



REF: RMC/2020-21/BSE/775

Date: 28.08.2020

To,

Department of Corporate Services,  
Listing and Compliance  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001

Sub.: Annual Report for the Financial Year 2019-20 and Notice calling 26<sup>th</sup> Annual General meeting (“AGM”) of RMC Switchgears Limited (“the Company”)

Scrip Code (BSE): 540358

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the Financial Year 2019-20 along with Notice calling 26th AGM of the Company.

The 26th AGM of the Company is scheduled to be held on Friday, the 25<sup>th</sup> Day of September, 2020 at 11:00 A.M. at the registered office of the Company situated at 7 K.M. from Chaksu, Kotkhawda Road, Village-Badodiya, Tehsil-Chaksu, Tonk Road, Jaipur-303901, Rajasthan.

Due to Covid-19 circumstances, the Annual Report for the Financial Year 2019-20 along with Notice calling 26th AGM of the Company is being sent to the members only via E-mail and no physical copy of the same is being dispatched. The same is made available on the website of the Company [www.rmcindia.in](http://www.rmcindia.in)

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,

For RMC Switchgears Limited


Srishti Kulshrestha  
Company Secretary & Compliance Officer  
M. No. A60899

CIN : ( L 2 5 1 1 1 R J 1 9 9 4 P L C 0 0 8 6 9 8 )  
Formerly Known As RMC Switch Gears Limited  
Registered Office & Factory : 7 K.M. From Chaksu, Khotkawda Road,  
Village-Badodtya, Tehsil-Chaksu, Tonk Road, Jaipur (Raj.) 303901,  
Corporate Office : B-11, (B&C), Malviya Industrial Area, Jaipur- 17 (Raj.),  
E-mail : [info@rmcindia.in](mailto:info@rmcindia.in), [admin@rmcindia.in](mailto:admin@rmcindia.in)  
Telefax : + 91-141-4400222, website : [www.rmcindia.in](http://www.rmcindia.in)



# 2019-20

## Annual Report

*Stay Powered up*



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*Route Map of the Annual Report*

# CHAIRMAN'S COMMUNIQUE

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**Mr. Ashok Kumar Agarwal**  
**Chairman cum Managing Director**



**Dear Stakeholders,**

*I feel fortunate to be able to furnish before you all our 26<sup>th</sup> Annual Report. I wish to take you through the performance and the highlights of the year along with the Annual Report.*

*Globally, the rapidly-evolving electrical equipment industry is offering exciting opportunities led by an inordinate interest around smart technologies. COVID-19 pandemic has ravaged the economic foundations of trade and is forcing an unprecedented social, economic, and business response. It has fundamentally changed the way we live, work, and has made 'Work from Home', 'Social distancing', and 'Higher technology adoption' as the 'new normal'.*

*As the world deals with the spiralling effects of the pandemic, we quickly took decisive action to respond to the unfolding challenges. We have been in constant engagement with all our stakeholders to understand and allay their anxieties. Our commitment to protect their interests in these tough times and updated them on the steps taken to support them. Our timely efforts have been appreciated and further strengthened our relationship with our channel partners.*

*In these tumultuous times, we have strived to provide efficient consumer services. FY 2019-20 was a period of significant external challenges, even before the COVID-19 crisis. Weakening macroeconomic environment, sectoral liquidity tightening and slowdown in infrastructure segment impacted the demand for industrial products within cables, professional lighting and switchgear. In addition, muted consumer sentiment impacted the demand for electrical goods.*

*As a Company, our focus will be on enhancing revenues and profitability and getting our working capital right. We have an ambitious target of growing our business and improving return on equity. The single-most important factor that, we believe, shall enable us to achieve this will be capacity utilisation. We will be targeting to maximise shareholders' value and will continue with cost optimisation initiatives as well.*

*In closing, while it is early to predict the severity of the pandemic fully, I am an optimist on mankind resilience to bounce back in the face of any adversity. Amidst all the disruption and economic fallout, there is an opportunity for us to expand our horizons and we are committed to do that. I would also like to take this opportunity to show our appreciation to our employees who, individually and collectively, make us a better and stronger organisation. As to our customers, business partners and shareholders, we look forward to your steadfast support as we continue our path of sustainable growth and value creation. Thank you for believing in us and be our companion in this journey!*

**Thank You,**  
**Ashok Kumar Agarwal**  
**Chairman cum Managing Director**

# DIRECTOR'S COMMUNIQUE

---

**Mr. Ankit Agrawal**  
**Whole Time Director**



**Dear Stakeholders,**

*With the immense pleasure, I welcome you all to the 26th Annual general meeting of RMC Switchgears Limited. I wish to take a moment to thank you all for your invariable support over the years during the thick and thin of the Company. We are, each day, working towards the attainment of our goal and I assure you that our dedication and commitment is at top notch.*

*At RMC, our constant endeavour is to put people at the centre of all the efforts towards innovation and technology. We passionately believe that this is the right approach to make a meaningful difference in the lives of our stakeholders and get the best out of human potential.*

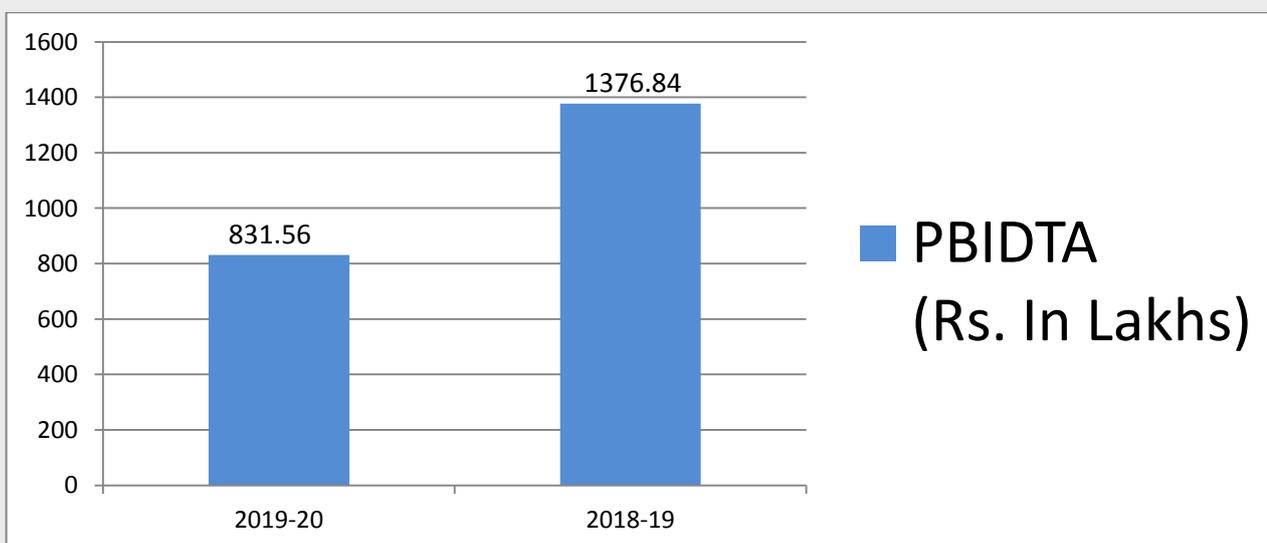
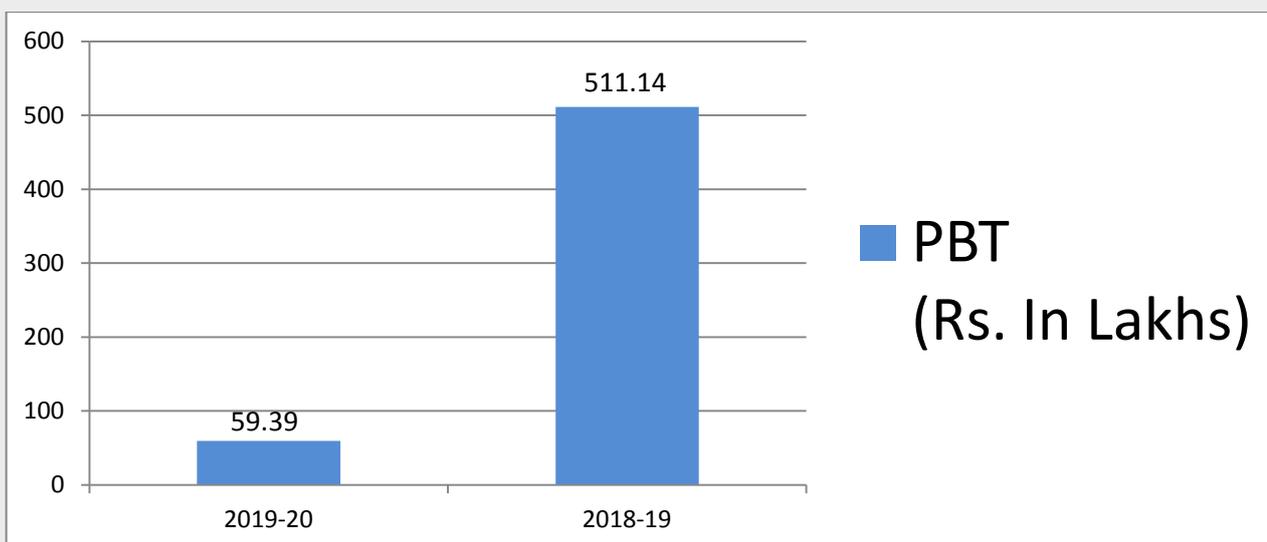
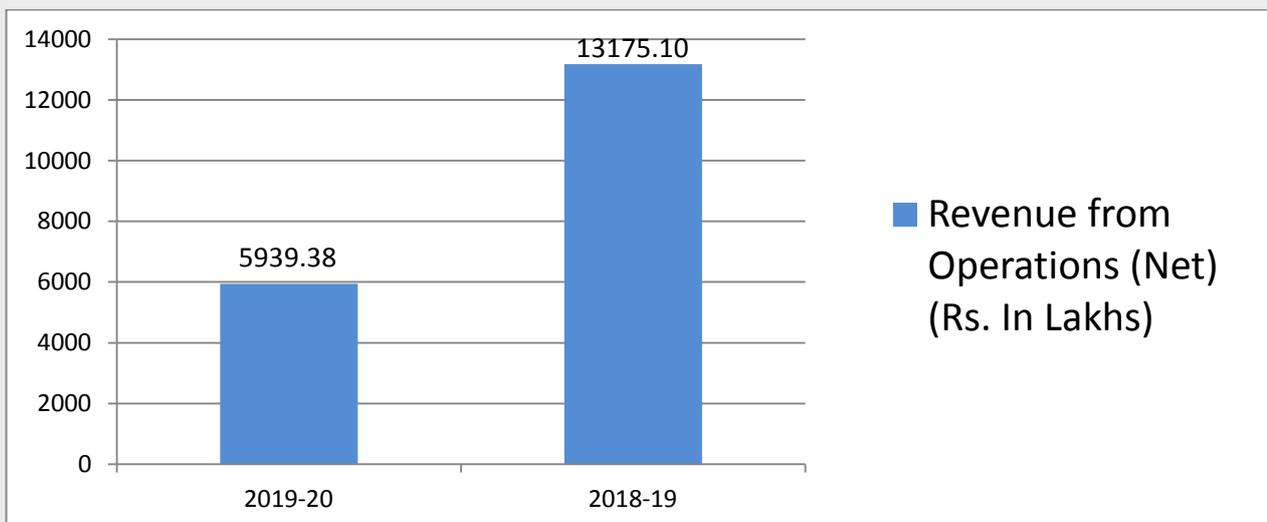
*The year has been a roller coaster ride not only for us but for the entire industry. The challenges posed by COVID-19 led to closing our plant operations as per Government of India's directives and thus impacting production. We are utilising this opportunity to prepare ourselves to respond to the post COVID-19 reality by focussing on readiness to jumpstart operations. We are continuously scanning the external headwinds and market trends that may impact our business segments, as part of our strategy planning. This approach gives us first mover advantage by anticipating consumer sentiments that further provides us opportunities to launch innovative solutions for them. Our strategy is derived considering risks and opportunities that could affect the industry and we expect that our strategy will help us to work on the future business model so that we remain as competitive as ever; on the other side of COVID-19.*

*In the Year 2019-20, we had expanded our horizons by participating in various exhibitions. We anticipate that our participation in exhibitions i.e. ACETECH 2019 and ELECRAMA 2020 would yield us the benefits we were looking forward to. Our business is mostly dependent on the Government projects and tenders; hence we are leaving no stone unturned to apply for the projects and fill the tenders. There is an immense push from the Governments, both at the states and central level to boost up the MSMEs and we foresee it to be an advantage for us. We are already witnessing huge inflow of enquiries and expect more tenders to be floated soon. I am sure these initiatives will have a lasting impact on our brand equity.*

