941.87	
(f) Increase/(decrease) in Other Financial Liabilities	49.97		(660.54)	
(g) Increase/(decrease) in Provisions	(13.18)		5.99	
(h) Increase/(decrease) in Non-Financial Liabilities	104.52	(33,388.02)	10.97	(671.37)
Cash Generated from Operations		(6,371.41)		25,451.67
Less: (a) Direct Taxes Paid		(5,234.98)		(4,393.01)
Net Cash from Operating Activities		(11,606.39)		21,058.66
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES				
(a) Purchase of Property, Plant & Equipment and Intangible Assets (including capital advances)		(3,729.16)		(2,269.42)
(b) Proceeds from Disposal of Plant, Property & Equipment		83.95		5.23
(c) Redemption/(Investment) of Fixed Deposits (net)		(449.93)		(11,610.00)
(d) Interest received		733.22		177.59
Net Cash used in Investing Activities		(3,361.92)		(13,696.60)

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
C. CASH FLOW ARISING FORM FINANCING ACTIVITIES				
(a) Repayment of Non-Current Borrowings		(566.01)		(428.54)
(b) Proceeds from Non-Current Borrowings		936.96		934.95
(c) Proceeds / (Repayment) of Current Borrowings (Net)		20,582.93		(3,870.85)
(d) Payment of Lease Liability		(271.93)		(354.13)
(e) Dividend and Tax paid thereon		(3,976.23)		(2,385.73)
(f) Interest Paid		(1,622.06)		(1,068.95)
Net Cash used in Financing Activities		15,083.66		(7,173.25)
Net increase/(decrease) in Cash & Cash Equivalent (A+B+C)		115.35		188.81
Cash & Cash Equivalents at the beginning of the year		317.91		128.31
Effect of exchange rate changes on Cash & Cash Equivalent		(0.59)		0.79
Cash & Cash Equivalents at the end of the year		432.67		317.91

Note:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows".
- Closing Cash and Cash Equivalents represent balances of cash and cash equivalents as indicated in Note No.14 to the Consolidated Financial Statement.
- Statement of Reconciliation of Financing activities :

Particulars	Term Loan from Banks	Short Term Borrowings
Balance as at April 01, 2021 (including interest accrued thereon)	1,919.63	12,648.06
Cash Flow (Net)	370.95	20,582.93
Non Cash Changes		
Fair Value Changes	-	-
Interest Expense*	162.21	1,203.22
Interest Paid	(160.36)	(1,177.33)
Total	2,292.43	33,256.88

* Gross interest amount before capitalisation

- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- Previous years figures have been regrouped / reclassified wherever necessary.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Dinesh Kumar Lodha
Chief Executive Officer

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

Consolidated Statement of Change in Equity

for the year ended March 31, 2022

(₹ in Lakhs)

a) Equity Share Capital

Balance as at April 01, 2020	796.29
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2021	796.29
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at March 31, 2022	796.29

b) Other Equity

Particulars	Reserves & Surplus			OCI	Total
	Securities Premium Account	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	
Balance as at April 01, 2020	6,880.31	4,231.17	45,887.02	0.67	56,999.17
Profit for the Year	-	-	17,525.90	-	17,525.90
Remeasurement Gain on Defined Benefit plans (Net of Taxes)	-	-	17.56	(0.29)	17.27
Total Comprehensive Income	-	-	17,543.46	(0.29)	17,543.17
Dividend Paid	-	-	(2,385.73)	-	(2,385.73)
Balance as at March 31, 2021	6,880.31	4,231.17	61,044.75	0.38	72,156.61
Profit for the Year	-	-	19,184.09	-	19,184.09
Remeasurement Gain on defined benefit plans (Net of Taxes)	-	-	19.35	0.23	19.58
Total Comprehensive Income	-	-	19,203.44	0.23	19,203.67
Dividends Paid	-	-	(3,976.23)	-	(3,976.23)
Balance as at March 31, 2022	6,880.31	4,231.17	76,271.96	0.61	87,384.05

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
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Manish Agarwal
Company Secretary
Membership No. A29792

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

1. CORPORATE AND GENERAL INFORMATION

Rupa & Company Limited (the Parent Company) was incorporated in India in the year 1985 and has its registered office in Metro Towers, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700071.

The Parent Company is a Public Limited Group domiciled in India & is incorporated under provision of Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. The Parent Company and its Subsidiaries (together referred to as "the Group") are primarily engaged in manufacture of hosiery products in knitted undergarments, casual wears and thermal wears. The Parent Company also has a Power Generation Unit operated on Windmill process.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Group for the year ended March 31, 2022 have been approved by the Board of Directors in their meeting held on May 23, 2022.

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value

2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (₹ INR), which is also the Company's functional currency. All financial information presented in (₹) has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.5 Current Vs non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.6 Adoption of new accounting standards

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Ministry of Corporate Affairs ("MCA") issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the company in its financial statements. These amendments are applicable to the company for the period starting April 1, 2021.

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

- **Ind AS 103 – Reference to Conceptual Framework** - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.
- **Ind AS 16 – Proceeds before intended use** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.
- **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract** - The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.
- **Ind AS 109 – Annual Improvements to Ind AS (2021)** - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability.

The amendments to accounting standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current and future periods.

3. BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Profit/(loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

All the consolidated subsidiaries have a consistent reporting date of March 31, 2021. The Group consolidates the financial statements of the parent company and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intra Group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent company and the non-controlling interests based on their respective ownership interests.

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition-date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognised as capital reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities except changes made to harmonise the accounting policies.

4. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

4.1 Inventories

Raw materials and packing materials are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials is determined on weighted average basis including packing materials, accessories and dyes and chemicals.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

of Work-in-progress (measured in kgs) is determined on weighted average basis and cost of work-in-progress (measured in pieces) and cost of finished goods is determined on Retail sales price method.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of traded goods is determined on weighted average basis.

Adequate provision is made for obsolete and slow-moving stocks, wherever necessary.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods.

4.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

4.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

4.4 Property, Plant and Equipment

4.4.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

4.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

4.4.3. Depreciation and Amortization

- Depreciation on Property Plant & Equipment is provided under Straight Line basis using the rates arrived at based on the useful lives estimated by the management. The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and machinery in the range of 10 - 30 years as against useful life of 15 years stipulated under Schedule II of the Act. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Group has used the following rates to provide depreciation on its Property Plant & Equipment.

Class of Property Plant & Equipment	Useful Lives estimated by the management (Years)
Factory Buildings	30
Non-factory Buildings	60
Plant and Equipments	10 to 30
Computer and Data Processing Equipments	3 to 6
Furnitures and Fixtures	10
Vehicles	8
Office Equipments	5

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

- Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.
- The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and machinery as 10 years. These lives are lower than those indicated in schedule II of Companies Act, 2013.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

4.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

4.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

4.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets."

4.5 Leases

4.5.1. Group as a lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

4.5.2. Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(i) **Right-of-use Assets (ROU Assets)**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.12 Impairment of non-financial assets.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

(ii) **Lease Liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

(iii) **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of Property, Plant & Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4.6 Revenue Recognition

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

4.6.1. Sale of Goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Group transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to change in inventory) is also recognised for the right to recover products from a customer.

4.6.2. Sale of Services

In contracts involving the rendering of services, revenue is measured using the completed service method.

4.6.3. Sale of Power

Revenue from sale of Energy (Power) is recognised on the basis of Electrical Units generated net of transmission loss as applicable when no significant uncertainty as to measurability & collectability exists.

4.6.4. Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

4.6.5. Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established.

4.6.6. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt / acceptance.

4.7 Employee Benefits

4.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

4.7.2. Post Employment Benefits

The Group operates the following post employment schemes:

➤ **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

➤ **Defined Contribution Plan**

Retirement benefits in the form of Provident and Pension Funds are defined contribution schemes and are charged to the statement of profit and loss of the period when the contributions to the respective funds are due. The Group has no obligation other than contributions to the respective funds. The Group recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the selected service.

4.8 **Government Grants**

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

4.9 **Foreign Currency Transactions**

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

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as at and for the year ended March 31, 2022

4.10 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 directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. The Group considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

4.11 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.

4.11.1. Financial Assets

➤ Initial Recognition and Measurement:

All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- o Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- o Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- o Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- o Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ **Derecognition**

The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ **Impairment of Financial Assets**

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

4.11.2. Financial Liabilities

➤ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

➤ **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize 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 counterparty.

4.12 Impairment of Non-Financial Assets

- The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

4.13 Provisions, Contingent Liabilities and Contingent Assets

4.13.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

➤ **Onerous Contracts:**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

4.13.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and 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 Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in Other Notes to Financial Statements.

4.13.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

4.14 Intangible Assets

Recognition and Measurement

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful economic lives.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Amortization

The useful lives over which intangible assets are amortized are as under:

Assets	Useful Life (In Years)
Copyrights & Trade marks	10
Computer software	5
Business Rights	Over the tenure of the agreement (on straight line basis)

Disposal

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit & Loss.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

4.15 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

4.16 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker (CODM). An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Based on assessment of CODM in terms of Indian Accounting Standard – 108, the Group is predominantly engaged in a single segment of Garments & Hosiery goods and related services. The analysis of geographical segments is based on the areas in which customers of the Group are located.

4.17 Earning Per Share

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

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

For the purpose of 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.

4.18 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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 the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- 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; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the Group considering the requirements of IndAS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

4.19 Significant accounting judgements and key sources of estimation:

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

- **Extension and termination option in leases** : Extension and termination options are included in many of the leases. In determining the lease term the Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Company.
- **Defined Benefit Obligation (DBO)**: Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies**: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets**: The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts**: The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments**: When the fair values 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 input to these models are taken from observable markets where possible, but where this 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.
- **Estimation uncertainty relating to the global health pandemic on COVID-19**: The companies in the Group has taken into account all the possible impacts of COVID-19 in preparation of these consolidated financial statements, including but not limited to its assessment of, liquidity and going concern assumption, the recoverability of property, plant and equipments, receivables, intangible assets, cash and cash equivalent and investments. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements owing to the nature and duration of COVID-19.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 5(a) | Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
Cost							
As at April 01, 2020	2,594.10	9,777.47	7,780.32	769.85	691.54	477.94	22,091.22
Additions	-	525.78	447.77	49.36	126.16	81.90	1,230.97
Disposals/ Withdrawals	-	-	3.01	-	48.47	3.95	55.43
As at March 31, 2021	2,594.10	10,303.25	8,225.08	819.21	769.23	555.89	23,266.76
Additions	2.81	437.93	2,471.41	29.79	59.60	52.39	3,053.93
Disposals/ Withdrawals	18.86	-	-	-	46.92	130.47	196.25
As at March 31, 2022	2,578.05	10,742.18	10,696.49	850.00	780.91	477.81	26,124.44
Depreciation							
As at April 01, 2020	-	839.04	3,720.52	378.92	266.04	269.87	5,474.39
Charge for the year	-	237.27	424.81	126.32	89.30	71.39	949.09
On Disposals/ Withdrawals / adjustments	-	-	2.63	-	46.01	3.07	51.71
As at March 31, 2021	-	1,076.31	4,142.70	505.24	309.33	338.19	6,371.77
Charge for the year	-	255.35	521.04	103.21	91.84	71.33	1,042.77
On Disposals/ Withdrawals / adjustments	-	-	-	-	40.01	124.50	164.51
As at March 31, 2022	-	1,331.66	4,663.74	608.45	361.16	285.02	7,250.03
Net Block							
As at March 31, 2021	2,594.10	9,226.94	4,082.38	313.97	459.90	217.70	16,894.99
As at March 31, 2022	2,578.05	9,410.52	6,032.75	241.55	419.75	191.79	18,874.41

Note:

- Refer Note No. 19 and 23 for information on Property, Plant & Equipment pledged as security by the Company.
- Refer Note No. 38 for disclosure on Contractual commitment for acquisition of Property, Plant & Equipment.
- The group do not have any immovable property (other than the properties where the group is the lessee and the lease agreement are duly executed in favour of the lessee) whose title deeds are not held in the name of group.
- The group has not revalued its Property, Plant and Equipment during the current and previous financial year.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 5(b) | Right to Use Assets

Particulars	Buildings	Leasehold Land	Total
As at April 01, 2020	1,239.31	271.66	1,510.97
Additions	1,257.81	-	1,257.81
Disposals/ Withdrawals	858.48	-	858.48
As at March 31, 2021	1,638.64	271.66	1,910.30
Additions	172.44	-	172.44
Disposals/ Withdrawals	193.40	-	193.40
As at March 31, 2022	1,617.68	271.66	1,889.34
Depreciation			
As at April 01, 2020	307.36	12.88	320.24
Charge for the period	302.95	3.22	306.17
On Disposals/ Withdrawals /adjustments/Transfer	527.62	-	527.62
As at March 31, 2021	82.69	16.10	98.79
Charge for the period	238.96	3.22	242.18
On Disposals/ Withdrawals /adjustments/Transfer	76.94	-	76.94
As at March 31, 2022	244.71	19.32	264.03
Net Right of Use Assets			
As at March 31, 2021	1,555.95	255.56	1,811.51
As at March 31, 2022	1,372.97	252.34	1,625.31

Note:

- (i) Refer Note No. 43 for detailed disclosure as per IndAS 116
- (ii) The group has not revalued its Right of Use Asset during the current and previous financial year.

Note 5(c) | Capital Work in Progress (CWIP)

Description	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the Period/Year	1,935.26	636.77
Additions during the Year	2,883.26	2,175.10
Less: Capitalization during the Year	2,205.87	876.61
Balance at the end of the Year	2,612.65	1,935.26

Notes:

- (i) Capital Work in Progress (CWIP) ageing schedule

As at March 31, 2022					
CWIP	CWIP				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	2,612.65	-	-	-	2,612.65
Projects temporarily suspended	-	-	-	-	-

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

As at March 31, 2021

CWIP	CWIP				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	1,406.13	529.13	-	-	1,935.26
Projects temporarily suspended	-	-	-	-	-

- (ii) There are no projects on each reporting period where activity has been suspended. Also, there are no projects as on each reporting date which has exceeded the cost as compared to its original plan or where completion is overdue.

Note 6(a) | Intangible Assets

Particulars	Computer Software	Business Rights	Total
Cost			
As at April 01, 2020	403.65	1,000.00	1,403.65
Additions	0.34	-	0.34
As at March 31, 2021	403.99	1,000.00	1,403.99
Additions	1.55	-	1.55
As at March 31, 2022	405.54	1,000.00	1,405.54
Amortisation			
As at April 01, 2020	280.26	400.00	680.26
Charge for the year	69.17	54.55	123.72
As at March 31, 2021	349.43	454.55	803.98
Charge for the year	49.74	54.55	104.29
As at March 31, 2022	399.17	509.10	908.27
Net Block			
As at March 31, 2021	54.56	545.45	600.01
As at March 31, 2022	6.37	490.90	497.27

Note:

- (i) The group has not revalued its Intangible Assets during the current and previous financial year.

Note 6(b) | Intangible Assets Under Development (IAUD)

Description	As at March 31, 2022	As at March 31, 2021
Balance at the Beginning of the Year	2.74	2.74
Addition during the Year	60.00	-
Less: Written Off during the year	2.74	-
Less: Capitalization during the year	-	-
Balance at the end of the Year	60.00	2.74

Notes:

- (i) Intangible assets under development ageing schedule

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

As at March 31, 2022

Intangible Assets Under Development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	60.00	-	-	-	60.00
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

Intangible Assets Under Development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	0.60	2.14	2.74

(ii) There are no projects on March 31, 2022 where activity has been suspended. Also, there are no projects as on each reporting date which has exceeded the cost as compared to its original plan or where completion is overdue.

Note 7 | Investments

	Non-Current			
	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
In Equity Instruments (at cost unless otherwise stated)				
(Unquoted Fully paid up)				
West Bengal Hosiery Park Infrastructure Limited (Equity Shares of ₹ 10/-)	1,800	0.18	1,800	0.18
	1,800	0.18	1,800	0.18
Aggregate Carrying value of Unquoted Investments		0.18		0.18

Note 8 | Other Financial Asset

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered good)				
Security deposits*	224.20	119.27	115.15	206.02
Interest Accrued on deposits	-	-	64.94	64.95
Interest Accrued on Loan to Bodies Corporate	-	-	16.20	16.65
Bank deposits With maturity of more than 12 months **	182.96	151.80	-	-
Others	-	-	0.51	-
	407.16	271.07	196.80	287.62

* Dues from private companies in which any director is a director is ₹ 67.40 lakhs (March 31, 2021 ₹ 67.40 lakhs)

** Held as lien by bank against bank guarantees to the extent ₹ 22.40 lakhs (March 31, 2021 : ₹18.70 lakhs)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 9 | Deferred Tax Asset/Liabilities

Note 9(a) | Deferred Tax Asset (Net)

	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities		
Arising on account of:		
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	-	71.84
	-	71.84
Less: Deferred Tax Assets		
Arising on account of:		
Provision for Doubtful Receivables	-	-
Provision for Employee Benefit Expenses	-	17.20
Provision for Litigation, Claims & Contingencies	-	-
Unabsorbed Depreciation & Business Losses	-	1,209.61
Mat Credit Entitlement	-	-
Others	-	0.74
	-	1,227.55
Total Deferred Tax Asset (Net)	-	1,155.71

Note 9(b) | Deferred Tax Liability (Net)

	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities		
Arising on account of:		
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	1,343.75	1,183.49
Others	-	-
	1,343.75	1,183.49
Less: Deferred Tax Assets		
Arising on account of:		
Provision for Doubtful Receivables	55.78	37.51
Provision for Employee Benefit Expenses	68.51	66.06
Provision for Litigation, Claims & Contingencies (Refer Note 21.1)	17.76	17.76
Unabsorbed Depreciation & Business Losses	-	-
Mat Credit Entitlement	-	1.16
Others	29.33	10.63
	171.38	133.12
Total Deferred Tax Liability (Net)	1,172.37	1,050.37

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 9.1 Movement in deferred tax assets and liabilities during the year ended March 31, 2021

Particulars	As at April 01, 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2021
Deferred Income Tax Liabilities				
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	1,136.27	119.06	-	1,255.33
A	1,136.27	119.06	-	1,255.33
Deferred Income Tax Assets				
Provision for Doubtful Receivables	9.70	27.81	-	37.51
Provision for Employee Benefit Expenses	80.91	6.10	(3.75)	83.26
Provision for Litigation, Claims & Contingencies	17.76	-	-	17.76
Unabsorbed Depreciation & Business Losses	1,209.61	-	-	1,209.61
Mat Credit Entitlement	0.86	0.30	-	1.16
Others	11.61	(0.24)	-	11.37
B	1,330.45	33.97	(3.75)	1,360.67
Total Deferred Tax Liability (Net) (A-B)	(194.18)	85.09	3.75	(105.34)

Note 9.2 Movement in deferred tax assets and liabilities during the year ended March 31, 2022

Particulars	As at April 01, 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2022
Deferred Income Tax Liabilities				
Difference between written down value of Property, plant and Equipment and Intangible Assets for tax purposes and financial reporting purposes	1,255.33	88.42	-	1,343.75
A	1,255.33	88.42	-	1,343.75
Deferred Income Tax Assets				
Provision for Doubtful Receivables	37.51	18.27	-	55.78
Provision for Employee Benefit Expenses	83.26	(8.24)	(6.51)	68.51
Provision for Litigation, Claims & Contingencies	17.76	-	-	17.76
Unabsorbed Depreciation & Business Losses	1,209.61	(1,209.61)	-	-
Mat Credit Entitlement	1.16	(1.16)	-	-
Others	11.37	17.96	-	29.33
B	1,360.67	(1,182.78)	(6.51)	171.38
Total Deferred Tax Liability (Net) (A-B)	(105.34)	1,271.20	6.51	1,172.37

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 10 | Non-Current tax Assets (Net)

	Non-Current	
	As at March 31, 2022	As at March 31, 2021
Advance tax (Net of Provision)	1,023.37	1,026.17
	1,023.37	1,026.17

Note 11 | Other Assets (Unsecured Considered Good)

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital advances *	735.25	851.41	-	-
Prepaid Expenses	-	-	234.84	207.05
Advance against supply of goods & services [^]	-	-	473.69	408.77
Advance to Employees	-	-	80.84	102.97
Balances with Government Authorities	-	-	4,601.85	2,415.77
Claims & Refund Recoverable	-	-	673.30	1,130.51
Sales Tax paid under protest	-	-	2.89	-
Other advances	0.11	-	4.22	4.22
	735.36	851.41	6,071.63	4,269.29

* Includes advance amounting to ₹ 400.92 lakhs (March 31, 2021: ₹ 400.92 lakhs) given to West Bengal Housing Infrastructure Development Corporation (WB HIDCO) towards offer for allotment of land on a freehold basis. WB HIDCO later decided to allot land on a leasehold basis which the Company has challenged the matter with the Hon'ble Calcutta High Court. The Hon'ble High Court at Calcutta has vide its order dated February 10, 2020 has decided the Writ petition in favour of the Company. WB HIDCO has filed Special Leave Petition filed in Hon'ble Supreme Court against the order of Hon'ble High Court at Calcutta. The Hon'ble Supreme Court vide its order dated July 19, 2021 has dismissed and disposed off the said petition.