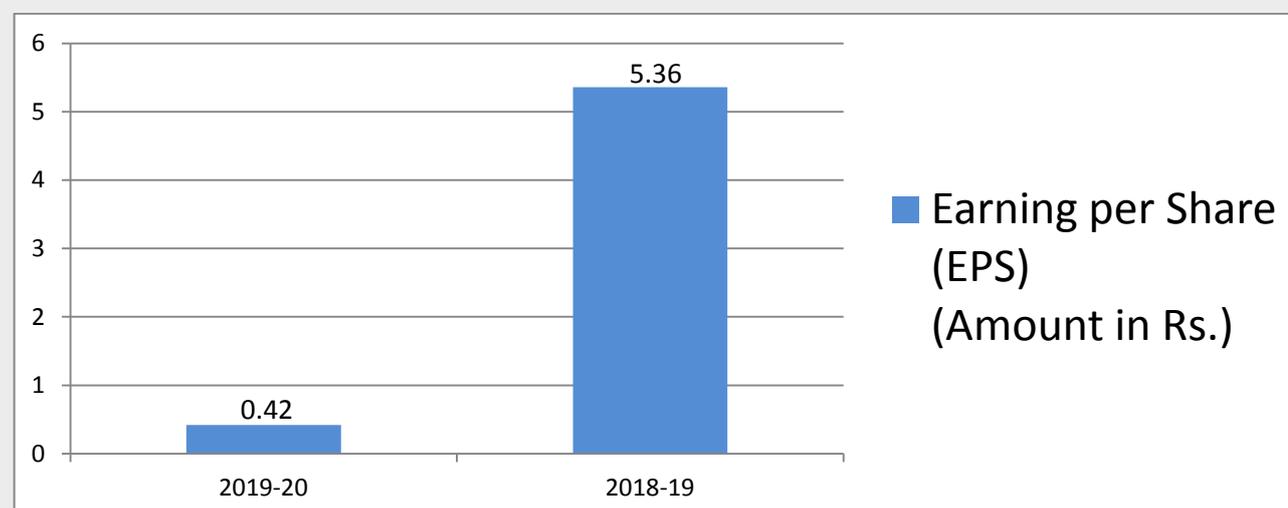
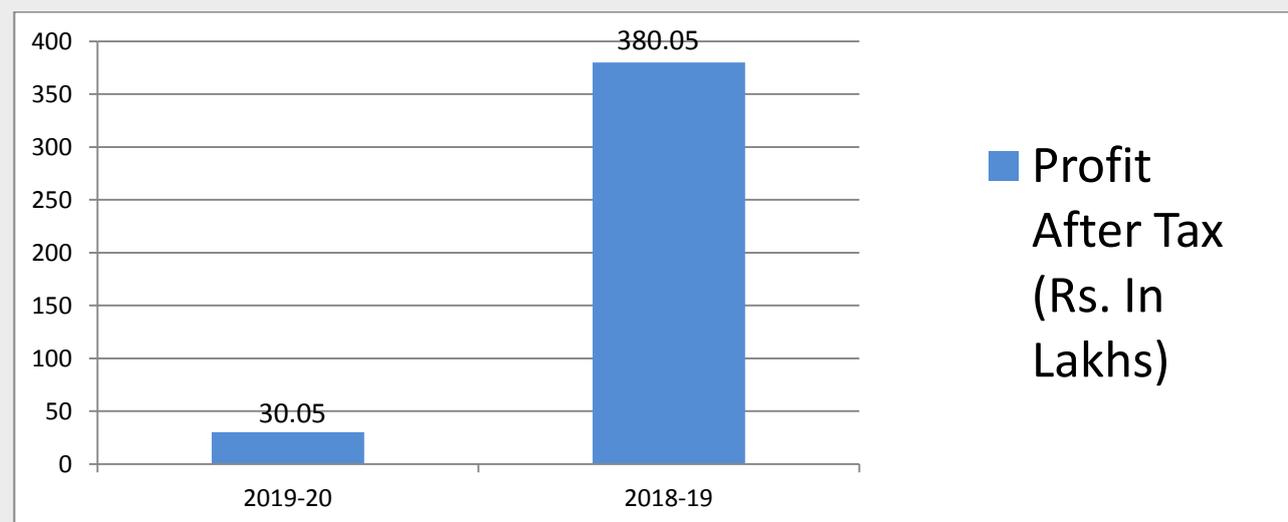
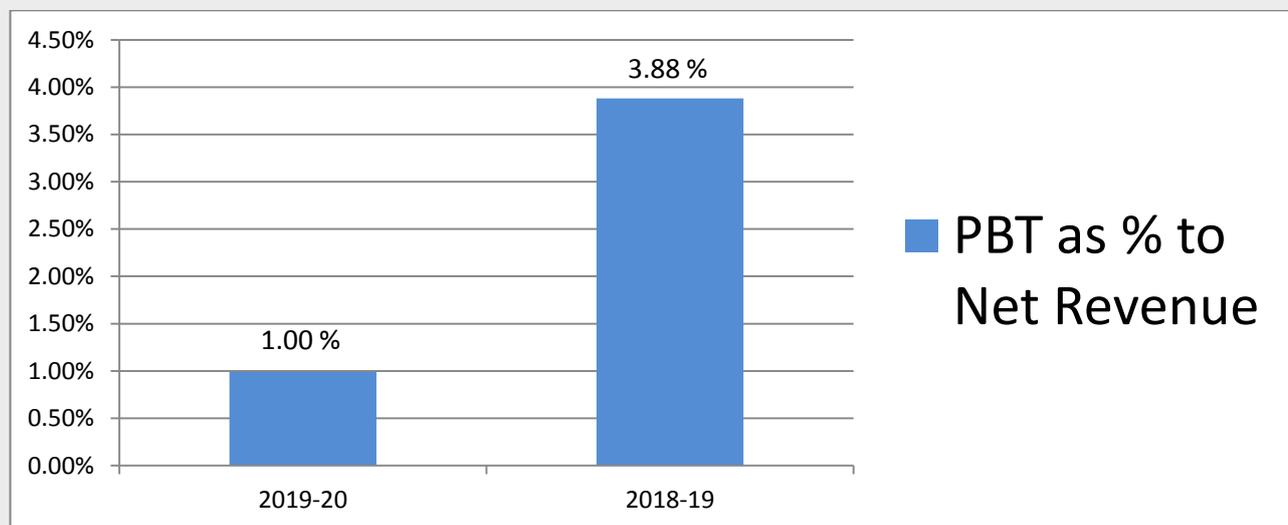
*I thank all our stakeholders for their support and trust. The Company is fundamentally strong in terms of back-end like R&D, specialised manpower and manufacturing facilities. Our focus on consumer satisfaction is building up quite strong. The coming years are going to be more exciting and we are committed to do our best and take the Company to greater heights.*

**Warm Regards,**  
**Ankit Agrawal**  
**Whole Time Director**

# Financial Highlights



# Financial Highlights

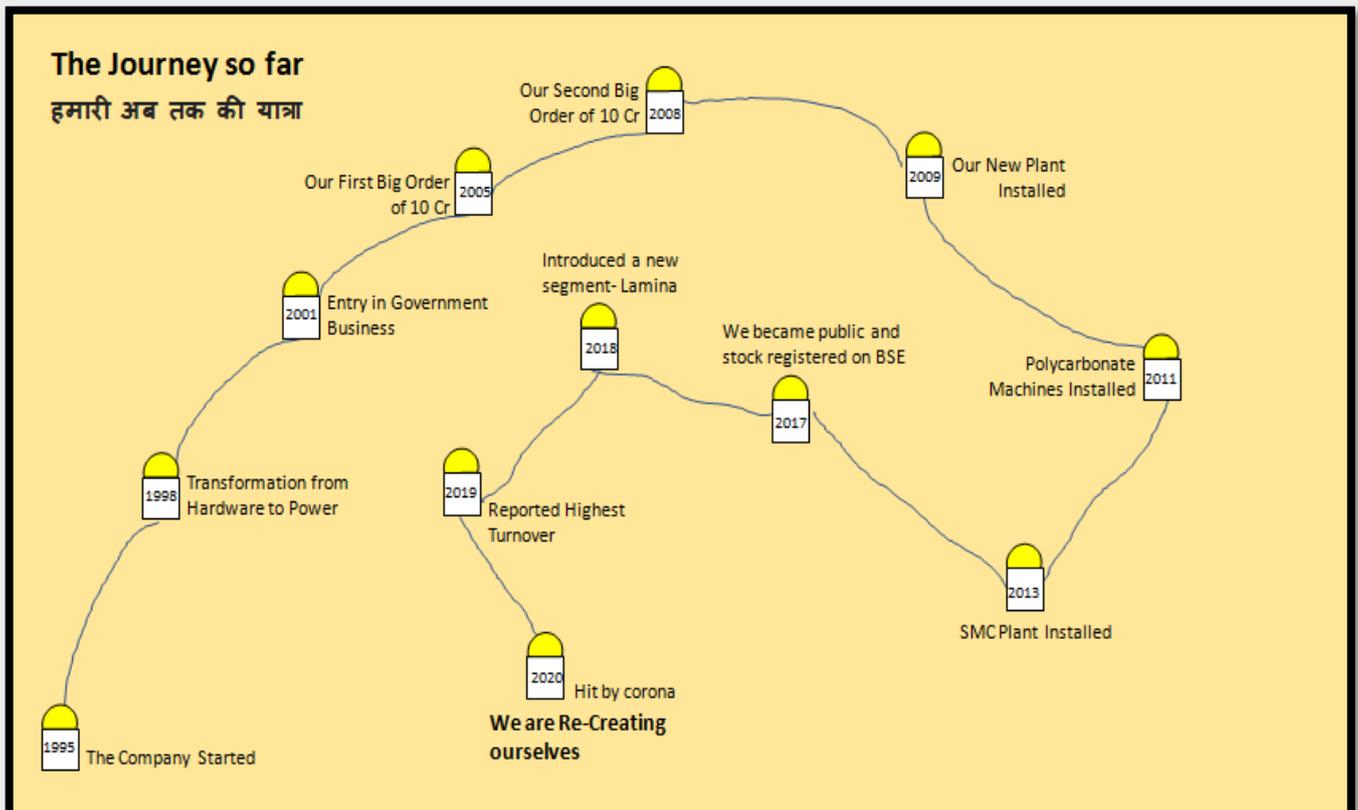


# Company & Its Overview

We are proud to be the only Indian Electrical Enclosure Manufacturing Company offering enclosures in all types of materials. Our infrastructure is spread over an area of more than 800000 sq. ft. with all ultramodern manufacturing and testing facilities. As one of the leaders in the electro-technical industry of India, we have been providing our esteemed customers with the best possible products, services and solutions since its incorporation in 1994.

We have been accredited with OHSAS 18001:2007 certification, ISO 14001:2015 certification, ISO 27001:2013 certification, Certificate of Compliance as per RoHS Directive (2002/95/EC) of the European Parliament and of the council on the restriction of use of certain hazardous Substances in Electrical and Electronic Equipments, Certificate of Compliance as per REACH, and ISO 9001:2015 Certification. Nonetheless, we are proud to offer the largest enclosure range from India for all applications and industries in many variants like IP-33 to IP-65 and from plastic to metal.

Since the last 26 years, we have been constantly growing because of our firm foundations of modernized production facilities, improved technical and quality standards, technical superiority, balanced teamwork and professional services. At RMC, we believe in long term relationships with all our stakeholders and intend to work jointly for maximizing the benefits from the modern technologies. We are constantly working towards improving the product portfolio and quality standards. In line with the same, we are constantly innovating our products to ensure revenue protection and revenue maximizations for Indian Utilities.





### **OUR VISION**

To become India's most promising brand by 2030.

### **OUR MISSION**

RMC stands for ***Reliable*** partner and ***Meticulous*** in work while providing ***Consistency*** in experience.