[^] Includes advance amounting to Nil (March 31, 2021: ₹ 0.85 lakhs) given to a Related Party (Refer Note No-44).

Note 12 | Inventories

	Current	
	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and Net realisable value)		
Raw Material		
Raw Material including packing materials	7,491.80	6,503.00
Finished Goods	34,249.98	18,824.34
Work in Progress	16,561.54	13,730.99
Traded Goods	-	-
	58,303.32	39,058.33

Mode of Valuation - Refer Note No. 4.1 of Accounting policy.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note :

The above includes Stock in transit		
Work in Progress	105.59	55.06
Finished Goods	162.49	60.62

Note:

Inventories are hypothecated against borrowings (Refer Note No. 23)

Note 13 | Trade receivable

	Current	
	As at March 31, 2022	As at March 31, 2021
Breakup of Trade Receivables		
Secured	3,513.21	2,994.06
Unsecured	51,219.45	33,446.84
Trade Receivables which has significant increase in Credit Risk	-	-
Trade Receivable -Credit Impaired	221.61	248.73
	54,954.27	36,689.63
Impairment Allowance(Allowance for Bad and Doubtful Debt)		
Unsecured	-	-
Trade Receivables which has significant increase in Credit Risk	-	-
Trade Receivable -Credit Impaired	221.61	248.73
	221.61	248.73
Total Trade Receivable	54,732.66	36,440.90

- No Trade Receivables due by directors and its officers of the Company.
- Allowances for credit losses of trade receivables has been estimated based on ageing of receivables and customer related specific information on specific case basis. Refer Note No. 48(b)(a)(i) for details in movement of loss allowance.
- Trade Receivables are hypothecated against borrowings (Refer Note No. 23)

d) Trade receivables Ageing Schedule

Particulars	Outstanding from due date of payment as on March 31, 2022						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables							
Considered good	37,842.00	15,334.61	848.67	576.33	59.78	71.27	54,732.66
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	10.53	31.15	83.44	34.53	61.95	221.61
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	(10.53)	(31.15)	(83.44)	(34.53)	(61.95)	(221.61)
Total	37,842.00	15,334.61	848.67	576.33	59.78	71.27	54,732.66

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on March 31, 2021						Total
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	26,069.03	8,435.34	822.45	902.57	107.35	104.16	36,440.90
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	24.35	48.80	81.75	47.43	46.41	248.73
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	(24.35)	(48.80)	(81.75)	(47.43)	(46.41)	(248.73)
Total	26,069.03	8,435.34	822.45	902.57	107.35	104.16	36,440.90

e) There are no unbilled revenue as on each reporting date.

Note 14 | Cash and Cash Equivalents

	As at March 31, 2022	As at March 31, 2021
Cash in hand	18.70	14.48
Balances with banks		
Current Accounts	360.33	91.66
Cash Credit Account	53.64	211.77
Bank deposits having original maturity for Less than 3 months	-	-
	432.67	317.91

Note 15 | Other Bank Balances (Other than Note No. - 14)

	Current	
	As at March 31, 2022	As at March 31, 2021
Unpaid Dividend Accounts	15.00	14.01
Bank deposits maturity for more than 3 months but less than 12 months*	11,926.48	11,507.70
	11,941.48	11,521.71

*Held as lien by bank against bank guarantees to the extent ₹45.55 lakhs (March 31, 2021 : ₹ 45.55 lakhs)

Note 16 | Loans

	Current	
	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Loan to Bodies Corporate	200.00	200.00
	200.00	200.00

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

(i) Loans or advances to specified persons

Type of Borrower	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Amount		% age	
Promoters	-	-	-	-
Directors	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Parties	-	-	-	-
Others	200.00	200.00	100.00%	100.00%
Total	200.00	200.00	100.00%	100.00%

(ii) As required under section 186(4) of the Companies Act 2013 loan granted is for general business purpose.

(iii) There are no outstanding debts from director or other officer of the company.

Note 17 | Equity Share Capital

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Equity Shares of ₹ 1/- each	20,00,00,000	2,000.00	20,00,00,000	2,000.00
	20,00,00,000	2,000.00	20,00,00,000	2,000.00
Issued Share Capital				
Equity Shares of ₹ 1/- each	7,97,33,560	797.34	7,97,33,560	797.34
	7,97,33,560	797.34	7,97,33,560	797.34
Subscribed & Paid-up share capital				
Equity shares of ₹ 1/- each	7,95,24,560	795.24	7,95,24,560	795.24
Equity shares forfeited of ₹ 1/- each, Paid up ₹ 0.50 per Share	2,09,000	1.05	2,09,000	1.05
	7,97,33,560	796.29	7,97,33,560	796.29

a) Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

b) Terms/ Rights attached to Equity Shares :

The Parent Company has only one class of equity shares having a par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

For the year ended March 31, 2022 the Parent Company has proposed final dividend of ₹ 3/- per share (March 31, 2021: ₹ 5/- per share including a special dividend of ₹ 2/- per share as a mark of gratitude to the shareholders during pandemic) subject to approval of members in the ensuing Annual General Meeting.

c) Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 1/- each, fully paid up				
Prahlad Rai Agarwala*	1,67,63,656	21.08%	1,67,63,656	21.08%
Ziyan Developers LLP	-	-	86,50,000	10.88%
Ullas Sales Promotion LLP (Formerly known as Ullas Sales Promotion Limited)	2,16,30,860	27.20%	2,16,30,860	27.20%

* holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of a partnership firm

e) Details of promoter shareholding

Promoter Name	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Prahlad Rai Agarwala	21,52,506	2.71%	-0.01%	21,60,196	2.72%	-0.91%
Prahlad Rai Agarwala*	1,67,63,656	21.08%	-	1,67,63,656	21.08%	-
Ghanshyam Prasad Agarwala	13,17,148	1.66%	-	13,17,148	1.66%	-
Kunj Bihari Agarwal	12,77,965	1.61%	-	12,77,965	1.61%	-
Ullas Sales Promotion LLP	2,16,30,860	27.20%	-	2,16,30,860	27.20%	-

* holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of a partnership firm

As per records of the Company, including its register of shareholders / members as on March 31, 2022, the above shareholding represents legal ownership of shares.

- f) The company has neither issued bonus shares nor has bought back any shares during last 5 years.
- g) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- h) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.
- i) No calls are unpaid by any Director or Officer of the Company during the year.

Note 18 | Other Equity

	Ref. Note	As at March 31, 2022	As at March 31, 2021
Securities Premium Reserve	18.1	6,880.31	6,880.31
General Reserve	18.2	4,231.17	4,231.17
Foreign Currency Translation Reserve	18.3	0.61	0.38
Retained Earnings	18.4	76,271.96	61,044.75
		87,384.05	72,156.61

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Changes in Other Equity

Note 18.1 | Securities Premium Reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	6,880.31	6,880.31
Changes during the year	-	-
	6,880.31	6,880.31

Note 18.2 | General Reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	4,231.17	4,231.17
Changes during the year	-	-
	4,231.17	4,231.17

Note 18.3 | Foreign Currency Translation Reserve

	As at March 31, 2022	As at March 31, 2021
Opening balance	0.38	0.67
Changes during the year	0.23	(0.29)
	0.61	0.38

Note 18.4 | Retained earnings

	As at March 31, 2022	As at March 31, 2021
Opening balance	61,044.75	45,887.02
Add: Profit for the period	19,184.09	17,525.90
Less: Remeasurement of Defined benefit plans net of tax	19.35	17.56
Equity dividend	(3,976.23)	(2,385.73)
Tax on equity dividend	-	-
	76,271.96	61,044.75

Nature and purpose of other reserves

i) Securities Premium Reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

ii) General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

iii) Retained Earnings

This reserve represents the cumulative profit of company and effects of remeasurement of defined benefit obligation. This reserve can be utilised in accordance with the provisions of Companies Act, 2013 .

iv) Remeasurement of Defined Benefit Plans

Remeasurement of defined benefit plans comprises actuarial gains and losses and return on plan asset (excluding interest income) which are recognised in other comprehensive income and then immediately transferred to retained earnings.

v) Foreign Currency Translation Reserve:

Reserve is created on translation of Financial Statements of Foreign Subsidiary into Presentation Currency.

Note 19 | Non Current Borrowings

	Non Current	
	As at March 31, 2022	As at March 31, 2021
Secured Term Loan		
Rupee loan from a Bank	2,277.14	1,906.19
Less: Current portion of long term borrowings	683.78	552.10
(Disclosed under Current Borrowings Refer Note No. - 23)		
	1,593.36	1,354.09

Note:

1. There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

2. Terms & conditions

- Term Loan with a balance of ₹ 312.56 lakhs (March 31, 2021: ₹ 562.60 lakhs) is repayable in 5 equal quarterly installments of ₹ 62.51 lakhs and carries interest @ 8.90% to 9.15% per annum (March 31, 2021: @ 8.90% to 9.15% per annum). The said Term Loan having sanction limit of ₹ 1150.00 lakhs is secured by first charge by way of hypothecation of specific Property, Plant and Equipment funded by bank.
- Term Loan with a balance of ₹ 558.83 lakhs (March 31, 2021: ₹ 685.35 lakhs) is repayable in 53 equal monthly installments of ₹ 10.54 lakhs and carries interest @ 9 % per annum (March 31, 2021: 9%). The said Term Loan having sanction limit of ₹1445.00 lakhs is secured by first charge by way of hypothecation of specific Property, Plant and Equipment funded by bank.
- Term Loan with a balance of ₹ 482.70 lakhs (March 31, 2021: ₹ 685.23 lakhs) is repayable in 10 equal quarterly installments of ₹ 43.88 lakhs and one quarterly installment of ₹ 41.88 lakhs and last installment of ₹ 2.00 lakhs/- and carries interest @ 8.85 % per annum (March 31, 2020 : 8.85%). The said Term Loan having sanction limit of ₹ 800.00 lakhs is secured by exclusive charge by way of hypothecation of specific Property, Plant and Equipment funded by bank.
- Term Loan with a balance of ₹ 233.00 lakhs (March 31, 2021: Nil) is repayable in 17 equal quarterly installments of ₹13.71 lakhs and carries interest @ 8.85 % per annum (March 31, 2021: Nil). The said Term Loan having sanction limit of ₹ 300.00 lakhs is secured by first charge by way of hypothecation of specific Property, Plant and Equipment funded by bank.
- Term Loan with a balance of ₹ 690.05 lakhs (March 31, 2021: Nil) is repayable in 2 quarterly instalments of ₹ 0.10 lakhs starting from April 05, 2022 and balance amount is repayable in 18 equal quarterly installments of ₹ 38.33 lakhs and carries interest @ 7.35 % per annum (March 31, 2021: Nil). The said Term Loan having sanction limit of ₹ 740.00 lakhs is secured by first charge by way of hypothecation of specific Property, Plant and Equipment funded by bank.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

f) No loans have been guaranteed by the directors.

Note 20 | Lease Liabilities

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Lease Obligations (Refer Note No. : 43)	1,354.87	1,469.95	134.56	130.47
	1,354.87	1,469.95	134.56	130.47

Note 21 | Provisions

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity (Refer Note No. : 42)	55.14	27.23	217.09	265.43
Provision for Leave Encashment	-	17.45	-	1.17
Provision for Litigation, Claims & Contingencies (Refer Note No. 21.1)	-	-	70.55	70.55
	55.14	44.68	287.64	337.15

The company has estimated the provision for pending litigation, claims and demands based on the assessment of probability for these demands being crystallising against the company in due course.

Note 21.1 | Movement of Provision

	Amount
Balance as at April 01, 2020	70.55
Provision utilized during the year	-
Balance as at March 31, 2021	70.55
Provision utilized during the year	-
Balance as at March 31, 2022	70.55

Note 22 | Other Liabilities

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Deferred Revenue (Refer Note No. 49)	147.51	172.00	27.58	30.67
Statutory dues payable	-	-	643.27	526.92
Advances from Customers	-	-	12.13	21.38
Others Payables	-	-	0.20	2.78
	147.51	172.00	683.18	581.75

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 23 | Current Borrowing

	Current	
	As at March 31, 2022	As at March 31, 2021
Secured		
From banks:		
Cash Credit	920.86	2,705.78
Working Capital Demand Loans		
Indian Rupee Loan	32,300.00	8,932.15
Packing Credit	-	1,000.00
Current Maturities of Long Term Borrowings (Refer Note No. 19)	683.78	552.10
	33,904.64	13,190.03
The above amount includes		
Secured Loan	33,904.64	13,190.03

- Working Capital facilities (limit ₹ 363,00.00 lakhs and PY ₹ 283,00.00 lakhs) are secured by hypothecation of inventories/ book debts and other current assets of the Company and further secured by second charge of movable and immovable Property, Plant and Equipment of Domjur Unit, West Bengal
- Working Capital facilities carries interest @ 2.50% to 11.00% p.a. (March 31, 2021: @3.00% to 11.00% p.a.)
- No loans have been guaranteed by the directors and others.
- There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.
- The quarterly returns/statements filed by the Parent Company with banks are in agreement with the books of accounts of the Company.

Note 24 | Trade Payables

	Current	
	As at March 31, 2022	As at March 31, 2021
Due to micro and small enterprises (Refer Note No. 40)	932.72	1,164.71
Due to Creditors other than micro, small and medium enterprises	21,056.34	15,096.64
	21,989.06	16,261.35

a) Trade payables Ageing Schedule:

Particulars	Outstanding as on March 31, 2022 from date of transaction						Total
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	932.72	-	-	-	932.72
(ii) Others	1,916.67	-	18,738.65	154.74	66.27	180.01	21,056.34
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	1,916.67	-	19,671.37	154.74	66.27	180.01	21,989.06

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding as on March 31, 2021 from date of transaction						Total
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	1,164.71	-	-	-	1,164.71
(ii) Others	966.98	-	13,360.72	384.78	289.77	94.39	15,096.64
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	966.98	-	14,525.43	384.78	289.77	94.39	16,261.35

Note 25 | Other Financial Liabilities

	Current	
	As at March 31, 2022	As at March 31, 2021
Interest Accrued but not due on borrowings	51.31	23.58
Book Overdraft	-	33.21
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	15.00	14.01
Security Deposits from customers	4,622.56	4,539.78
Capital Creditors	59.55	114.75
Dealers Incentive payable	919.07	1,178.03
Payable to employees	1,139.85	924.92
Others*	369.35	325.03
	7,176.69	7,153.31

* including refundable to dealers, miscellaneous liabilities and other payables towards claim settlement

Note 26 | Current Tax Liabilities (Net)

	Current	
	As at March 31, 2022	As at March 31, 2021
Provisions for Taxation (Net of Payments)	1,034.91	1,946.76
	1,034.91	1,946.76

Note 27 | Revenue from Operations

	For the year ended	
	March 31, 2022	March 31, 2021
Sale of products		
Finished Goods#	1,39,170.95	1,23,234.43
Semi-Finished Goods	4,842.03	2,725.70
Traded Goods	15.49	2,771.06
	1,44,028.47	1,28,731.19
Sale of Services		
Service Income	2,753.67	2,210.72
	2,753.67	2,210.72

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 27 | Revenue from Operations

	For the year ended	
	March 31, 2022	March 31, 2021
Other Operating Revenues		
Sale of Power	43.46	29.83
Scrap Sale	300.62	159.49
Export Incentive	260.06	105.25
Deferred Revenue on Government Grant	27.58	30.67
	631.72	325.24
	1,47,413.86	1,31,267.15

Net of discount and dealers incentives

A. Nature of goods and services

The following is a description of principal activities separated by reportable segments from which the Group generates its revenue.

- a) The Group is engaged in the manufacturing of hosiery products and generates revenue from the sale of hosiery products and the same is only the reportable segment of the Group.

B. Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

	For the year ended	
	March 31, 2022	March 31, 2021
i) Primary Geographical Markets		
Within India	1,43,494.66	1,28,854.04
Outside India	3,287.48	2,087.87
Total	1,46,782.14	1,30,941.91
ii) (a) Major Products		
Hosiery Products	1,44,028.47	1,28,731.19
Others	-	-
Total	1,44,028.47	1,28,731.19
ii) (b) Major Services		
Service Income	2,753.67	2,210.72
Others	-	-
Total	2,753.67	2,210.72
iii) Timing of Revenue		
At a point in time	1,46,782.14	1,30,941.91
Over time	-	-
Total	1,46,782.14	1,30,941.91
iv) Contract Duration		
Long Term	-	-
Short Term	1,46,782.14	1,30,941.91
Total	1,46,782.14	1,30,941.91

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

C. Contract balances

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

	For the year ended	
	March 31, 2022	March 31, 2021
Receivables, which are included in 'Trade receivables'	54,732.66	36,440.90
Contract Assets	-	-
Contract Liabilities (Refer Note No.22)	12.13	21.38

D. Other Information

Transaction price allocated to the remaining performance obligations	Nil	Nil
The amount of revenue recognised in the current year that was included in the opening contract liability balance	21.38	68.69
The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil	Nil
Performance obligations- The Company satisfy the performance obligation on shipment/delivery.	Nil	Nil

Reconciliation of amount of revenue recognised in the statement of Profit & Loss with Contracted Price

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Revenue as per Contracted Price	1,59,515.68	1,43,835.21
Adjustments		
Significant Financing Component	-	-
Dealer incentive & Discount	(12,733.54)	(12,893.30)
Revenue from Contract with Customers	1,46,782.14	1,30,941.91

Note 28 | Other Income

	For the year ended	
	March 31, 2022	March 31, 2021
Interest Income		
On Bank deposits	708.64	184.76
On Receivable	6.12	53.66
On Loan to Bodies Corporate	18.00	18.00
	732.76	256.42
Other Non-Operating Income		
Profit on disposal of Property, Plant and Equipment (Net)	52.55	1.51
Gain on Disposal/Retirement of Right of Use Assets	7.64	38.98
Excess provision/Liabilities written back	98.61	155.31
Provision for Doubtful Debts written back	27.12	-
Foreign Exchange gain (Net)	121.74	0.03
Insurance Claim Received	2.44	110.54
Gain on Disposal of Derivative Instruments	22.50	150.38
Miscellaneous Income	13.02	15.58
	345.62	472.33
	1,078.38	728.75

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 29 | Cost of Material Consumed

	For the year ended	
	March 31, 2022	March 31, 2021
Opening inventory	6,503.00	4,115.76
Add : Purchases	77,890.60	50,588.87
Less : Inventory at the end of the year	7,491.80	6,503.00
	76,901.80	48,201.63
Details of Raw Material Consumed		
Yarn / Than	56,838.13	34,209.75
Packing Material, Accessories and Other Material	20,063.67	13,991.88

Note 30 | Purchase of Stock- in -Trade

	For the year ended	
	March 31, 2022	March 31, 2021
Hosiery Goods	4,623.01	2,880.38
	4,623.01	2,880.38

Note 31 | Changes in Inventories of Finished Goods and Work in Progress

	For the year ended	
	March 31, 2022	March 31, 2021
Opening Stock		
Finished Goods	18,824.34	29,879.51
Work in Progress	13,730.99	12,735.85
	32,555.33	42,615.36
Closing Stock		
Finished Goods	34,249.98	18,824.34
Work in Progress	16,561.54	13,730.99
	50,811.52	32,555.33
	(18,256.19)	10,060.03

Note 32 | Employee Benefit Expense

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Salaries, Wages and Bonus	6,505.62	5,074.64
Contribution to Provident and Other Funds	137.45	92.34
Gratuity	130.44	84.37
Staff Welfare Expenses	33.24	17.44
	6,806.75	5,268.79

* For descriptive notes on disclosure of defined benefit obligation refer note no. 42

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 33 | Finance Costs

	For the year ended	
	March 31, 2022	March 31, 2021
Interest Expenses		
- On Borrowing	1,598.01	1,089.79
- On Income Tax	109.76	199.50
- On Others	3.46	-
- On Lease Liability	112.60	84.13
Other Financial charges	56.33	50.39
	1,880.16	1,423.81
Less: Borrowings cost capitalized under Capital Work-in-progress	(8.00)	(80.50)
	1,872.16	1,343.31

Note 34 | Depreciation & Amortisation Expense

	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation of Plant, Property & Equipment	1,042.77	949.09
Amortisation of Intangible assets	104.29	123.72
Charge for Right to Use Assets	242.18	306.17
	1,389.24	1,378.98

Note 35 | Other Expenses

	For the year ended	
	March 31, 2022	March 31, 2021
Consumption of stores and spares	151.78	101.43
Sub-contracting /Job Worker expenses	32,744.19	24,188.58
Power & Fuel	2,263.14	1,401.67
Freight outwards and Forwarding expenses	2,709.73	2,406.16
Rent	90.53	82.13
Rates and taxes	165.74	125.20
Insurance	212.29	198.72
Repairs and Maintenance :	-	-
- Plant and Machinery	412.56	350.69
- Buidling	442.05	353.05
- Others	-	16.35
Advertising	6,129.74	5,287.83
Sales Promotion	57.26	15.22
Business Convention	449.99	390.70
Brokerage	1,818.88	1,700.97
Travelling and Conveyance	886.37	671.22
Communication costs	103.72	96.80
Legal and Professional fees	283.62	269.60
Directors' Sitting fees & Commission	66.85	69.95