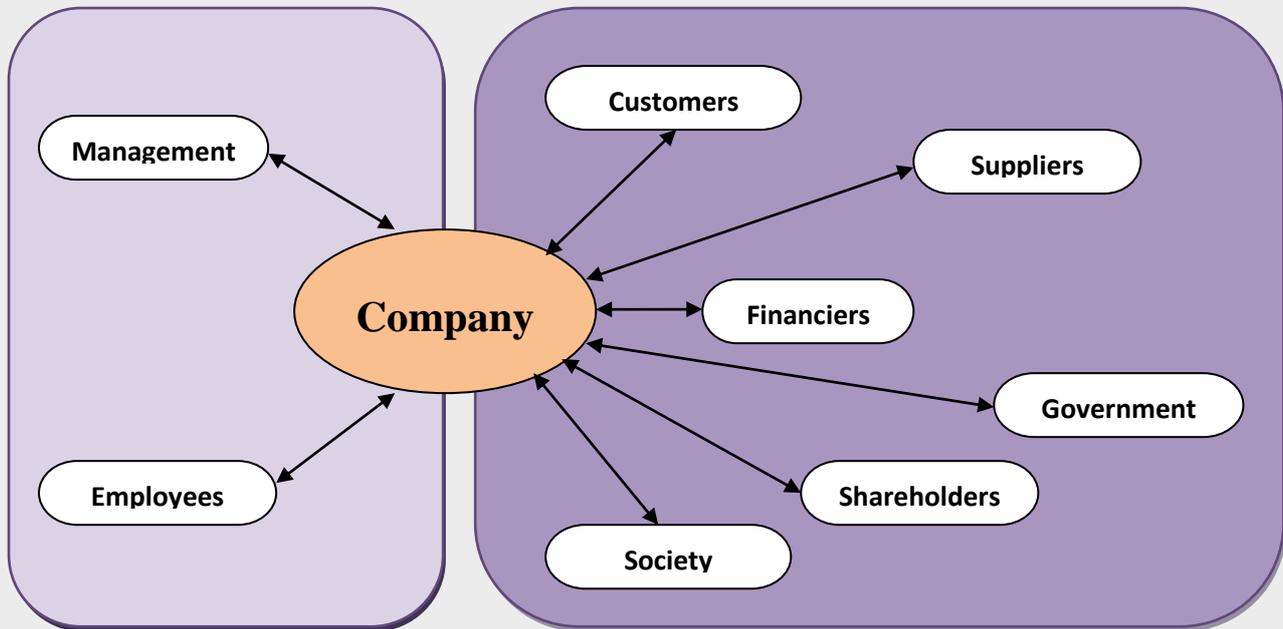
### **CORE VALUES**

- ✓ Reliable
- ✓ Meticulous
- ✓ Consistent
- ✓ Dedication
- ✓ Commitment
- ✓ High Moral Values

### **CULTURE STATEMENT**

We make work fun and inspiring

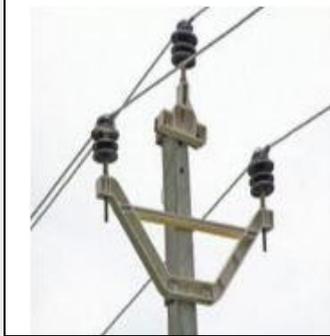
# Stakeholders' Relations- Value Creation



*We are a highly stakeholders oriented Company. We interact and engage with our stakeholders in a variety of ways, and our key stakeholders are our customers, employees, investors, suppliers and the society at large. We put ourselves in the shoes of each type of stakeholder and see things from their point of view. Our deliverables to our stakeholders:*

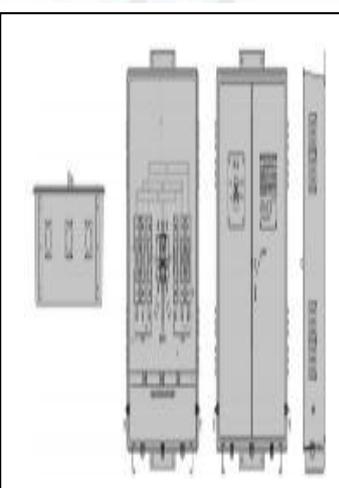
<b>Customers</b>	Quality product/service at right time and competitive price
<b>Suppliers and Vendors</b>	Timely payment
<b>Financiers</b>	Timely payment of Interest and principal
<b>Governments</b>	Contribution to GDP and Timely payment of taxes
<b>Investors/Shareholders</b>	Good return on investments as per the Industry norms
<b>Society</b>	Health, safety, economic development and contribution to society in several ways
<b>Employees</b>	Hygienic environment, stress free remunerative employment with job satisfaction & security
<b>Management</b>	Profit & Growth

# Our Products and Annual Capabilities



## OUR ANNUAL CAPABILITIES

<p><b>DISTRIBUTION BOXES</b> 1,20,000</p>	<p><b>ENGINEERING PLASTIC COMPONENTS</b> 5,000 MT</p>
<p><b>ENERGY METER</b> 30,00,000 Enclosures</p>	<p><b>MOLDED CASE CIRCUIT BREAKERS</b> 5,00,000</p>
<p><b>SMC AND BMC</b> 6,000 MT</p>	<p><b>MILD STEEL COMPONENTS</b> 3,000 MT</p>





**Lamina**  
A Reflection of Your Interior Life



To adorn every space with grandeur and finesse we introduce to you, **LAMINA**. A brainchild of **RMC** , we have created a mystery, to make your interiors look and feel luxurious.

**LAMINA** is a 100% engineered product made from no natural composites. It is processed with additives to make it ' flame and water proof', giving it durability and long life and is a ' value of money' product. We especially treat it to make it resistant from chemicals and mechanical stress. All these treatments will help you use **LAMINA** as a no worry product in all your applications. **LAMINA** products last longer and generations will enjoy the beauty of the homes/offices/commercial establishments.

## LAMINA PRODUCTS



**PVC Laminates:-** Unique collection of PVC sheets available in the thickness 1.2 mm which allows you to use them as wall panels, pillars, cabinets and give your home a rich look.

**PVC marble sheets:-** A large variety of PVC marble sheets are available in thickness 3mm for places requiring more thick coatings such as ceilings, counter tops.



**PVC profiles:-** keeping in view of modern design requirements a range of 10 PVC profiles is available for skirting and modern arts.

**Pure acrylic Solid Surface:-** these are made of acrylic minerals and pigments. Our surfaces are scratch free, germ resistant, 100% non-porous, fire retardant and the most exclusive feature being its super thermoformability, which gives you complete freedom to experiment and allows you to create your unique work of art..



## Lamina<sup>TM</sup> Designer UV Sheets



Our Brand “**Lamina**” is known for its quality in the world of interiors and exterior Decor. Our Product line includes products such as:

- ❖ PVC Marble Sheets
- ❖ PVC Laminates
- ❖ Pure Acrylic solid surfaces

We had appointed M/s Sequence Pro LLP as Stockiest cum Distributor for Lamina products in whole south region which includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana.

**Lamina.....Express yourself.**

# Our Board

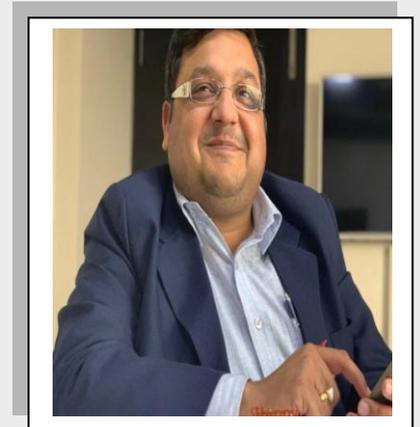
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*Mr. Ashok Kumar Agarwal  
Chairman cum Managing Director*

*Mr. Ashok Kumar Agarwal, aged 64 years is the founder Promoter of the Company and currently holding the position of Chairman cum Managing Director. He is the vision behind the Company's success and reputation in the market today and possesses an overall experience of around 40 years out of which 22 years in the field of electrical industry. Under his inspiring leadership and dynamic approach, the Company stands tall in the Electrical Market segment. He is instrumental in taking major policy decisions of the Company, formulating business strategies and effective implementation of the same. He has carried forward the group with core values, pure dedication and commitment.*

*Mr. Ankit Agrawal, aged 38 years, Whole Time Director of our Company is a man of sharp vision with 20 years of rich experience in the field of electrical industry. He has been instrumental in the Company's organic growth and is responsible for shaping the strategic perspective that has led to the diversification and expansion of the Company in new avenues. As a visionary, he has lead the Company to new heights. He has been involved foremost in the group's sales and marketing activities and has spearheaded the group's various forays into new products. He has been instrumental in establishing the quality assurance standards for the Company. A strong vision, exemplary leadership and expertise in the electrical market have enabled him to lead RMC towards the success path.*



*Mr. Ankit Agrawal  
Whole-time Director*



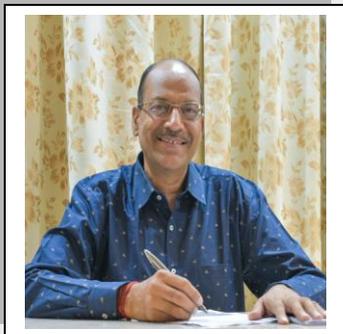
*Mrs. Neha Agrawal  
Executive Director*

*Mrs. Neha Agrawal, aged 38, possesses an experience of 12 years in the field of management and administration. She holds the degree of Bachelor of Business Administration from Eastern Institute for Integrated Learning in Management. She looks after the overall administration and day to day operations of the Company. She is a strong promoter of Women Empowerment and enhances company's responsibilities towards the society.*

*Mr. Himanshu Goyal, aged 37, has been associated with the Company since 2018. He has been practicing as a Chartered Accountant for over 15 years now. Along with the degree of Chartered Accountant, he holds the degree of Law and Bachelors of Commerce. Apart from RMC, he also holds the directorship of several other Companies.*



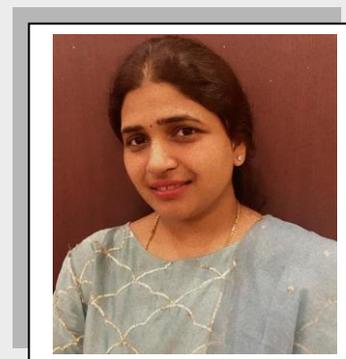
*Mr. Himanshu Goyal  
Independent Director*



*Mr. Kuldeep Kumar Gupta  
Additional Director  
(Non-Executive Independent)*

*Mr. Kuldeep Kumar Gupta, aged 58 years is Practicing Chartered Accountant by Profession and the founder of M/s Kuldeep Kumar Gupta & Co., Practicing Chartered Accountant Firm, Jaipur. He possesses a rich experience of about 35 years in the field of taxation, finance, advisory, corporate law and audit of Corporates. He had been on the Board of several Listed and Unlisted Companies of Finance and Manufacturing Industry. He has been currently supervising various unlisted entities by being on the Board of the entities.*

*Mrs. Krati Agarwal, aged 40 years is a young and dynamic entrepreneur. She has graduated in the field of economics from Rajasthan University and possesses experience of several years in the field of economics and manufacturing.*



*Mrs. Krati Agarwal  
Additional Director  
(Non-Executive Independent)*

# Accolades



*Our company was incorporated in year 1994 as RFH Metal Castings Private Limited.*

*We became a public limited company in the year 2008 and were rechristened as RFH Metals Castings Limited.*

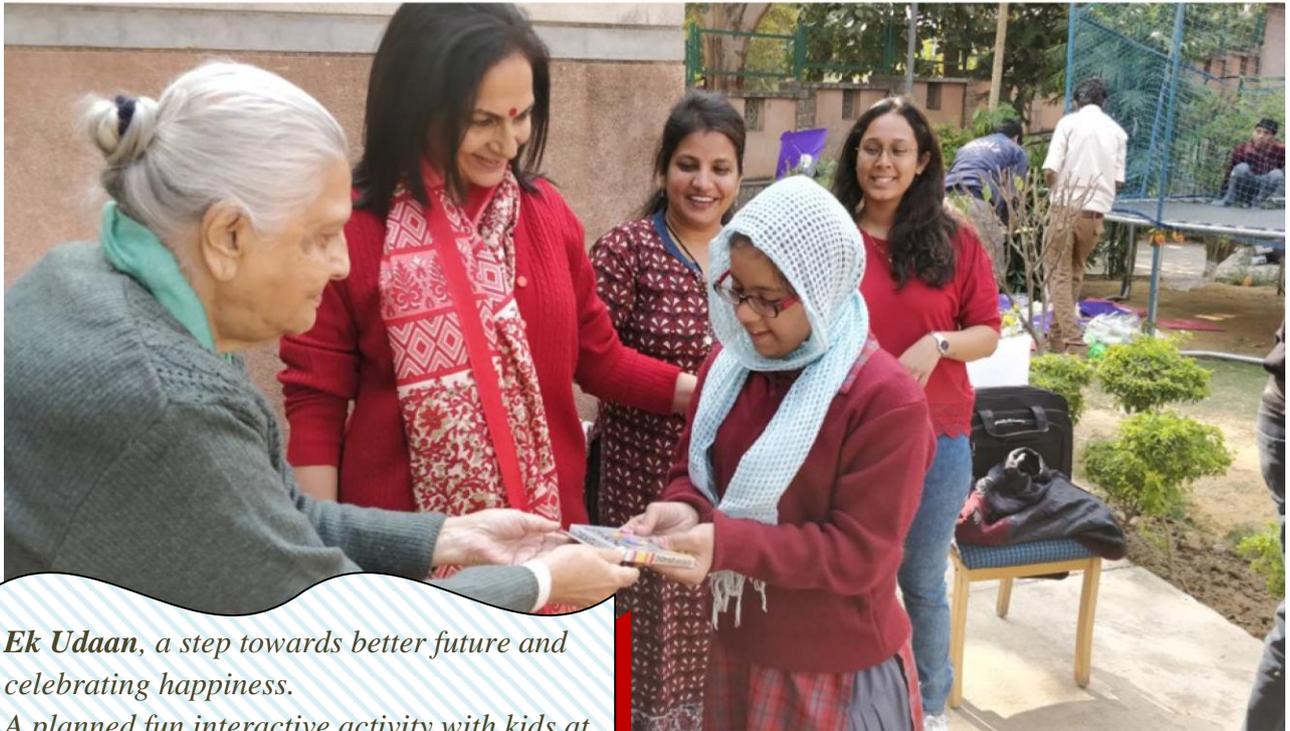
*In 2016 the name was changed to RMC Switchgears Limited.*