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 35 | Other Expenses

	For the year ended	
	March 31, 2022	March 31, 2021
Payment to auditor (Refer Note Below)	39.69	34.20
Bad Debts/ advance written off	68.46	27.76
Provision for Doubtful Trade Receivables	-	134.86
Loss on sale of fixed assets (net)	0.32	-
Royalty on Sales	-	27.36
Contribution for CSR activities (Refer Note No. 46)	328.51	276.60
Miscellaneous expenses	1,058.60	895.17
	50,484.02	39,122.22
Remuneration to Auditors		
For Audit Fees	20.05	19.40
For Limited Review Fees	15.25	13.50
For Others	3.85	0.95
Out of Pocket Expenses	0.54	0.35
	39.69	34.20

Note 36 | Tax Expense

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Current Tax for the year	4,485.12	6,129.57
Deferred Tax for the year	1,271.20	85.09
Tax Expense for Current Year	5,756.32	6,214.66
Income Tax for earlier years	(268.96)	-
Tax Expense in Statement of Profit & Loss	5,487.36	6,214.66

Note 36.1 | Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive Income

	For the year ended	
	March 31, 2022	March 31, 2021
Income before Income taxes	24,671.45	23,740.56
Indian Statutory Income tax Rate*	25.17%	25.17%
Estimated Income tax expenses	6,209.80	5,975.02
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense:		
Expenses Disallowed for tax purpose	113.89	129.46
Deductions allowable under Income Tax Act	-	(55.77)
Income Taxable at lower rate*	(7.28)	14.28
Deferred Tax not recognised on brought forward business Loss and Unabsorbed Depreciation	(545.26)	135.62
Others *	(14.83)	16.05
	(453.48)	239.64
Income Tax expense in the Statement of Profit and Loss	5,756.32	6,214.66

* includes impact of lower rate of tax @ 26.00% in case of all three subsidiaries

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 37 | Earnings Per Share

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	19,184.09	17,525.90
Weighted average number of Equity Shares (in number) (b)	7,95,24,560	7,95,24,560
Basic & Diluted Earnings Per Share (a/b) (Nominal Value - ₹ 1/- per share)	24.12	22.04

Note 38 | Capital and Other Commitments

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed and not provided for (Net of Advances)	626.86	1,229.13

Note 39 | Contingent Liabilities

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Demands / claims by various government authorities and others not acknowledged as debts and contested by the government	-	-
Sales Tax Matters (net of amount deposited under dispute ₹ 2.89 (March 31, 2021: Nil)	19.40	-
Entry Tax *	1,021.42	914.72
Employees State Insurance (Financial Year -2007-08 under Appeal)	0.40	0.40
Bank Guarantees outstanding	920.00	947.34
Guarantees Given to Bank		
West Bengal Hosiery Park Infrastructure Ltd	200.00	200.00

* During the year 2013-14, the Company had challenged, before the Hon'ble High Court of Calcutta, the imposition of entry tax by the State Government of West Bengal on receipt of materials from outside the state on the ground that such imposition of entry tax is ultra vires / unconstitutional. The Company has received a favourable interim order dated June 5, 2013 and the matter is presently sub judice. Accordingly, the liability (including interest) has not been provided in books of accounts.

Note:

- The amount shown above represent the best possible estimate arrived at on the basis of available information. The uncertainties are dependent on outcome of different legal processes. The timing of future cash flows will be determinable only on receipt of judgements/decisions pending with various forums/authorities. The Group does not expect any reimbursements against above.
- The Code on Social Security, 2020 (Code) related to various employee benefits received Presidential assent in September, 2020 and has been published in the Gazette of India. However, the date on which the Code will come in effect has not been notified and the final rules/ interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 40 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 included in Trade payables

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Principal amount remaining unpaid to any supplier at the end of accounting year	932.72	1,164.71
Interest due on above	-	-
Total	932.72	1,164.71
Amount of interest paid by the Company to the suppliers in terms of section 16 of the MSMED Act, 2006 along with amount paid to the suppliers beyond the respective due date	-	-
Amount of interest due and payable for the year of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	3.46	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 41 Dividend

The Board of Directors of Parent Company at its meeting held on May 23, 2022 have recommended a payment of final dividend of ₹ 3/- per equity share of face value of ₹ 1/- each for the financial year ended March 31, 2022. The same amounts to ₹ 2,385.73 lakhs. The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

Note 41.1 Particulars relating to Dividend paid to Non-resident shareholders

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Number of Non-Resident Shareholders	1,052	217
Number of Shares held by them	26,64,462	79,313
Dividend relating to the year	2020-21	2019-20
Amount of dividend (₹)	133.22	2.38

Note 42 Employee Benefit (Defined Benefit Plan)

The Group has a Defined Benefit Gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The Parent has got an approved gratuity fund with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities. However, in terms of new regulations/conditions issued by the gratuity fund, employees who have joined during the year are not eligible to register for the existing fund maintained with LIC and thus the gratuity liability for such employees who have joined during the year and for employees of Subsidiary Companies is unfunded.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the plan.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 42(a)

Particulars	Non-Funded		Funded	
	For the year ended			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Change in projected Benefit Obligations				
Obligations at beginning of the year	30.19	26.21	521.34	481.46
Current Service cost	26.75	8.94	48.77	56.84
Past Service cost	39.96	-	-	-
Interest Cost	0.16	1.83	35.98	33.70
Benefits settled	-	-	(28.64)	(21.79)
Actuarial (gain) /loss (through OCI)	(28.58)	(6.79)	(14.77)	(28.87)
Obligations at end of the year	68.48	30.19	562.68	521.34

Note 42(b)

Particulars	Non-Funded		Funded	
	For the year ended			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Change in Plan Assets				
Plan assets at beginning of the year, at fair value			258.88	228.06
Interest income			21.18	16.95
Actuarial gain /(loss) (through OCI)		Not Applicable	(17.49)	(14.35)
Contributions			125.00	50.00
Benefits settled			(28.64)	(21.78)
Plan assets at end of the year			358.93	258.88

Note 42(c)

Particulars	Non-Funded		Funded	
	For the year ended			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Net Defined Benefit Liability / (Asset)				
Present value of defined benefit obligation at the end of the year	68.48	30.19	562.68	521.34
Fair value of plan assets at the end of the year	-	-	358.93	258.88
Net Liability/(Asset) recognised in the Balance Sheet	68.48	30.19	203.75	262.46

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 42(d)

Particulars	Non-Funded		Funded	
	For the year ended			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Expenses recognised in Statement of Profit and Loss				
Service cost	66.71	8.94	48.77	56.84
Interest cost (Net)	0.16	1.83	14.79	16.75
Total expense recognised in Statement of Profit and Loss	66.87	10.77	63.56	73.59

Note 42(e)

Particulars	Non-Funded		Funded	
	For the year ended			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Re-measurement gains / (losses) in OCI				
Actuarial (gain) / loss due to financial assumption changes	0.02	0.96	(8.59)	8.31
Actuarial (gain) / loss due to experience adjustments	(28.60)	(7.75)	(6.18)	(37.19)
Return on plan assets (greater)/less than discount rate	-	-	17.49	14.35
Total amount routed through OCI	(28.58)	(6.79)	2.72	(14.53)

Note 42(f) The major categories of plan assets of the fair value of the total plan assets are as follows:

Actuarial (gain) / loss due to experience adjustments	Non-Funded		Funded	
	For the year ended			
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Investments with insurer	N.A.	N.A.	100%	100%

Note 42(g) The principal assumptions used in determining gratuity benefit obligations for the Group are shown below:

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Discount Rate	7.10%	6.90%
Salary Escalation Rate	6.00%	6.00%
Mortality Rate	IALM (2012-14) table	IALM (2012-14) table
Withdrawal Rate	1% to 20%	1% to 20%

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 42(h) | A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

Particulars	Sensitivity	For the year ended March 31, 2022		For the year ended March 31, 2021	
		Increase	Decrease	Increase	Decrease
Funded					
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	522.53	608.46	482.35	565.97
Further salary increase	1%	599.15	530.03	556.52	489.55
Withdrawal Rates	1%	568.94	555.63	526.05	515.97

Particulars	Sensitivity	For the year ended March 31, 2022		For the year ended March 31, 2021	
		Increase	Decrease	Increase	Decrease
Non-funded					
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	62.97	74.92	26.69	34.39
Further salary increase	1%	75.08	62.77	34.55	26.50
Withdrawal Rates	1%	67.80	69.13	30.12	30.22

The sensitivity analyses 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.

Note 42(i) | The average duration of the defined benefit plan obligation at the end of the reporting period is 5.42 years (March 31, 2021: 5.47 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows :

Particulars	Non-funded Amount - (₹)	Funded Amount - (₹)
Expected benefits payment for the year ending on		
March 31, 2023	11.38	56.81
March 31, 2024	2.44	43.43
March 31, 2025	2.65	45.63
March 31, 2026	5.77	60.99
March 31, 2027	7.16	52.04
March 31, 2028 to March 31, 2032	28.03	245.15

Note 42(j) | Defined Contribution Plan

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Contribution to Provident/pension funds (Refer Note No. 32)	137.45	92.34

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 43 | Leases

- I. The Group has entered into agreements for taking on lease certain offices/ manufacturing units / warehouses on lease and licence basis. The lease term is for a period ranging from 3 to 30 years, on fixed rental basis with escalation clauses in the lease agreements. In addition to the above, the Group has certain leasehold land under finance lease arrangements for terms ranging from 86 to 90 years which has been reclassified from property, plant and equipment to right of use assets during the earlier year.

The changes in the carrying value of right of use assets for the year ended March 31, 2022 are disclosed in Note No. 5(b).

II. Income / Expenses recognised in the Statement of Profit and Loss:

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Other Income		
Gain on retirement of Right of use assets	7.64	38.98
Rent		
Expense relating to short-term leases	90.53	82.13
Expense relating to leases of low value assets	-	-
Finance cost		
Interest expense on lease liabilities	112.60	84.13
Depreciation and impairment losses		
Depreciation on right-of-use assets	242.18	306.17

Total cash outflow for leases for the period year ended March 31, 2021 is ₹ 271.93 (P.Y. ₹ 354.13)

III. Contractual maturities of lease liabilities

As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under Liquidity risk (Refer Note No. 48(c)(b)(i)). The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Particulars	For the year ended March 31, 2022
Within one year	228.25
After one year but not more than five years	805.70
More than five years	1,335.79

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

IV. Movement in Lease Liabilities

Particulars	For the year ended March 31, 2022
Balance as at April 01, 2021	1,600.42
Add: Additions during the year	172.44
Less: Derecognised on account of Termination of Lease	(124.10)
Add: Finance Cost accrued during the year	112.60
Less: Payment of Lease Liabilities for the year	(271.93)
Balance as at March 31, 2022	1,489.43

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 44 | Related Party Disclosure

Names of related parties and related party relationship

Related parties where control exists

Related Parties which exercises Significant influence over the Company (Forming Part of Promotor Group)	Ullas Sales Promotion LLP (Previously known as Ullas Sales Promotion Ltd)(w.e.f. August 21, 2019)
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Related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. Prahlad Rai Agarwala	Chairman
	Mr. Ghanshyam Prasad Agarwala	Vice Chairman
	Mr. Kunj Bihari Agarwal	Managing Director
	Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer
	Mr. Mukesh Agarwal	Whole-time Director
	Mr. Niraj Kabra	Executive Director
	Mr. Dinesh Kumar Lodha	Chief Executive officer
	Mr. Ashok Bhandari	Independent Director
	Mr. Dipak Kumar Banerjee	Independent Director
	Mr. Dharam Chand Jain	Independent Director
	Mr. Vinod Kumar Kothari	Independent Director
	Mr. Sushil Patwari	Independent Director
	Mrs. Alka Devi Bangur	Independent Director
	Mr. Kundan Kumar Jha	Company Secretary (ceased w.e.f 28-02-2022)
	Mr. Manish Agarwal	Company Secretary (appointed w.e.f 01-03-2022)
Relatives of Key Management Personnel	Mr. Suresh Agarwal	Son of Mr. Prahlad Rai Agarwala
	Mr. Manish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Ravi Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Vikash Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Rajnish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Siddhant Agarwal	Grand-Son of Mr. Prahlad Rai Agarwala
	Mrs. Rekha Patodia	Daughter of Mr. Prahlad Rai Agarwala
	Ms. Anusha Agarwal	Daughter of Mr. Ravi Agarwal
	Mr. Aparesw Agarwal	Son of Mr. Ramesh Agarwal
	Mr. Avnish Agarwal	Son of Mr. Ravi Agarwal
	Ms. Devanshi Agarwal	Daughter of Mr. Mukesh Agarwal
	Mr. Keshav Agarwal	Son of Mr. Mukesh Agarwal
	Ms. Srishti Agarwal	Daughter of Mr. Suresh Agarwal
	Ms. Vaaridhi Agarwal	Daughter of Mr. Ramesh Agarwal
	Mrs. Shanti Devi Agarwal	Wife of Mr. Prahlad Rai Agarwala
	Mrs. Pushpa Devi Agarwal	Wife of Mr. Ghanshyam Prasad Agarwala
	Mrs. Lalita Devi Agarwal	Wife of Mr. Kunj Bihari Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Ramesh Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Mukesh Agarwal
	Mrs. Shalini Agarwal	Wife of Mr. Vikash Agarwal
	Mrs. Sudha Agarwal	Wife of Mr. Suresh Agarwal
	Mrs. Sarita Patwari	Daughter of Mr. Ghanshyam Prasad Agarwala

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Enterprises owned or significantly influenced by key management personnel or their relatives	Salasar Projects and Estates Pvt. Ltd.
	Sidhant Flats & Apartments Pvt. Ltd.
	Salasar Infrastructure Ltd.
	Sobhasaria Properties Pvt. Ltd.
	Lambodar Hosiery Pvt. Ltd.
	Arrow-Link Stitchers Pvt. Ltd.
	Rupa Spinners Ltd.
	Salasar Developers & Garments Pvt. Ltd.
	Bajrangbali Projects Ltd.
	Sidhant Textiles Pvt. Ltd.
	Ganesh Enclave Ltd.
	Gajkarna Projects Private Limited
	Ravi Global Pvt. Ltd.
	Kadambari Impex & Agency Pvt. Ltd.
	Prahlad Rai Suresh Kumar - HUF
	Suresh Kumar Agarwal - HUF
	Mukesh Kumar Agarwal - HUF
	Ghanshyam Prasad Manish Kumar - HUF
	K B & Sons - HUF
	Ravi Agarwal - HUF
	Binod Hosiery
	Sidhant Credit Capital Ltd.
	Yashoda Hosiery Pvt. Ltd.
	Rupa Foundation
	Tushar Knitting LLP.
Private companies in which directors or relatives are director or members	Bajrangbali Hosiery Pvt. Ltd.
	Rupa Dyeing & Printing Pvt. Ltd.
	Salasar Processors Pvt. Ltd.
	Bajrangbali Textiles Pvt. Ltd.
	Metro Towers Office Owners Association

Related party transactions

Particulars	Party	Nature of relationship	As at	As at
			March 31, 2022	March 31, 2021
Rent	Mr. Prahlad Rai Agarwala	Key Management Personnel	-	1.69
	Mr. Ghanshyam Prasad Agarwala		1.37	1.37
	Mr. Kunj Bihari Agarwal		0.58	0.58
	Mr. Mukesh Agarwal		-	0.65
	Mrs. Pushpa Devi Agarwal	Relatives of Key Management Personnel	0.22	0.22
	Bajrangbali Hosiery Pvt. Ltd.	Private companies in which directors or relatives are director or members	1.74	1.74

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Party	Nature of relationship	As at March 31, 2022	As at March 31, 2021
Rent	Salasar Infrastructure Ltd.	Enterprises owned or significantly influenced by key Management personnel or their relatives	1.30	1.30
	Rupa Spinners Ltd.		1.30	1.30
	Salasar Developers & Garments Pvt. Ltd.		1.30	1.30
	Bajrangbali Projects Ltd.		1.30	1.30
	Sidhant Textiles Pvt. Ltd.		1.37	1.37
	Ganesh Enclave Ltd.		1.30	1.30
	Ravi Global Pvt. Ltd.		1.37	1.37
	Kadambari Impex & Agency Pvt. Ltd.		1.37	1.37
	Sobhasaria Properties Pvt. Ltd.		1.73	1.73
	Others		1.15	1.15
Payment of Lease Liability	Sobhasaria Properties Pvt. Ltd.		28.80	28.80
Salary & Perquisites	Mr. Prahlad Rai Agarwala #	Key Management Personnel	229.60	208.00
	Mr. Ghanshyam Prasad Agarwala		122.40	102.00
	Mr. Kunj Bihari Agarwal		122.40	102.00
	Mr. Ramesh Agarwal		122.40	108.00
	Mr. Mukesh Agarwal		122.40	108.00
	Mr. Dinesh Kumar Lodha		434.85	378.25
	Mr Niraj Kabra		21.37	17.35
	Mr Manish Agarwal		3.21	-
	Mr Kundan Kumar Jha	Relatives of Key Management Personnel	28.44	24.53
	Mr. Manish Agarwal		115.20	100.80
	Mr. Ravi Agarwal		115.20	100.80
	Mr. Vikash Agarwal		115.20	100.80
	Mr. Rajnish Agarwal		115.20	100.80
	Mr. Suresh Agarwal		76.80	67.20
	Mr. Siddhant Agarwal		50.40	42.00
	Mrs Rekha Patodia		25.00	20.99
Sitting Fees & Commission	Mr Dipak Kumar Banerjee	Independent Director	13.65	14.65
	Mr Dharam Chand Jain		7.50	6.60
	Mr Vinod Kumar Kothari		12.65	13.00
	Mr Sushil Patwari		12.15	13.65
	Mr Ashok Bhandari		13.40	13.65
	Mrs Alka Devi Bangur		7.50	8.40
Purchases	Rupa Dyeing & Printing Pvt Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	-	35.33
	Bajrangbali Textiles Pvt. Ltd.		33.66	37.12
Rental Income	Bajrangbali Textiles Pvt. Ltd.	personnel or their relatives	6.00	6.00
	Tushar Knting LLP		3.60	3.60

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as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Party	Nature of relationship	As at March 31, 2022	As at March 31, 2021
Sub-contracting Expenses	Tushar Knitting LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	53.10	37.22
	Arrow Link Stitchers Pvt Ltd		7,991.36	6,427.69
	Yashoda Hosiery Pvt. Ltd.		217.80	171.96
	Lambodar Hosiery Pvt Ltd.		139.93	114.98
	Salasar Processors Pvt. Ltd.		1,179.29	940.70
	Rupa Dyeing & Printing Pvt Ltd		1,467.69	1,047.26
	Bajarangbali Textiles Pvt. Ltd.		19.60	26.21
Advertisement Expense	Gajkarna Projects Private Limited		3.56	4.48
CSR Expenditure	Rupa Foundation		5.85	25.35
Miscellaneous Expenses	Metro Towers Office Owners Association	Private companies in which directors or relatives are director or members.	37.79	46.97
Dividend Paid	Mr. Prahlad Rai Agarwala	Key Management Personnel	108.01	86.67
	Mr. Ghanshyam Prasad Agarwala		65.86	39.51
	Mr. Kunj Bihari Agarwal		63.90	38.34
	Mr. Mukesh Agarwal		36.48	21.89
	Mr. Ramesh Agarwal		52.96	31.78
	Mr. Vikash Agarwal		94.18	52.66
	Mr. Ravi Agarwal		87.13	52.28
	Mr. Rajnish Agarwal	Relatives of Key Management Personnel	66.36	37.30
	Mr. Manish Agarwal		64.13	36.98
	Mr. Suresh Agarwal		53.33	32.00
	Mrs. Shanti Devi Agarwal		38.82	23.29
	Mrs. Pushpa Devi Agarwal		29.70	17.82
	Others		151.61	76.96
	Ullas Sales Promotion LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	1,081.54	648.93
	Binod Hosiery		838.18	502.91
	Sidhant Credit Capital Ltd.		84.60	50.76
	K.B & Sons (HUF)		33.27	19.96
	Others		65.51	39.31

includes Commission of ₹ 100.00 (March 31, 2021: ₹ 100.00)

Balance at end of the Period

Particulars	Party	Nature of relationship	As at March 31, 2022	As at March 31, 2021
Trade Payables and Other Liabilities (payable to employees)	Mr. Prahlad Rai Agarwala	Key Management Personnel	125.00	109.64
	Mr. Ghanshyam Prasad Agarwala		25.68	17.33
	Mr. Kunj Bihari Agarwal		25.29	9.32
	Mr. Ramesh Agarwal		57.05	41.70
	Mr. Mukesh Agarwal		79.69	47.26
	Mr. Dinesh Kumar Lodha		136.57	163.34
	Mr Niraj Kabra		1.69	1.06
	Mr Manish Agarwal		1.81	-
	Mr Kundan Kumar Jha		0.55	0.83