*Since then, we have been felicitated with many awards like Industry Champion Award 2019.*

*It has been a great honour for all of us to receive accolades and award and we hope to receive more in future.*



# Our Contribution to Society



*Ek Udaan, a step towards better future and celebrating happiness.  
A planned fun interactive activity with kids at  
Disha Foundation, Sunshine Hope and JKMS  
Apna Ghar.*

*Employees are the key part and the greatest  
asset of RMC Family.  
RMC takes initiative to engage its employees  
in various activities and interactive sessions.  
An Interaction event at SRNG Auditorium,  
Jaipur*



# Corporate information

## **BOARD OF DIRECTORS & KEY MANAGEMENT PERSONNEL**

### **Board of Directors**

Mr. Ashok Kumar Agarwal (Chairman cum Managing Director)  
Mr. Ankit Agrawal (Whole-time Director)  
Mrs. Neha Agrawal (Executive Director)  
Mr. Himanshu Goyal (Independent Director)  
Mr. Kuldeep Kumar Gupta (Independent Director)  
Mrs. Krati Agarwal (Independent Director)

## **BOARD COMMITTEE**

### **Audit Committee**

Mr. Himanshu Goyal (Chairman)  
Mr. Ashok Kumar Agarwal (Member)  
Mr. Kuldeep Kumar Gupta (Member)

### **Nomination & Remuneration Committee**

Mr. Kuldeep Kumar Gupta (Chairman)  
Mr. Himanshu Goyal (Member)  
Mrs. Krati Agarwal (Member)

### **Stakeholders Relationship Committee**

Mr. Kuldeep Kumar Gupta (Chairman)  
Mr. Himanshu Goyal (Member)  
Mrs. Krati Agarwal (Member)

## **CHIEF FINANCIAL OFFICER (CFO)**

Mr. Bharat Bhushan Gupta

## **COMPANY SECRETARY (CS)**

Ms. Srishti Kulshrestha

## **STATUTORY AUDITORS**

M/s Saraswat & Company  
Chartered Accountants, Jaipur

## **SECRETARIAL AUDITORS**

M/s B K Sharma & Associates  
Company Secretaries, Jaipur

## **COST AUDITOR**

M/s Bikram Jain & Associates  
Cost Accountants, Jaipur

## **INTERNAL AUDITOR**

Mr. Ravindra Kumar Sharma

## **PRINCIPAL BANKERS**

Punjab National Bank  
The Federal Bank Limited

## **RTA**

Link Intime India Private Limited  
C-101, 247 Park, Lal

Bahadur Shastri Marg,  
Vikhroli (West), Mumbai-40008  
Maharashtra.  
Tel: +91 22 4918 600  
Fax: +91 22 4918 606  
E-mail: [mumbai@likintime.co.in](mailto:mumbai@likintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## **STOCK EXCHANGE WHERE**

## **COMPANY'S SECURITIES ARE LISTED**

BSE Limited –SME Platform

### **Registered Office Address:**

7 KMs from Chaksu,  
Kotkhawda Road,  
Village Badodiya,  
Tehsil : Chaksu,  
Tonk Road, Jaipur-303901,  
Rajasthan, India.

### **Corporate Office:**

B-11 (B &C ),  
Malviya Industrial Area,  
Jaipur -302017,  
Rajasthan, India.

### **Contact Details:**

Phone: +91-141-403156,  
+91-141- 4400222  
Fax:+91-141-4031516  
E-Mail- [admin@rmcindia.in](mailto:admin@rmcindia.in)  
cs@rmcindia.in  
website: [www.rmcindia.in](http://www.rmcindia.in)  
[www.laminadecor.com](http://www.laminadecor.com)



**RMC SWITCHGEARS LIMITED**

CIN: L25111RJ1994PLC008698

Registered Office: 7 Km. from Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan

Corporate Office: B-11 (B&C) Malviya Industrial Area, Jaipur-302017 E Mail ID: [admin@rmcindia.in](mailto:admin@rmcindia.in) [cs@rmcindia.in](mailto:cs@rmcindia.in)

Website: [www.rmcindia.in](http://www.rmcindia.in), Contact No: 0141-4031516, 4400222

**NOTICE**

**NOTICE** is hereby given that the Twenty Sixth Annual General Meeting of the Members of RMC Switchgears Limited will be held on Friday, the 25<sup>th</sup> September, 2020 at 11.00 A.M. at the Registered Office of the Company situated at 7 Km. From Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901 Rajasthan to transact the following businesses:

**ORDINARY BUSINESS:**

**1. Adoption of Financial Statements**

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon

**2. Re-appointment of Mr. Ankit Agrawal as a Director, liable to retire by rotation.**

To appoint a Director in place of Mr. Ankit Agrawal (DIN: 00793035), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.

**3. Appointment of Statutory Auditor**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, including any amendment, modification or variation thereof, and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s L Kasat & Company, Chartered Accountants having Firm Registration No. 014580C, be and are hereby appointed as the Auditors of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 31<sup>st</sup> Annual General Meeting of the Company to be held in the year 2025, to examine and audit the accounts of the Company, at such remuneration as may be mutually agreed between the Board of Directors and the Auditors.

**RESOLVED FURTHER THAT** the Board of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company.”

## **SPECIAL BUSINESS:**

### **4. Appointment of Mr. Kuldeep Kumar Gupta as an Independent Director**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Kuldeep Kumar Gupta (DIN: 01591373) who was appointed by the Board of Directors as an Additional Director (Non-Executive Independent) of the Company with effect from July 17, 2020 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and applicable Articles of Association of the company, who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013, who has submitted a declaration that he meets the criteria of the Independent Directorship as provided in section 149(6) of the Act, who has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority, and who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non Executive Director of the Company, and shall hold office for a period of five years from the date of appointment i.e July 17, 2020 and shall not, henceforth, be liable to retire by rotation.,

**RESOLVED FURTHER THAT** to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

### **5. Appointment of Mrs. Krati Agarwal as an Independent Director**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Mrs. Krati Agarwal (DIN: 08789232) who was appointed by the Board of Directors as an Additional Director (Non-Executive Independent) of the Company with effect from July 17, 2020 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and applicable Articles of Association of the company, who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013, who has submitted a declaration that she meets the criteria of the Independent Directorship as provided in section 149(6) of the Act, who has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority, and who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non Executive Director of the Company, and shall hold office for a period of five years from the date of appointment i.e July 17, 2020 and shall not, henceforth, be liable to retire by rotation.,

**RESOLVED FURTHER THAT** to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.

**6. Change in designation of Mr. Ashok Kumar Agarwal from Managing Director to Chairman cum Managing Director and amendments in terms of appointment of the same.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and resolution passed on 25th March, 2019 for reappointment of Mr. Ashok Kumar Agarwal as Managing Director of the Company, the approval of members be and is hereby accorded for change in designation of Mr. Ashok Kumar Agarwal from Managing Director to Chairman cum Managing Director as well as for amendments in terms of appointment of Mr. Ashok Kumar Agarwal for a period of 3 years w.e.f 1<sup>st</sup> April, 2019 , upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any Financial year) with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** in the event in any financial year during the tenure of the Chairman cum Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Managing Director, the above remuneration excluding commission amount payable on profits earned as the minimum remuneration by way of salary and allowances within the applicable limit as prescribed in Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company.”

**7. Amendments in terms of appointment of Mr. Ankit Agrawal, Whole Time Director of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and resolution passed on 25th March, 2019 for reappointment of Mr. Ankit Agrawal as the Whole Time Director of the Company, the approval of members be and is hereby accorded for amendments in terms of appointment of Mr. Ankit Agrawal, Whole Time Director of the Company for a period of 3 years w.e.f 1<sup>st</sup> April, 2019 , upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any Financial year), with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** in the event in any financial year during the tenure of the Whole Time Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Whole Time Director, the above remuneration excluding commission amount payable on profits earned as the minimum remuneration by way of salary and allowances within the applicable limit as prescribed in Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company.”

**8. Amendments in terms of appointment of Mrs. Neha Agrawal, Executive Director of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and resolution passed on 25th March, 2019 for reappointment of Mrs. Neha Agrawal as an Executive Director of the Company, the approval of members be and is hereby accorded for amendments in terms of appointment of Mrs. Neha Agrawal, Executive Director of the Company for a period of 3 years w.e.f 1<sup>st</sup> April, 2019 , upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any Financial year) with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** in the event in any financial year during the tenure of the Executive Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to the Executive Director, the above remuneration excluding commission amount payable on profits earned as the minimum remuneration by way of salary and allowances within the applicable limit as prescribed in Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company.”

**”By the order of the Board of Directors  
For RMC Switchgears Limited**

**Place: Jaipur  
Date: 21.08.2020**

**Srishti Kulshrestha  
Company Secretary  
(Membership No: ACS 60899)**

**NOTES:**

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), statement setting out material facts concerning Special Business (Item no. 4 to 8) to be transacted at the Annual General Meeting (“AGM”) is annexed hereto and forms part of the notice.
2. The information required pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with secretarial standards 2 issued by ICSI, regarding the Directors seeking appointment/re-appointment in the AGM is annexed hereto and forms part of the notice
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.** In order to be effective, the instrument appointing a proxy (Proxy Form), duly completed, stamped and signed must be deposited at the Company’s registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed herewith at the end of Annual Report.
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. Members/Proxies/Authorised Representatives attending the meeting are requested to bring the duly filled attendance slip enclosed herewith at the end of Annual Report
6. Corporate members /Societies /Partnership Firms / Trusts, etc intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution / Authorization Letter authorizing their representative to attend and vote at the AGM on their behalf.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Directors and KMP and their shareholding and Register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at the AGM. The members desirous of getting any information on the Company’s accounts and / or operations of the Company are requested to write to the Company at least seven days before the date of AGM to enable us to keep the information ready at the AGM.
9. The copies of relevant documents referred to in the Notice and explanatory statement are open for inspection by the members at the Registered Office of the Company on all working days between 11.00 A.M. to 3.00 P.M. (IST) up to the date of the 26<sup>th</sup> AGM.
10. Members are requested to send their Demat/Remat applications, request for share transmission, intimation of change of address and other correspondence to the Company’s Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400 083.
11. Members who hold shares in electronic form are requested to notify immediately, any change in their addresses to their respective depository participants.
12. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent of the Company in any change in their residential status on return to India for permanent settlement, particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
13. Pursuant to SEBI circular shareholders, whose ledger folios do not have or have incomplete details with regard to PAN and Bank Particulars are required to

compulsory furnish the details to RTA /to the Company for registration in their folio. The Companies Act, 2013 and rules made thereunder also require the further details to be submitted to the Company like PAN, email address, Father's/ Mother's/ Spouse's name and bank particulars. Members holding shares in electronic form are, therefore requested to submit PAN and other details to their Depository Participants with whom they are maintaining Demat Account

14. As per the provisions of section 72 of the Act, the facility for making a nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.- SH-13.
15. The Notice of AGM along with the Annual Report 2019-20 is being sent to all the Members whose name appear in the Register of Members/List of Beneficial Owners received from National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) as on (Cut Off date) 21<sup>st</sup> August, 2020 by electronic mode to those members whose email address is registered with the Company/Depositories. Further, vide circular dated 5 May 2020, MCA also extended relaxations to AGMs of companies conducted during the calendar year 2020. The circular has also dispensed with the printing and dispatch of annual reports to shareholders. Hence, the physical copy of Annual Report will be sent via mail to the shareholders and will be uploaded on the Company's website [www.rmcindia.in](http://www.rmcindia.in)
16. As a measure of austerity, copies of the Annual Report will not be distributed at the AGM. Members are therefore requested to bring their copies of the Annual Report in the meeting.
17. The Annual Report of the Company circulated to the Members of the Company is made available on the Company's corporate website at [www.rmcindia.in](http://www.rmcindia.in).
18. **GO GREEN INITIATIVE:** Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company, to support the MCA's Green Initiative in the Corporate Governance.
19. The Register of Members and Share Transfer Books of the Company will not close.
20. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the AGM.
21. Members may kindly note that bags, eatables, laptops, arms, ammunitions or any other harmful/dangerous objects are not allowed inside the Auditorium at the meeting venue.
22. Company is exempted from conducting E – Voting vide Rule 20(2) of Companies (Management & Administration) Rule, 2014 as amended. Therefore, voting will be conducted by means of ballot paper at the Annual General Meeting.
23. The Board of Directors has appointed Mr. Brij Kishore Sharma, Practicing Company Secretary (FCS 6206, CP 12636, as Scrutinizer for conducting the voting process in a fair and transparent manner.
24. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company [www.rmcindia.in](http://www.rmcindia.in). The results shall simultaneously be communicated to the Stock Exchanges.

**The route map showing direction to reach the venue of the 26<sup>th</sup> AGM is annexed at the end of the Report.**

**”By the order of the Board of Directors  
For RMC Switchgears Limited**

**Srishti Kulshrestha  
Company Secretary  
(Membership No: ACS 60899)**

**Place: Jaipur  
Date: 21.08.2020**



## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

### **Item no.3**

The present auditors of the Company, M/s Saraswat & Co., Chartered Accountants will complete two consecutive terms of five years on the conclusion of ensuing Annual General as per the provisions of Section 139(2) of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

In the view of above, the Board of Directors of the Company on the recommendation of the Audit Committee recommended for the approval of the Members, the appointment of M/s L Kasat & Co., Chartered Accountants having Firm Registration No. 014580C Chartered Accountants as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 31<sup>st</sup> AGM.

The Committee considered various parameters like capability to serve a diverse and complex business landscapes that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found it to be best suited.

The consent to act as the Auditors of the Company has been received and confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends the Ordinary Resolution set out at Item no. 3 for approval of the Members.

### **Item No. 4**

The Board of Directors of the Company had appointed Mr. Kuldeep Kumar Gupta (DIN: 01591373) as an Additional Director of the Company with effect from July 17, 2020 in the category of Non-Executive Independent Director subject to the approval from shareholders. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Kuldeep Kumar Gupta shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term of five years with effect from the date of appointment i.e. July 17, 2020.

The Company has received declaration of independence from Mr. Kuldeep Kumar Gupta. In the opinion of the Board, Mr. Kuldeep Kumar Gupta fulfills the conditions specified in the Companies Act, 2013 and Listing Regulations for appointment as Independent Director of the Company.

A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company [www.rmcindia.in](http://www.rmcindia.in). None of the Directors or Key Managerial Personnel and their relatives, except Mr. Kuldeep Kumar Gupta, is concerned or interested (financially or otherwise) in this Resolution.

The Board recommends the Ordinary Resolution set out at Item no. 4 for approval of the Members.

### **Item No. 5**

The Board of Directors of the Company had appointed Mrs. Krati Agarwal (DIN: 08789232) as an Additional Director of the Company with effect from July 17, 2020 in the category of Non-Executive Independent Director subject to the approval from shareholders. In accordance with the provisions of Section 161 of Companies Act, 2013, Mrs. Krati Agarwal shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term of five years with effect from the date of appointment i.e. July 17, 2020.

The Company has received declaration of independence from Mrs. Krati Agarwal. In the opinion of the Board, Mrs. Krati Agarwal fulfills the conditions specified in the Companies Act, 2013 and Listing Regulations for appointment as Independent Director of the Company.

A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company [www.rmcindia.in](http://www.rmcindia.in). None of the Directors or Key Managerial Personnel and their relatives, except Mrs. Krati Agarwal, is concerned or interested (financially otherwise) in this Resolution.

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

### **Item No.6**

Mr. Ashok Kumar Agarwal was re-designated as Chairman cum Managing Director of the Company by the Shareholders in the Extra-ordinary General Meeting convened on 16<sup>th</sup> July, 2016 but he was further reappointed as the Managing Director of the Company for a period of Five Years on 25<sup>th</sup> March, 2019 by the Shareholders in the Extra-ordinary General Meeting. Hence, Mr. Ashok Kumar Agarwal is re-designated from Managing Director to Chairman cum Managing Director with the approval of Board members via resolution passed in the Board Meeting convened on 21<sup>st</sup> August, 2020, subject to the approval of shareholders.

The re- appointment of Mr. Ashok Kumar Agarwal as the Managing Director of the Company on 25<sup>th</sup> March, 2019 by the Shareholders in the Extra-ordinary General Meeting was subject to Schedule V of the Companies Act, 2013. The terms of the appointment are required to be amended in the view of the provisions of the said Schedule V and further information are required to be placed before the shareholders, which are as under:-

#### **I. General Information:**

Nature of the Industry	Manufacturing and sales of Electrical equipments		
Date of Commencement	23.08.1994		
In case of new companies, expected date of commencement of activities as per project	Not Applicable		
Financial Performance of last 2 years	<b>PARTICULARS</b>	<b>2019-20</b>	<b>2018-19</b>
	Revenue From Operations	5939.38	13175.10
	Other Income	29.21	86.04
	<b>Profit Before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>836.39</b>	<b>1376.84</b>
	Less: Depreciation & Amortization Expenses	233.63	229.29
	Less: Finance Cost	538.54	636.41
	Less: Exceptional Items	4.83	-
	<b>Profit Before Tax Expense (PBT)</b>	<b>59.39</b>	<b>511.14</b>
	Less: Tax Expenses (Current & Deferred)	29.33	131.08
	<b>Profit After Tax (PAT)</b>	<b>30.06</b>	<b>380.06</b>
	<b>Total comprehensive Income</b>	<b>30.06</b>	<b>380.06</b>
Export performance and net foreign exchange collaborations	The Company is not in exports.		
Foreign investments or collaborators, if any	There were no Foreign investments or foreign collaborations.		

#### **II. Information about the Director**

Background details	Mr. Ashok Kumar Agarwal, aged 64 years is the Chairman cum Managing Director of the Company. He possesses an overall experience of around 40 years out of which 22 years in the field of electrical industry.
Past remuneration	Rs. 2,50,000 Per Month + Perquisites & Allowances
Recognition or awards	He has been awarded several awards in the name of the Company.
Job profile and its Suitability	Mr. Ashok Agarwal, being the Chairman cum Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He has been closely supervising the manufacturing and other ancillary activities.
Remuneration proposed	The remuneration is proposed to remain the same as approved in the meeting of shareholders held on 25 <sup>th</sup> March, 2019. However, the said approval is now obtained for a period of 3 years w.e.f 1 <sup>st</sup> April, 2019.

	In the event of absence or inadequacy of profits of the Company in any financial year during the period of the Managing Director's appointment, the Company shall decide remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Act and Schedule V of the Act.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	The Director is the promoter of the Company. Other than managerial remuneration and interest on unsecured loan from the Company, he does not have any pecuniary relationship with the Company.

### III. Other Information

Reasons of loss or inadequate profits	The Company is experiencing fluctuations in the turnover, therefore also the in amount of profit. Hence, fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances. The Company is seeking the permission of the shareholders for remuneration in any of the three years of his appointment, as laid down in Part II in Section II to Schedule V of the Companies Act, 2013, only in the event the Company has no profit or inadequate profits in any such financial year. The company has inadequate profit due the code of conduct imposed for DISCOMS in pursuance to the general elections convened. .
Steps taken or proposed to be taken for improvement	The Company is taking cost cutting measures, increasing its production and streamlining its process to improve profitability.
Expected increase in productivity and profits in measurable terms	The company is expected to have improved sales and profitability figures in the next financial years.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Ashok Kumar Agarwal and his relatives, Mr. Ankit Agrawal and Mrs. Neha Agrawal is concerned or interested (financially otherwise) in this Resolution.

The Board recommends the Special Resolution set out at Item no. 6 for approval of the Members.

### Item No.7

Mr. Ankit Agrawal has been re-appointed as Whole Time Director of the Company for a period of Five Years on 25th March, 2019 by the Shareholders in the Extra-ordinary General Meeting. The appointment was subject to Schedule V of the Companies Act, 2013. The terms of the appointment are required to be amended in the view of the provisions of the said Schedule V and further information are required to be placed before the shareholders, which are as under:-

#### I. General Information:

Nature of the Industry	Manufacturing and sales of Electrical equipments		
Date of Commencement	23.08.1994		
In case of new companies, expected date of commencement of activities as per project	Not Applicable		
Financial Performance of last 2 years	<b>PARTICULARS</b>	<b>2019-20</b>	<b>2018-19</b>
	Revenue From Operations	5939.38	13175.10
	Other Income	29.21	86.04
	<b>Profit Before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>836.39</b>	<b>1376.84</b>

	Less: Depreciation & Amortization Expenses	233.63	229.29
	Less: Finance Cost	538.54	636.41
	Less: Exceptional Items	4.83	-
	<b>Profit Before Tax Expense (PBT)</b>	<b>59.39</b>	<b>511.14</b>
	Less: Tax Expenses (Current & Deferred)	29.33	131.08
	<b>Profit After Tax (PAT)</b>	<b>30.06</b>	<b>380.06</b>
Export performance and net foreign exchange collaborations	The Company is not in exports.		
Foreign investments or collaborators, if any	There were no Foreign investments or foreign collaborations.		

## II. Information about the Director

Background details	Mr. Ankit Agrawal, aged 38 years is the Whole Time Director of the Company. He is a Graduate in commerce and has 19 years of rich experience in the field of electrical industry. He is having rich experience of over 19 years in the field of electrical industry.
Past remuneration	Rs. 2,25,000 Per Month + Perquisites & Allowances
Recognition or awards	He has been awarded several awards in the name of the Company.
Job profile and its Suitability	Mr. Ankit Agrawal is providing his learned guidance and mentoring the senior managerial personnel of the company to execute and implement future growth strategy. He has been overseeing the manufacturing, sales and marketing activities of the Company
Remuneration proposed	The remuneration is proposed to remain the same as approved in the meeting of shareholders held on 25 <sup>th</sup> March, 2019. However, the said approval is now obtained for a period of 3 years w.e.f 1 <sup>st</sup> April, 2019. In the event of absence or inadequacy of profits of the Company in any financial year during the period of the Whole Time Director's appointment, the Company shall decide remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Act and Schedule V of the Act.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	The Director is the promoter of the Company. Other than managerial remuneration and interest on unsecured loan from the Company, he does not have any pecuniary relationship with the Company.

## III. Other Information

Reasons of loss or inadequate profits	The Company is experiencing fluctuations in the turnover, therefore also the in amount of profit. Hence, fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances. The Company is seeking the permission of the shareholders for remuneration in any of the three years of his appointment, as laid down in Part II in Section II to Schedule V of
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	the Companies Act, 2013, only in the event the Company has no profit or inadequate profits in any such financial year. The company has inadequate profit due the code of conduct imposed for DISCOMS in pursuance to the general elections convened.
Steps taken or proposed to be taken for improvement	The Company is taking cost cutting measures, increasing its production and streamlining its process to improve profitability.
Expected increase in productivity and profits in measurable terms	The company is expected to have improved sales and profitability figures in the next financial years.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Ankit Agrawal and his relatives, Mr. Ashok Kumar Agarwal and Mrs. Neha Agrawal is concerned or interested (financially otherwise) in this Resolution.

The Board recommends the Special Resolution set out at Item no. 7 for approval of the Members.

### **Item No.8**

Mr. Neha Agrawal has been re-appointed as Executive Director of the Company for a period of Five Years on 25th March, 2019 by the Shareholders in the Extra-ordinary General Meeting. The appointment was subject to Schedule V of the Companies Act, 2013. The terms of the appointment are required to be amended in the view of the provisions of the said Schedule V and further information are required to be placed before the shareholders, which are as under:-

#### **I. General Information:**

Nature of the Industry	Manufacturing and sales of Electrical equipments		
Date of Commencement	23.08.1994		
In case of new companies, expected date of commencement of activities as per project	Not Applicable		
Financial Performance of last 2 years	<b>PARTICULARS</b>	<b>2019-20</b>	<b>2018-19</b>
	Revenue From Operations	5939.38	13175.10
	Other Income	29.21	86.04
	<b>Profit Before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>836.39</b>	<b>1376.84</b>
	Less: Depreciation & Amortization Expenses	233.63	229.29
	Less: Finance Cost	538.54	636.41
	Less: Exceptional Items	4.83	-
	<b>Profit Before Tax Expense (PBT)</b>	<b>59.39</b>	<b>511.14</b>
	Less: Tax Expenses (Current & Deferred)	29.33	131.08
	<b>Profit After Tax (PAT)</b>	<b>30.06</b>	<b>380.06</b>
Export performance and net foreign exchange collaborations	The Company is not in exports.		
Foreign investments or collaborators, if any	There were no Foreign investments or foreign collaborations.		