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as at and for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Party	Nature of relationship	As at March 31, 2022	As at March 31, 2021
Trade Payables and Other Liabilities (payable to employees)	Mr. Manish Agarwal		52.08	29.70
	Mr. Rajnish Agarwal		57.47	30.17
	Mr. Ravi Agarwal		38.80	29.90
	Mr. Vikash Agarwal	Relatives of Key Management	45.41	31.94
	Mr. Suresh Agarwal	Personnel	42.59	20.20
	Mr. Siddhant Agarwal		27.89	4.84
	Mrs. Rekha Patodia		1.08	1.08
	Mrs. Pushpa Devi Agarwal		0.11	0.83
	Mr. Dipak Kumar Banerjee		5.00	5.00
	Mr. Dharam Chand Jain		3.00	3.00
	Mr. Vinod Kumar Kothari	Independent Directors	5.00	5.00
	Mr. Sushil Patwari		5.00	5.00
	Mr. Ashok Bhandari		5.00	5.00
	Mrs. Alka Devi Bangur		3.00	3.00
Trade Payables	Rupa Dyeing & Printing Pvt. Ltd.	Private companies in which directors or relatives are director or members	139.02	218.49
	Lambodar Hosiery Pvt. Ltd.		15.50	20.37
	Tushar Knitting LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	25.76	4.03
	Arrow Link Stitches Pvt. Ltd.		471.66	496.97
	M/s Binod Hosiery		0.07	0.55
	Gajkarna Projects Private Limited		0.93	0.75
	Bajrangbali Textiles Pvt. Ltd.	Private companies in which directors or relatives are director or members.	6.22	0.88
	Metro Towers Office Owners Association		0.79	2.99
	Yashoda Hosiery Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	1.87	6.15
	Salasar Processors Pvt. Ltd.	Private companies in which directors or relatives are director or members.	53.57	124.57
Advance against supply of goods & services	Sobhasaria Properties Pvt. Ltd.	Private companies in which directors or relatives are director or members.	-	0.85
Financial Assets - Security Deposit	Salasar Projects and Estates Pvt. Ltd.		26.00	26.00
	Sidhant Flats & Apartments Pvt. Ltd.		26.40	26.40
	Bajrangbali Projects Ltd.		3.00	3.00
	Ganesh Enclave Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	3.00	3.00
	Rupa Spinners Ltd.		3.00	3.00
	Salasar Infrastructure Ltd.		3.00	3.00
	Salasar Developers & Garments Pvt Ltd.		3.00	3.00
Lease Liability Payable	Sobhasaria Properties Pvt. Ltd.		4.12	-

Note :

The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity as it is determined on an actuarial basis for the Company as a whole.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

Note 45 | Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker (CODM). The Chief Executive Officer of the Company being the CODM, assesses the financial performance and position of the Company and makes strategic decisions. The CODM primarily uses Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) as performance measure to assess the performance of the operating segments. However, the CODM also receives information about the segment's revenues, segment assets and segment liabilities on regular basis.

A. Description of segment

The Group is principally engaged in a single business segment viz., Hosiery Products.

B. Geographical Information

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
i) Segment Revenue from external Customer		
Within India	1,43,494.66	1,28,854.04
Outside India	3,287.48	2,087.87
Total	1,46,782.14	1,30,941.91
Particulars	For the year ended	
	March 31, 2022	March 31, 2021
ii) Carrying value of Non-Current assets (other than financial instruments)		
Within India*	25,428.37	24,277.80
Outside India	-	-
Total	25,428.37	24,277.80

*Non-Current Assets for this purpose consists of Property, Plant and Equipment, Capital Work-in-Progress, Intangible Assets, Intangibles assets under development, Non Current Tax Assets and Other Non-Current Assets.

Note 46 | (a) Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Amount required to be spent by the company during the year	328.50	276.60
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	328.51	319.30
(Excess)/Shortfall at the end of the year*	(0.01)	(42.70)
Total of previous years (Excess)/Shortfall*	-	(42.70)
Contribution to a trust controlled by the company	-	-
The nature of CSR activities undertaken by the Company	Making available safe drinking water, Eradicating hunger / poverty, Promoting Healthcare, Animal Welfare, Environment Sustainability	Making available safe drinking water, Eradicating hunger / poverty, Promoting Healthcare, Animal Welfare, Contribution to PM care fund, providing relief and rehabilitation for disaster management

For details of related party transactions, Refer Note No. 44

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

(b) Pertaining to amendment on Section 135(5) disclosure on excess amount spent to be carry forward

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Opening Balance	(42.70)	-
Amount required to be spent during the year	328.50	276.60
Amount Spent during the year	285.81	319.30
(Excess) /Shortfall spent *	(0.01)	(42.70)

* Excess spent but not carried forward

Note 47 | Capital Management

The Group's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. Refer Note No. 50 for ratios monitored for capital management.

Note 48 | Disclosure on Financial Instrument

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balancesheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note No. 3.12 to the financial statements.

(a) Fair Value of Financial Asset & Liabilities

The Group has measured its Financial Asset and Financial Liabilities at Amortised Cost. Hence no separate disclosure has been given for fair value hierarchy.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The carrying value of trade receivables, trade payables, cash and cash equivalents, loans, borrowings and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities.

(b) Financial Risk Management

The Group has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below:

(a) Credit risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels.

(i) Trade receivables

Customer credit risk is managed by the Group subject to the Group's established policy, procedures and control

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in Note No. 13.

Reconciliation of Loss Allowance provision :

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Loss Allowance at beginning of the year	248.73	113.87
Change in loss Allowance	(27.12)	134.86
Loss Allowance at end of the year	221.61	248.73

(b) Liquidity risk

The Group determines its liquidity requirement in the short term and long term. The Group manages its liquidity risk in a manner so as to meet its financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis

(i) Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at March 31, 2022

Particulars	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade Payables	-	21,989.06	-	-
Borrowings	920.86	32,983.78	1,036.99	556.38
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	51.31	-	-
Book Overdraft in current Account	-			
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	15.00	-	-	-
Security Deposits from customers	4,622.56	-	-	-
Capital Creditors	-	59.55	-	-
Dealers Incentive Payable	-	919.07	-	-
Payable to employees	-	1,139.85	-	-
Lease Liability	-	134.56	251.67	1,103.21
Others	-	369.33	-	-
Total	5,558.42	57,646.51	1,288.66	1,659.59

The following are the remaining contractual maturities of financial liabilities as at March 31, 2021

Particulars	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

Trade Payables	-	16,261.35	-	-
Borrowings	2,705.78	10,484.25	916.67	437.42
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	23.58	-	-
Book Overdraft in current Account	33.21	-	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	14.01	-	-	-
Security Deposits from customers	4,539.78	-	-	-
Capital Creditors	-	114.75	-	-
Dealers Incentive Payable	-	1,178.03	-	-
Payable to Employees	-	924.92	-	-
Lease Liability	-	130.47	277.24	1,192.71
Others	-	325.03	-	-
Total	7,292.78	29,442.38	1,193.91	1,630.13

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

(i) Interest rate risk: Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Fixed Rate Instruments		
Financial Assets	12,309.44	11,859.50
Financial Liabilities	6,111.99	7,140.20
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	35,498.00	13,544.12

(b) Interest rate Sensitivity: A change in 50 basis points in the interest rate would have following impact on profit before tax and other equity

Notes to the Consolidated Financial Statements

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(₹ in Lakhs)

Particulars	Sensitivity Analysis	For the year ended			
		March 31, 2022		March 31, 2021	
		Impact on		Impact on	
		Profit before Tax	Other Equity	Profit before Tax	Other Equity
Interest rate increase by	0.50%	(177.49)	(132.82)	(67.72)	(50.68)
Interest rate decrease by	0.50%	177.49	132.82	67.72	50.68

(c) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

(i) Unhedged Foreign Currency Exposure

The Group's exposure to foreign currency in USD at the end of the reporting period expressed in INR is as follows :

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Financial Assets		
Trade Receivables	1,714.34	1,011.35
EEFC Bank Account	208.10	111.76

(ii) The Group's exposure to unhedged foreign currency being not significant , sensitivity analysis has not been done for the same.

Other Risk

The Group is periodically monitoring the situation arising due to COVID 19 pandemic considering both internal and external information available upto the date of the approval of these standalone financial statements and has assessed the recoverability of the carrying value of its assets on March 31, 2022. Based on the assessment, the Group does not anticipate any material impact on these consolidated financial statements.

Note 49 | Movement of Deferred Revenue (Refer Note No. 22)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Opening Balance	202.67	233.33
Government Grant received during the year	-	-
Less:		
Deferred Revenue on Government Grant recognised in Statement of Profit and Loss	27.58	30.67
Current portion of Deferred Revenue Grant carried forward as at year end	27.58	30.67
Non-Current portion of Deferred Revenue Grant carried forward as at year end	147.51	172.00

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

Note 50 | Ratio Analysis and its elements

Sl. No.	Ratio	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021
1	Current Ratio	Current Assets	Current Liabilities	2.02	2.33
2	Debt-Equity Ratio *	Net Debt : Non-current borrowings + Current borrowings + Lease Liabilities - cash & Cash Equivalent-Other Bank Balances	Shareholder's Equity : Equity Share Capital + Other Equity (excluding Capital Reserve)	0.28	0.06
3	Debt Service Coverage Ratio	Earnings available for Debt Service : Net Profit before taxes + Depreciation and Amortizations + Finance Cost	Debt service : Principal Repayments of Non current borrowings+ Lease Payments + Interest on borrowings & lease liability	12.84	15.96
4	Return on Equity Ratio	Profit after Tax (PAT)	Shareholder's Equity : Equity Share Capital + Other Equity (excluding Capital Reserve)	23.81%	26.81%
5	Inventory Turnover Ratio	Revenue from Operations	Average Inventory	3.03	3.06
6	Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	3.23	4.26
7	Trade Payables Turnover Ratio	Expenses : Total Expenses - Finance Cost - Depreciation & amortization expenses - Employee benefit expenses - other non cash items	Average Trade Payables	5.94	6.73
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital (Working capital : Current Assets minus Current Liabilities)	2.81	2.90
9	Net Profit Ratio	Profit after Tax (PAT)	Revenue from Operations	13.01%	13.35%
10	Return on Capital Employed	Earning before Interest and Taxes (EBIT)	Average Capital Employed [Capital Employed : Equity Share Capital + Other Equity (excluding Capital Reserve)+Total Debt + Deferred Tax Liabilities]	25.00%	30.74%

Return on Investment is not applicable to the Group

*Variation in Debt -Equity Ratio is due to increase in working capital facilities availed by the Group as compared to previous year.