#### **II. Information about the Director**

Background details	Mrs. Neha Agrawal, aged 38, is the Executive Director of the Company and possesses an experience of 12 years in the field of management and administration. She holds the degree of Bachelor of Business Administration from Eastern Institute for Integrated Learning in Management and has been ensuring proper administration in the Company
Past remuneration	Rs. 1,50,000 Per Month + Perquisites & Allowances

Recognition or awards	She has been awarded several awards in the name of the Company.
Job profile and its Suitability	Mrs. Neha Agrawal possesses an experience of 12 years in the field of management and administration and looks after the overall administration of the Company.
Remuneration proposed	The remuneration is proposed to remain the same as approved in the meeting of shareholders held on 25 <sup>th</sup> March, 2019. However, the said approval is now obtained for a period of 3 years w.e.f 1 <sup>st</sup> April, 2019. In the event of absence or inadequacy of profits of the Company in any financial year during the period of the Executive Director's appointment, the Company shall decide remuneration by way of salary, benefits, perquisites and allowances, performance linked bonus/commission, as specified above, subject to provisions of the Act and Schedule V of the Act.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	The Director is the promoter of the Company. Other than managerial remuneration and interest on unsecured loan from the Company, she does not have any pecuniary relationship with the Company.

### III. Other Information

Reasons of loss or inadequate profits	The Company is experiencing fluctuations in the turnover, therefore also the in amount of profit. Hence, fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances. The Company is seeking the permission of the shareholders for remuneration in any of the three years of her Appointment, as laid down in Part II in Section II to Schedule V of the Companies Act, 2013, only in the event the Company has no profit or inadequate profits in any such financial year. The company has inadequate profit due the code of conduct imposed for DISCOMS in pursuance to the general elections convened.
Steps taken or proposed to be taken for improvement	The Company is taking cost cutting measures, increasing its production and streamlining its process to improve profitability.
Expected increase in productivity and profits in measurable terms	The company is expected to have improved sales and profitability figures in the next financial years.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Neha Agarwal and her relatives, Mr. Ashok Kumar Agarwal and Mr. Ankit Agrawal is concerned or interested (financially otherwise) in this Resolution.

The Board commends the Special Resolution set out at Item no. 8 for approval of the Members.

**”By the order of the Board of Directors  
For RMC Switchgears Limited**

**Srishti Kulshrestha  
Company Secretary  
(Membership No: ACS 60899)**

**Place: Jaipur  
Date: 21.08.2020**



**Profile of Directors seeking appointment/re-appointment at 26<sup>th</sup> Annual General Meeting**

**Re-appointment of Mr. Ankit Agrawal as a Director, liable to retire by rotation**

Name	Mr. Ankit Agrawal
Category / Designation	Whole Time Director
Director Identification No (DIN)	00793035
Date of Birth	09.03.1982
Nationality	Indian
Date of first appointment on the Board	20.11.2008
Brief Profile / Expertise in Specific field/ Qualification	Mr. Ankit Agrawal is a Graduate in commerce and has 19 years of rich experience in the field of electrical industry. He is providing his learned guidance and mentoring the senior managerial personnel of the company to execute and implement future growth strategy.
Board Meetings held & attended during the FY 2019-20	Ten attended out of Fifteen meetings held
Directorship held in other companies	Explora IOT solutions Pvt. Ltd.
Memberships/Chairmanships of Committees of other Companies	Nil
Number of shares held in the company	569880 equity shares
Remuneration paid during financial year 2019-20	Rs. 20,46,600
Relationship with other directors / KMP	Son of Mr. Ashok Kumar Agarwal (Chairman cum Managing Director) and Spouse of Mrs. Neha Agrawal (Executive Director)

**Appointment of Mr. Kuldeep Kumar Gupta as an Independent Director**

Name	Mr. Kuldeep Kumar Gupta
Category / Designation	Independent Director
Director Identification No (DIN)	01591373
Date of Birth	08.06.1962
Nationality	Indian
Date of first appointment on the Board	17.07.2020
Brief Profile / Expertise in Specific field/ Qualification	Mr. Kuldeep Kumar Gupta, aged 58 years is Practicing Chartered Accountant by Profession and the founder of M/s Kuldeep Kumar Gupta & Co., Practicing Chartered Accountant Firm, Jaipur. He possesses a rich experience of about 35 years in the field of taxation, finance, advisory, corporate law and audit of Corporate. He had been on the Board of several Listed and Unlisted Companies of Finance and Manufacturing Industry. He is presently on the Board of two unlisted companies.
Directorship held in other companies	1. K.K.G. securities Pvt. Ltd. 2. Times Advisors Private Limited
Memberships/Chairmanships of Committees of other Companies	Nil
Number of shares held in the company	Nil
Relationship with other directors / KMP	He has no relationship with other Directors/KMP



**Appointment of Mrs. Krati Agarwal as an Independent Director**

Name	Mrs. Krati Agarwal
Category / Designation	Independent Director
Director Identification No (DIN)	08789232
Date of Birth	11.10.1980
Nationality	Indian
Date of first appointment on the Board	17.07.2020
Brief Profile / Expertise in Specific field/ Qualification	Mrs. Krati Agarwal, aged 40 years is a young and dynamic entrepreneur, joint partner of M/s MGPR International. She has graduated in the field of economics from Rajasthan University and possesses experience of several years in the field of economics and manufacturing.
Directorship held in other companies	Nil
Memberships/Chairmanships of Committees of other Companies	Nil
Number of shares held in the company	Nil
Relationship with other directors / KMP	She has no relationship with other Directors/KMP

**”By the order of the Board of Directors  
For RMC Switchgears Limited**

**Place: Jaipur  
Date: 21.08.2020**

**Srishti Kulshrestha  
Company Secretary  
(Membership No: ACS 60899)**

# Board's Report

**To,  
The Members,  
RMC Switchgears Limited**

Your Board of Directors are pleased to present the 26<sup>th</sup> (Twenty Sixth) Annual Report on the affairs, business and operations of the company together with the Audited Financial Statements for the Financial year ended 31<sup>st</sup> March, 2020.

## FINANCIAL PERFORMANCE & HIGHLIGHTS

The Audited Financial Statements of the company for the year ended 31<sup>st</sup> March, 2020 are as follows:

PARTICULARS	(Rs. in Lacs)	
	2019-20	2018-19
Revenue From Operations	5939.38	13175.10
Other Income	29.21	86.04
<b>Profit Before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>836.39</b>	<b>1376.84</b>
Less: Depreciation & Amortization Expenses	233.63	229.29
Less: Finance Cost	538.54	636.41
Less: Exceptional Items	4.83	-
<b>Profit Before Tax Expense (PBT)</b>	<b>59.39</b>	<b>511.14</b>
Less: Tax Expenses (Current & Deferred)	29.33	131.08
<b>Profit After Tax (PAT)</b>	<b>30.06</b>	<b>380.06</b>
<b>Total comprehensive Income</b>	<b>30.06</b>	<b>380.06</b>

Note: Previous year's figures have been regrouped and rearranged wherever necessary

## OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Company is engaged in the business of Manufacturing, LT/HT Distribution Boxes and Panels, Junction Boxes, Feeder Pillars, other Power Distribution, Circuit Protection Switchgears, PVC designer UV Sheets & Acrylic Solid Surface products.

The Company has faced the hardship during the end of the year under review. Company has earned the revenue of Rs. 5939.38 Lakh during the year under review.

Similarly, Profit Before Depreciation, Finance Costs, Exceptional items and Tax Expense is Rs. 836.39 Lakh against Rs. 1376.84 Lakh in the previous year and Net Profit before Tax amounting to Rs. 59.39 Lakh against Rs. 511.14 Lakh in the previous year. The net profit after tax of the company for the year under review is Rs.

30.06 Lakh as against Rs. 380.06 Lakh in the previous year

## DIVIDEND

The Board of Directors of the Company have not recommended any dividend for the year under review.

## TRANSFER TO RESERVES & SURPLUS

The Board of Directors of the Company have decided not to transfer any amount to the Reserves but the Company has transferred profit of Rs. 30.06 Lakh from profit and loss account to Surplus.

## PARTICULARS OF LOANS, GUARANTEES & INVESTMENT

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the respective notes to the standalone financial statements of the Company.

### DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. There are no outstanding deposits as on 31st March, 2020.

### LOAN FROM DIRECTORS

During the Financial Year under review, the Company has borrowed following amount(s) from Directors and the respective Directors have given declaration in writing to the Company to the effect that the amount is not being given out of funds acquired by them by borrowing or accepting loans or deposits from others. Accordingly the following amounts are excluded from the definition of Deposit as per Rule 2(1)(c)(viii) of Companies (Acceptance of Deposit) Rules, 2014.

Name of the directors who have given loan	Amount borrowed during the FY 2019-20 (Amount in Rs.)
Mrs. Neha Agarwal	27,49,030

### DETAILS OF HOLDING AND SUBSIDIARY COMPANIES

During the year under review, The Company divested 100% of Equity Investment held by the Company in Explora IOT Solutions Private Limited (Wholly Owned Subsidiary Company formed on 10<sup>th</sup> May, 2018) on 30<sup>th</sup> September 2019.

### LOAN TO SUBSIDIARY

The maximum amount of Loan outstanding during the year under review to Explora IOT Solutions Private Limited being Wholly Owned Subsidiary was Rs. 85,970/- (Rupees Eighty Four Thousand Five Hundred only) as on 30.09.2019. The equity shares of the Explora IOT Solutions Private Limited were divested on 30.09.2019 by RMC Switchgears Limited i.e.

Explora IOT Solutions Private Limited is not the Subsidiary of RMC Switchgears Limited w.e.f. 30.09.2019. The details of the same are given in Annexure-B.

### CHANGE IN CAPITAL STRUCTURE

During the financial year 2019-20, there has been no change in capital structure of the Company and paid up share capital of the Company stands at Rs. 6,09,22,000/- (Rupees Six Crore Nine Lakhs Twenty Two Thousand only). The Company has not issued Debentures, shares with differential voting rights, stock options and sweat equity during the year.

### CREDIT RATING

During the year, the Company's credit rating for long-term bank facilities was reaffirmed as CARE BB+ (BB Plus). The rating outlook is continued to be positive. The short-term bank facilities were also reaffirmed as CARE A4+ (A Four Plus)

### MEMORANDUM AND ARTICLES OF ASSOCIATION

During the year, the Company has not altered its Memorandum and Articles of Association.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

As required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 relating to material changes and commitments, the directors confirm that there are no such material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year under review, there have been changes in the post of Company Secretary. The Changes are as follows:

NAME	DATE OF APPOINTMENT	DATE OF CESSATION
Pranju Daftari	08.08.2018	31.05.2019
Neha Dusad	24.06.2019	18.01.2020
Srishti Kulshrestha	04.03.2020	-

## BOARD EVALUATION AND REMUNERATION POLICY

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, its committees and Individual Directors (including Independent Directors) and expressed its satisfaction on the same. The manner and procedure of performance evaluation is attached herewith as Annexure-A.

The Nomination and Remuneration Policy of the Company, containing selection and remuneration criteria of Directors, senior management personnel and performance evaluation of Directors/ Board/ Committees/ Chairman, has been designed to keep pace with the dynamic business environment and market-linked positioning. The policy has been duly approved and adopted by the Board, pursuant to the recommendations of the Nomination and Remuneration Committee of the Board.

## BOARD MEETING

During the year under review, Fifteen (15) Board Meetings were convened & held, the details of which are given in Annexure-I.

## DECLARATION BY INDEPENDENT DIRECTOR

All Independent Directors of the Company have given the declaration that they meet the criterion of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) , Regulations, 2015. Further, all necessary declarations with respect to independence have been received from all the Independent Director along with the confirmation that they have complied with the Code for Independent Directors prescribed in Schedule IV of

the Companies Act, 2013. The terms and conditions for the appointment of Independent Director are available on the website.

## FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

RMC believes that a well informed and familiarized Board can significantly and effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes and developments in the Domestic and Global Corporate and Industry Scenario including those pertaining to statutes, legislations, and economic environment and on matters affecting the Company, to enable them to take well informed & timely decisions.

## COMMITTEES OF THE BOARD

The Company's governance structure is based on the principles of freedom to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles and the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has formed following three Committees of Directors which are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees and the risk management framework.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee

The details of the committee along with their composition, number of meetings and attendance at the Meetings are given in Annexure-I.

## AUDITORS AND AUDITORS' REPORTS

### STATUTORY AUDITOR

M/s. Saraswat & Company, Chartered Accountants, Jaipur having firm registration no: 004846C were appointed as Statutory Auditors of the Company by the members at the 21st Annual General Meeting to hold office until the conclusion of the Annual General Meeting of the Company to be held in the Year 2020.

The Statutory Auditors of the Company, have submitted Auditors' Report on the financial statements of the

Company for the financial year ended 31st March, 2020. The reports do not contain any reservation, qualification or adverse remark. Information referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

#### SECRETARIAL AUDITOR

Pursuant to provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, M/s Deepika Jain & Associates, Company Secretaries, Jaipur having firm registration no. I2016RJ1495300 was appointed as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2019-20. However, the Secretarial Auditor resigned on 5<sup>th</sup> March, 2020. Consequently, M/s B K Sharma & Associates, Jaipur was appointed to conduct the Audit for the Financial Year 2019-20. The Secretarial Audit Report as required under section 204 (1) of the Companies Act, 2013 in the prescribed form MR-3 is enclosed as Annexure-E. The report does not contain any reservation, qualification or adverse remark. Information referred to in the Secretarial Auditor Report are self-explanatory and do not call for any further comments.

#### COST AUDITOR

During the year under review, as per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, it was required to appoint Cost Auditor by the Company. Hence, M/s Bikram Jain & Associates, Cost Accountants, Jaipur having firm registration no 101610 has been appointed as Cost Auditor to conduct Cost Audit of the Company for the Financial Year 2019-20. Further pursuant to provision of section 148(1) of the Companies Act, 2013, maintenance of cost records as specified by Central Government are maintained by the Company.

#### INTERNAL AUDITOR

Pursuant to the provisions of Section 138 and any other applicable provisions of the Companies Act, 2013 and the rules made there under, Mr. Ravindra Kumar Sharma was appointed as an Internal Auditor of the Company for the financial year 2019-20. Further, Mr. Ravindra Kumar Sharma resigned as the Internal Auditor of the Company w.e.f. 13.08.2019. Upon his resignation, M/s Ankur S & Associates, Practicing Company Secretaries, Jaipur, having Firm Registration Number S2018RJ562000 was appointed as the Internal Auditor of the Company for the financial year 2019-20 w.e.f. 13.08.2019. M/s Ankur S & Associates, Practicing Company Secretaries, Jaipur resigned as the Internal Auditor of the Company w.e.f. 31.10.2019 and Mr. Ravindra Kumar Sharma was appointed as the

Internal Auditor for the Financial Year 2019-20 w.e.f. 31.10.2019.

#### VIGIL MECHANISM AND WHISTLE BLOWER POLICY

In pursuance to the provisions of section 177(9) & 177(10) of the Companies Act, 2013, The Company has formulated a Vigil Mechanism and Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or policy. The Vigil Mechanism and Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Policy is available on the Company's website at [www.rmcindia.in](http://www.rmcindia.in).

#### ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, read with Companies (Management & Administration) Rules, 2014, an extract of the annual return in the prescribed form MGT-9 is annexed herewith as Annexure-D. The same is also available on the website of the Company, i.e. [www.rmcindia.in](http://www.rmcindia.in)

#### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material order passed by the Regulators/ court that would impact the going concern status of the company and its future operations.

#### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no material significant related party transactions made by the

Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large. The format for Particulars of contracts or arrangements with related parties as referred in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2 is annexed herewith as Annexure-C.

Detail of all related party transactions were placed before the Audit Committee as well as the Board of Directors. The Audit Committee has granted omnibus approval for related party transactions as per the provisions of the Companies Act, 2013, and SEBI (LODR) Regulations, 2015. The Board has also framed a policy on related party transactions and the same is available on the Company's website, i.e. www.rmcindia.in

Related party transactions have been disclosed under the Note No. 25 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18".

#### LISTING OF SHARES

The shares of the Company are listed on BSE Limited – SME Platform and the Annual listing fee for the year 2020-21 was duly paid.

#### ENVIRONMENT AND SAFETY

The Company is driven by principles of sustainability for employees and society. We are focused on employee well-being, developing safe and efficient products, minimizing environmental negative impact of our operations and products and minimizing the negative impact of our operations on society. The Company is conscious of the importance of environmentally clean and safe operations and ensures all concerned compliances, environmental regulations and preservation of natural resources. RMC Switchgears Limited recognizes quality and productivity as a pre-requisite for its operations and has implemented ISO 9001:2015. Continuous efforts to preserve the environment are pursued.

Employees' well-being and safety is of paramount importance to us. Creating a safe and healthy work environment is the most material issue in our operations. The focus is to continuously improve our health and safety performance. Our operations are safe and do not use significant amount of hazardous materials. All our employees are provided with relevant

personal protective equipment according to the nature of work handled. They are also imparted relevant training on safety and handling of hazardous materials.

#### DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, in preparation of annual accounts for the financial year ended 31st March, 2020 and state that:

1. In the preparation of annual accounts of the Company for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures from the same, if there any;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and profit of the Company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularity;
4. The annual accounts have been prepared on a going concern basis;
5. Proper internal financial control have been laid down which are adequate and were operating effectively; and
6. Proper systems have been devised ensure compliance with the provision of all applicable law and that such system operating effectively.

#### MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report as required under regulation 34 (2) (f) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in the separate section forming part of this Annual Report as Annexure-G.

## BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to our company for the financial year 2019-20.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations if any. The Audit Committee gives valuable suggestions from time to time for improvement of the company's business processes, systems and internal controls. All efforts are being made to make the internal control systems more effective.

## NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company have approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are – Objective, Role of Committee, Appointment and removal of directors/KMP/ Senior Management, Terms & tenure, Evaluation, Policy For Remuneration To Directors/ KMP/ Senior Management Personnel etc.

## HUMAN RESOURCE MANAGEMENT, HEALTH AND SAFETY

At RMC, we consider our employees as the most valuable resource and ensure strategic alignment of Human Resource practices to business priorities and objectives. Our constant endeavour is to invest in people and processes to improve human capital for the organization and service delivery to our customers. Attracting, developing and retaining the right talent will

continue to be a key strategic imperative and the organization continues its undivided attention towards that. We would like to take this opportunity to express appreciation for the hard work and commitment of the employees of the Company and look forward to their continued contribution.

RMC strives to provide a conducive and competitive work environment to help the employees excel and create new benchmarks of productivity, efficiency and customer delight. At RMC, the Human Resource agenda continues to remain focused on reinforcing the key thrust areas i.e. being the employer of choice, building an inclusive culture and a strong talent pipeline and building capabilities in the organization. To maintain its competitive edge in a highly dynamic industry, we recognize the importance of having a work force which is consumer-focused, performance-driven and future-capable. In keeping with this, a number of policies and initiatives have been drawn up like regular employee engagement surveys, focusing on objective performance management system with key result areas and performance indicators. These initiatives ensure a healthy balance between business needs and individual aspirations.

At RMC, we ensure that there is full adherence to the code of ethics and fair corporate practices. RMC provide equal opportunity in all aspects of employment, including recruitment, training, work conditions, career progression, etc. that reconfirms our commitment to equal employment opportunity is a component of our growth and competitiveness. Further, RMC is committed to maintaining a workplace where each employee's privacy and personal dignity is respected and protected from offensive or threatening behaviour including violence. The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility

## PARTICULARS OF EMPLOYEES

Information required pursuant to Section 197(12) of the Companies Act, 2013, read with rules made thereunder as amended from time to time has been given as Annexure-F, which forms a part of this Report.

## RISK MANAGEMENT

The Company has framed and implemented a Risk Management policy to identify the various business risks. This framework seeks to create transparency,

minimise adverse impact on business objectives and enhance the Company's competitive advantage. The risk management policy defines the risk management approach across the enterprise at various levels, including documentation and reporting.

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to. The Board also reviews the risk management assessment and minimization procedures.

**(A) COMMODITY PRICE RISK**

For us, Commodity price risk is the risk of price fluctuation on basic raw materials used in the process of manufacturing as well as finished goods. Our Company commands excellent business relationship with both suppliers and buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods. Many of the tenders awarded to us includes price escalation clause which reduces the Commodity Price risk.

**(B) INTEREST RATE RISK**

Any increase in interest rate can affect the finance cost of the Company. Our Company continuously monitors the interest rate on debt and switches to debt which attracts low rate of interest.

**(C) HUMAN RESOURCE RISK**

Our Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non availability of the required talent resource can affect the overall performance of the Company. We ensure continuous benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. By putting in place production incentives on time bound basis and evaluating the performance at each stage of work, we increase satisfactory level amongst the employees. Also recruitment is across almost all states of India which helps to mitigate this risk and we do not anticipate any major issue for the coming years.

**(D) COMPETITION RISK**

Our Company is exposed to competition risk particularly from China. The increase in competition can create pressure on margins, market share etc. However, by continuous efforts to enhance the brand image of the Company by focusing on, quality, cost, timely delivery, best customer service and by

introducing new product range commensurate with demands, the Company plans to mitigate the risks so involved. Company is diversifying into new products to balance the risk of depending on sole product.

**(E) COMPLIANCE RISK**

Any default can attract penal provisions. Our Company regularly monitors and reviews the changes in regulatory framework through various legal compliance management tools to avoid any such compliance related risk.

**(F) INDUSTRIAL SAFETY, EMPLOYEE HEALTH AND SAFETY RISK**

The Electrical industry is labour intensive and is exposed to accidents, health and injury risk due to machinery breakdown, etc. We ensure development and implementation of critical safety standards across the various departments of the factory. All the insurable interests of the Company including Properties, Equipment and stocks etc. are adequately insured.

**PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Our Company is fully committed to uphold and maintain the dignity of women working in the Company. Pursuant to the provisions of Section 21 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, and Redressal) Act, 2013, the Company has formulated Workplace Anti-Harassment Policy. All employees (permanent, contractual, temporary and trainees) are covered under this policy. During the year under review, the Company has not received any complaint pertaining to sexual harassment. The Company has duly constituted Internal Complaint Committee for the Prevention of Sexual Harassment at Workplace.

**DEMATERIALISATION OF SHARES**

The shares of our Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2020, 100% of the share capital stands dematerialized.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per Provisions of Section 135 of the Company Act 2013, and rules made there under, the requirement of constituting Corporate Social Responsibility Committee

is not applicable on your company for the Financial Year 2020-21.

### TRADE & INVESTOR RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The Directors place on record their appreciation for the valuable contribution made by the employees of the Company.

### CORPORATE GOVERNANCE

Pursuant to the provisions of Regulation 15 (2) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the provisions of Regulation 27 and Para C, D, E of Schedule V is not mandatory in respect of the listed entities which have listed its specified securities on SME platform

Since, the Company falls under the ambit of the above mentioned limits, compliance with the provisions of Regulation 27 and Para C, D, E of Schedule V of the Listing Regulations is not mandatory for the Company for the time being and consequently, the Compliance Report on Corporate Governance as stipulated under Schedule V of the Regulations does not form part of this Annual Report for the Financial Year 2019-20.

In line with same, the Company files the Corporate Governance-Non Applicability Certificate to BSE on quarterly basis as per Regulation 27(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### SECRETARIAL STANDARDS

During the year, the Company has complied with all applicable secretarial standards.

### CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts. The Code has been uploaded on the Company’s website [www.rmcindia.in](http://www.rmcindia.in).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

Declaration by Managing Director regarding compliance by board members and senior management personnel with the company’s code of conduct is given in the report.

### PREVENTION OF INSIDER TRADING

In compliance with the provisions of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information to preserve the confidentiality of price sensitive information to prevent misuse thereof and regulate trading by designated persons. The code of practices and procedures for fair disclosure of unpublished price sensitive information is also available on the Company’s website i.e. [www.rmcindia.in](http://www.rmcindia.in). The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

### TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Section 124 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (‘the Rules’), mandates that the companies to transfer the amount of dividend, which remained unclaimed for a period of seven years, from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules also mandate that the share on which dividend has not been paid or claimed for seven consecutive years or more be transferred to the IEPF.

1. Unclaimed dividend transferred to IEPF during the year 2019-20 – NIL

2. Shares transferred to IEPF during the year 2019-20 – NIL

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2020 are given at Annexure-H and forms part of the Board's Report.