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(₹ in Lakhs)

Note 51(a) Additional information in respect of net assets and profit / loss of each entity within the Group and their respective share

Particulars	As at March 31, 2022		FY 2021-2022		FY 2021-2022		FY 2021-2022	
	Net Assets, i.e., total assets minus total liabilities		Share in profit		Share in profit		Share in profit	
	As % of Consolidated net assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated Other Comprehensive Income	Amount (₹)	As % of Consolidated Total Comprehensive Income	Amount (₹)
Parent								
- Rupa & Company Ltd	98.87%	87,184.73	99.44%	19,075.98	96.07%	18.81	99.43%	19,094.79
Subsidiaries (Indian)								
- Imoogi Fashions Pvt Ltd	0.35%	309.45	0.06%	11.06	2.76%	0.54	0.06%	11.60
- Euro Fashion Inners International Pvt Ltd	0.51%	451.20	0.03%	5.35	0.00%	-	0.03%	5.35
- Rupa Fashions Pvt Ltd	0.00%	3.83	0.00%	(0.39)	0.00%	-	0.00%	(0.39)
- Rupa Bangladesh Pvt Ltd	0.01%	11.15	0.00%	(0.22)	1.17%	0.23	0.00%	0.01
- Oban Fashions Pvt Ltd	0.25%	219.98	0.48%	92.31	0.00%	-	0.48%	92.31
Total	100.00%	88,180.34	100.00%	19,184.09	100.00%	19.58	100.00%	19,203.67

Particulars	As at March 31, 2021		FY 2020-2021		FY 2020-2021		FY 2020-2021	
	Net Assets, i.e., total assets minus total liabilities		Share in profit		Share in profit		Share in profit	
	As % of Consolidated net assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated Other Comprehensive Income	Amount (₹)	As % of Consolidated Total Comprehensive Income	Amount (₹)
Parent								
- Rupa & Company Ltd	98.75%	72,039.34	99.24%	17,392.07	100.06%	17.28	99.24%	17,409.35
Subsidiaries (Indian)								
- Imoogi Fashions Pvt Ltd	0.41%	297.85	0.02%	4.35	1.62%	0.28	0.03%	4.63
- Euro Fashion Inners International Pvt Ltd	0.61%	445.85	0.02%	3.48	0.00%	-	0.02%	3.48
- Rupa Fashions Pvt Ltd	0.01%	4.22	0.00%	(0.45)	0.00%	-	0.00%	(0.45)
- Rupa Bangladesh Pvt Ltd	0.02%	11.14	-0.01%	(1.22)	-1.68%	(0.29)	-0.01%	(1.51)
- Oban Fashions Pvt Ltd	0.21%	154.50	0.73%	127.67	0.00%	-	0.73%	127.67
Total	100.00%	72,952.90	100.00%	17,525.90	100.00%	17.27	100.00%	17,543.17

The amount stated above in respect of Subsidiaries are as per the standalone financial statements of each of individual entities, before making any adjustments for intra - group transactions and/or balances.

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(₹ in Lakhs)

Note 51(b) | Scheme of Arrangement

The Board of Directors of the Parent Company at its meeting held on December 09, 2020 has approved a Scheme of Arrangement ("the Scheme") between the Parent Company and its wholly owned subsidiary, M/s Oban Fashions Pvt. Ltd. (OFPL) wherein the premium brand undertaking of OFPL shall be demerged and transferred to the Parent Company having an appointed date of April 01, 2021. The Hon'ble National Company Law Tribunal, Kolkata (Parent Company) & Mumbai (Subsidiary Company) vide its orders dated July 26, 2021 and November 25, 2021 respectively has sanctioned the aforesaid Scheme. The Scheme became effective from January 17, 2022 upon completion of necessary formalities. There is no material impact of scheme in the consolidated financial statements as per the Indian Accounting Standards.

Note 52 | Other Statutory Information

(a) Relationship with Struck off Companies

The Group do not have any transactions with company's struck off during the current and previous financial year.

(b) Disclosure in relation to undisclosed income

The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current and previous financial year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(c) Details of Benami Property held

The Group does not have any Benami property. Further, there are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(d) Registration of charges or satisfaction with Registrar of Companies (ROC)

The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period as at March 31, 2022.

(e) Details of Crypto Currency or Virtual Currency

The Group have not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.

(f) Utilisation of Borrowed Fund & Share Premium

- i) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2022

(₹ in Lakhs)

(g) Disclosure for no wilful default

The Group has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

(h) Compliance with number of layers of Companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Note 53 | Previous year figures have been reclassified/regrouped wherever considered necessary.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Pradeep Kumar Singhi
Partner
Membership No.50773

Place: Kolkata
Date: May 23, 2022

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Dinesh Kumar Lodha
Chief Executive Officer

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Manish Agarwal
Company Secretary
Membership No. A29792

(₹ in Lakhs)

Form AOC - 1

[Pursuant to first proviso to sub-Section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the Financial Statements of Subsidiaries/ Associate Companies/ Joint Ventures

Part "A": Subsidiaries

Particulars	1	2	3	4	5
Name of the Subsidiary Companies	Euro Fashion Inners International Private Limited	Imoogi Fashions Private Limited	Oban Fashions Private Limited	Rupa Fashions Private Limited	Rupa Bangladesh Private Limited
The date since when the subsidiary was acquired	April 26, 2005	September 15, 2010	December 29, 2015	December 11, 2019	September 1, 2019
Financial Year ending on	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Reporting Currency	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Bangladesh Taka
Exchange Rate on the last day of the Financial Year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	INR 0.8812 per BDT
Share Capital	410.00	1.00	99.10	5.00	14.01
Reserves and Surplus	41.20	308.45	120.88	(1.17)	(2.85)
Total Assets	490.30	588.68	433.12	4.38	11.35
Total Liabilities	39.10	279.23	213.14	0.55	0.20
Investments	-	-	-	-	-
Turnover	9.70	387.04	4,449.54	-	-
Profit/ (Loss) before Tax	10.85	15.01	120.32	(0.39)	(0.22)
Provision for Tax	5.49	3.95	28.01	-	-
Profit/ (Loss) after Tax	5.36	11.06	92.31	-	(0.22)
Proposed dividend	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%

Notes:

- Names of the subsidiaries which are yet to commence operations: Rupa Fashions Private Limited
Rupa Bangladesh Private Limited
- Names of the subsidiaries which have been liquidated or sold during the year: Not Applicable

Part "B": Associates and Joint Ventures

The Company does not have an associate or a joint venture, therefore, the requirement under this part is not applicable to the Company.

For and on behalf of the Board of Directors

Prahlad Rai Agarwala
Chairman
DIN: 00847452

Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

Dinesh Kumar Lodha
Chief Executive Officer

Manish Agarwal
Company Secretary
Membership No. A29792

Place: Kolkata
Date: May 23, 2022

Notes

[illegible]

Notes

[illegible]

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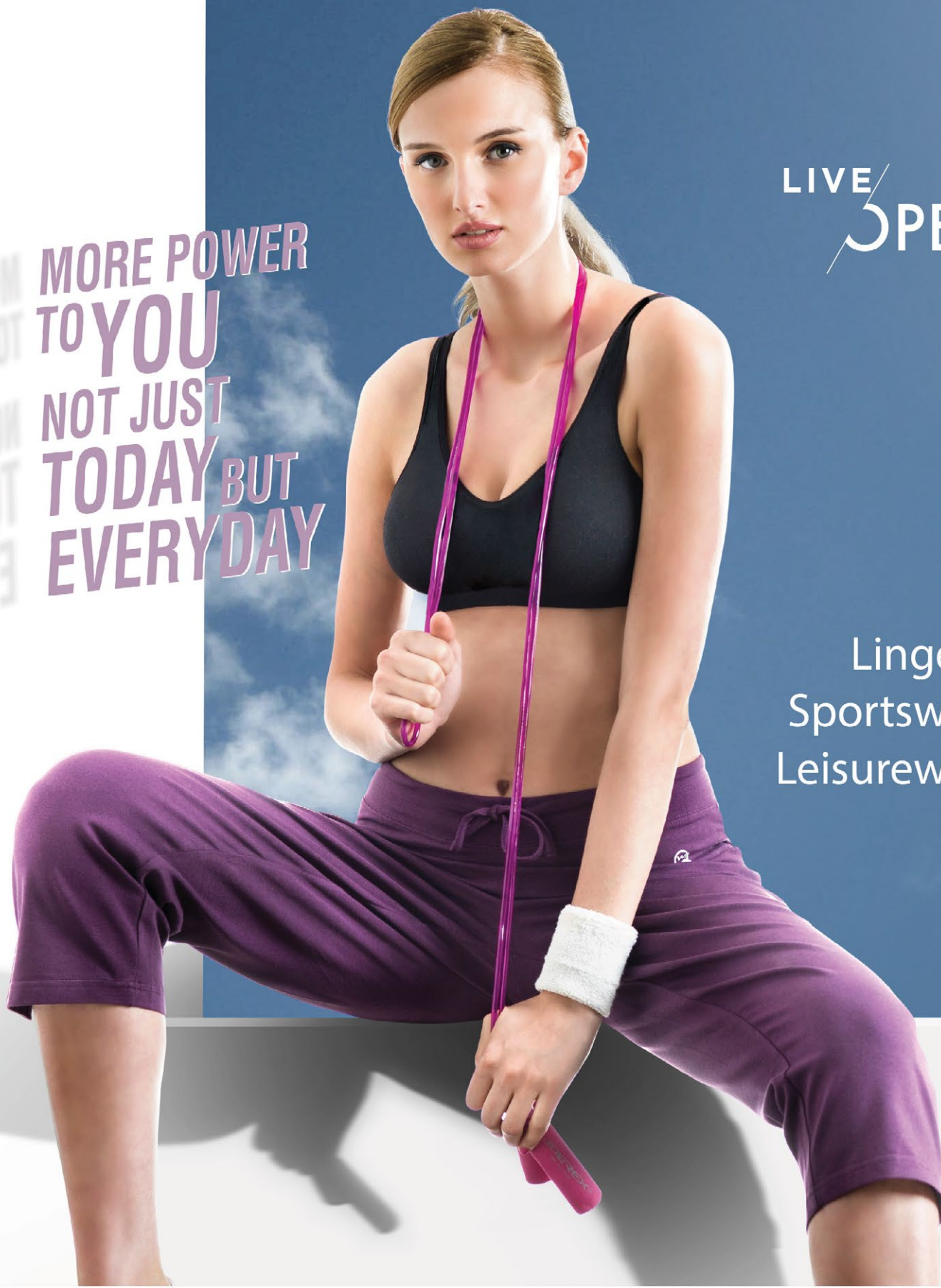
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RUPA & COMPANY LIMITED

CIN: L17299WB1985PLC038517

Metro Tower, 1, Ho Chi Minh Sarani, Kolkata - 700 071, India

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