COMPANY'S POLICIES

The Company strive to conduct its business and strengthen the relationships in a manner that is dignified, distinctive and responsible. Thus, the Board of Directors have adopted various codes and policies to carry out the duties in an ethical manner. The various codes and policies are as under:

1. Code of Conduct of board of directors and senior management personnel;
2. Board's performance evaluation policy Familiarization Policy
3. Code of Conduct for Prohibition of Insider Trading;
4. Code of practices and procedures for fair disclosure of unpublished price sensitive information

5. Whistle Blower Policy and Vigil Mechanism;
6. Risk Management Policy;
7. Policy for related party transactions;
8. Nomination and Remuneration Policy;
9. Policy for determining materiality of events/information; and.
10. Workplace Anti-Harassment Policy.

Codes & Policies as above mentioned may be accessed on the Company's website at the [www.rmcindia.in](http://www.rmcindia.in)

ACKNOWLEDGEMENT

The Directors acknowledge a deep sense of gratitude for the continued support extended by Investors, Customers, Business Associates, Bankers and Vendors and place on record its appreciation for the significant contribution made by the employees at all levels through their hard work and dedication at all levels which has continued to be Company's major strength.

We also take this opportunity to express our deep sense of gratitude to all the Government, non-government agencies, Regulatory Authorities, Bankers and Vendors for their continued support. We also express gratitude to shareholders for their patronage, support and faith in the Company. The Board looks forward to their continued support in future.

**For and on behalf of the Board of Directors**

**Place: Jaipur  
Date: 21.08.2020**

**Ashok Kumar Agarwal  
Chairman cum Managing Director  
DIN: 00793152**

## ***Certificate of Compliance with Code of Conduct***

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I hereby confirm that the Company has obtained from all members of the Board and Management Personnel affirmation that they have complied with the Code of Conduct for the Financial Year 2019-20.

**Place: Jaipur**

**Date: 21.08.2020**

**Ashok Kumar Agarwal**  
**Chairman cum Managing Director**  
**DIN: 00793152**

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## ***CEO/CFO Certification***

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**To,**  
**The Board of Directors,**  
**RMC Switchgears Limited.**

- (A) We have reviewed a financial statement and the cash flow statement for the year ended 31<sup>st</sup> March, 2020 and to the best of our knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii. These statements together present a true & fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge & belief, no transactions entered into by the Company's 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 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 to the Auditors and the Audit Committee:
- i. Significant changes, if any, in the Internal control over financial reporting during the year.
  - ii. Significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of the significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's Internal control System over financial reporting.

**Place: Jaipur**

**Date: 21.08.2020**

**Ashok Kumar Agarwal**  
**Chairman cum Managing Director**  
**DIN: 00793152**

## Annexure-A to the Board's Report Board Evaluation & Remuneration Policy

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained by each Director and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company. For this reason, based on the fore stated criteria of evaluation, the remuneration of the Directors and Key Managerial Personnel shall be determined and reviewed from time to time.

### RESPONSIBILITY OF BOARD/ INDEPENDENT DIRECTOR

It shall be the duty of the Board, who shall be supported by the Management, to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the directors' and committees' effectiveness, to maximize their strength and to tackle their shortcomings.

### THE BOARD OF DIRECTORS SHALL UNDERTAKE THE FOLLOWING ACTIVITIES ON AN ANNUAL BASIS:

- I. Review the various strategies of the Company and accordingly set the performance objectives for directors, in consistency with varying nature and requirements of Company's business.
- II. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

In conformity with the requirement of the Act, the performance evaluation of all the directors shall be done by the entire Board of Directors, excluding the director being evaluated.

Independent Directors are duty bound to evaluate the performance of non - independent directors and board as a whole. The independent directors of the Company shall hold at least one meeting in a year to review the performance of the non-independent directors, performance of chairperson of the Company and board as a whole, taking into account the views of executive directors and non-executive directors.

### EVALUATION FACTORS

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular director:

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, and of its committees and individual directors as, such evaluation factors may vary in accordance with their respective functions and duties.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated. Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below.

### RATING SCALE

SCALE PERFORMANCE	RATING SCALE
Exceptionally good	5
Good	4
Satisfactory	3
Needs improvement	2
Unacceptable	1

The Company has chosen to adopt the following Board Performance Evaluation Process:

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of Independent Director, in which the concerned director being evaluated shall not be included, are set out below:

Name of Director being assessed: \_\_\_\_\_

S.NO.	ASSESSMENT CRITERIA	RATING	REMARKS/ COMMENTS
1.	Attendance and participations in the Meetings		
2.	Raising of concerns to the Board		
3.	Safeguard of confidential information		
4.	Rendering independent, unbiased opinion and resolution of issues at meetings		
5.	Initiative in terms of new ideas and planning for the Company		
6.	Safeguarding interest of whistle-blowers under vigil mechanism		
7.	Timely inputs on the minutes of the meetings of the Board and Committee's, if any		

PERFORMANCE EVALUATION OF CHAIRPERSON/NON-INDEPENDENT DIRECTOR / EXECUTIVE DIRECTOR

Some of the specific issues and questions that should be considered in a performance evaluation of Chairperson/Non-Independent Director / Executive Director by Independent Directors, in which the concerned director being evaluated shall not be included, are set out below:

Name of Director being assessed: \_\_\_\_\_

S.NO.	ASSESSMENT CRITERIA	RATING	REMARKS/ COMMENTS
1.	Leadership initiative		
2.	Initiative in terms of new ideas and planning for the Company		
3.	Professional skills, problem solving, and decision making		
4.	Compliance with policies of the Company, ethics, code of conduct, etc.		
5.	Reporting of frauds, violation etc.		
6.	Safeguarding of interest of whistle blowers under vigil mechanism		
7.	Timely inputs on the minutes of the meetings of the Board and Committee, if any		

PERFORMANCE EVALUATION OF BOARD OF DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by Independent Directors are set out below:

S.NO.	ASSESSMENT CRITERIA	RATING	REMARKS/ COMMENTS
1.	The Board of Directors of the company is effective in decision making.		
2.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.		
3.	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.		
4.	The Board reviews the organization's performance in carrying out the stated mission on a regular basis.		
5.	The Board of Directors is effective in providing necessary advice and suggestions to the company's management.		
6.	Is the board as a whole up to date with latest developments in the regulatory environment and the market?		
7.	The information provided to directors prior to Board meetings, meets your expectations in terms of length and level of detail.		
8.	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.		
9.	The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the board.		
10.	The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.		
11.	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance.		
12.	The board considers the independent audit plan and provides recommendations.		

#### PERFORMANCE EVALUATION OF COMMITTEES OF BOARD

The Board has constituted the following committees:

- I. Audit Committee;
- II. Nomination and Remuneration Committee; and
- III. Stakeholders Relationship Committee

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects as set out in the annexure below:

S.NO.	ASSESSMENT CRITERIA	RATING	REMARKS/ COMMENTS
<b>Audit Committee (for Audit Committee members only)</b>			
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

<b>Nomination and Remuneration Committee</b> <b>(For Nomination and Remuneration Committee members only)</b>			
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues.		
2.	Timely inputs on the minutes of the meetings		
<b>Stakeholders Relationship Committee</b> <b>(For Stakeholders Relationship Committee members only)</b>			
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues.		
2.	Timely inputs on the minutes of the meetings		

PERFORMANCE EVALUATION OF KEY MANAGERIAL PERSONNEL AND SENIOR EXECUTIVES

For evaluating the performance of Key Managerial Personnel and other Senior Executives, the Board of Directors shall pay regards to the following aspects as set out below:

Name of person being assessed: \_\_\_\_\_

<b>S. NO.</b>	<b>ASSESSMENT CRITERIA</b>	<b>RATING</b>	<b>REMARKS/ COMMENTS</b>
1.	Abidance and behavior in accordance with ethical standards & code of conduct of Company		
2.	Interpersonal and communication skills		
3.	Compliance with policies of the Company, ethics, code of conduct, etc.		
4.	Safeguarding interest of whistle-blowers under vigil mechanism		
5.	Team work attributes		
6.	Safeguard of confidential information		

REVIEW & AMENDMENT

The performance evaluation process will be reviewed annually by the “Nomination and Remuneration Committee”. Subject to the approval of Board of Directors, the Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

DISCLOSURE

Company will disclose details of its Board Performance Evaluation processes in its Board’s Report. The Board’s report containing such statement shall indicate the manner in which formal evaluation has been made by the Board of its own performance and that of the committees of the Board and individual directors of the Company.

**For and on behalf of the Board of Directors**

**Place: Jaipur**  
**Date: 21.08.2020**

**Ashok Kumar Agarwal**  
**Chairman cum Managing Director**  
**DIN: 00793152**

## Annexure-B to the Board's Report AOC-1

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

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

### PART A: SUBSIDIARIES

PARTICULARS	SUBSIDIARY
S. No.	1
Name of the subsidiary	Explora IOT Solutions Private Limited
The date since which subsidiary was acquired	NA
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
Share capital	NA
Reserves & surplus	NA
Total Assets	NA
Total Liabilities	NA
Investments	NA
Turnover	NA
Profit / (loss) before Taxation	NA
Provision for Taxation (Deferred Tax)	NA
Profit / (loss) after Taxation	NA
Proposed Dividend	NA
% of shareholding	NA

\* The equity shares of the Explora IOT Solutions Private Limited were divested on 30.09.2019 by RMC Switchgears Limited i.e. Explora IOT Solutions Private Limited is not the Subsidiary of RMC Switchgears Limited w.e.f. 30.09.2019.

**Note:**

1. Name of Subsidiaries which are yet to commence operations: **Not Applicable**
2. Name of Subsidiaries which have been liquidated or sold during the year: **Explora IOT Solutions Private Limited was sold off on 30.09.2019 i.e. it is not the Subsidiary of RMC Switchgears Limited w.e.f. 30.09.2019.**

### PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture:  
**There is no Associate company/Joint venture as on 31<sup>st</sup> March 2020.**

Place: Jaipur  
Date: 21.08.2020

Ashok Kumar Agarwal  
Chairman cum Managing Director  
DIN: 00793152

Bharat Bhushan Gupta  
Chief Financial Officer  
M. No: 076587

Srishti Kulshrestha  
Company Secretary  
M. No. 60899

**Annexure-C to the Board's Report**  
**AOC-2**

**Form for 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**

**(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)**

**1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:**

- a) Name(s) of the related party and nature of relationship: **Nil**
- b) Nature of contracts/arrangements/transactions: **Nil**
- c) Duration of the contracts / arrangements/transactions: **Nil**
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Nil**
- e) Justification for entering into such contracts or arrangements or transactions: **Nil**
- f) Date(s) of approval by the Board: **Nil**
- g) Amount paid as advances, if any: **Nil**
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Nil**

**2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:**

- a) Name(s) of the related party and nature of relationship: **Nil**
- b) Nature of contracts/arrangements/transactions: **Nil**
- c) Duration of the contracts / arrangements/transactions: **Nil**
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Nil**
- e) Date(s) of approval by the Board: **Nil**
- f) Amount paid as advances, if any: **Nil**

**For and on behalf of the Board of Directors**

**Place: Jaipur**  
**Date: 21.08.2020**

**Ashok Kumar Agarwal**  
**Chairman cum Managing Director**  
**DIN: 00793152**

**Annexure-D to the Board's Report**  
**Form no. MGT-9**  
**Extract of Annual Return**

**As on the Financial Year ended on 31st March, 2020**

**[Pursuant to Section 92(3) of the Companies Act, 2013 and  
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION & DETAILS:**

i	CIN	L25111RJ1994PLC008698
ii	Registration Date	23/08/1994
iii	Name of the Company	RMC Switchgears Limited
iv	Category/Sub-category of the Company	Public Company Limited By Shares / Non-Govt Company
v	Address of the Registered office & contact details	7 Km. From Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901 Rajasthan Tel. No.: 0141-4400222 Email id: <a href="mailto:cs@rmcindia.in">cs@rmcindia.in</a> Website: <a href="http://www.rmcindia.in">www.rmcindia.in</a>
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai Maharashtra- 400083 Email id: <a href="mailto:mumbai@linkintime.in">mumbai@linkintime.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Tel. No.: 022-49186000

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated hereunder:			
S. No.	Name & Description of main Products/Services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacturing of Electrical Equipment (Meter/Distribution Boxes)	279	62.08%

**III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

S. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS A PERCENTAGE OF TOTAL EQUITY)

<b>i) Category-wise Share Holding</b>										
Sr. No	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	<b>Promoter</b>									
[1]	<b>Indian</b>									
(a)	Individuals / Hindu Undivided Family	3427840	0	3427840	56.2660	3427840	0	3427840	56.2660	0
(b)	Central Government	0	0	0	0	0	0	0	0	0
(c)	State Government(s)	0	0	0	0	0	0	0	0	0
(d)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(e)	Banks/FI	0	0	0	0	0	0	0	0	0
(f)	Any Other (Specify)									
	<b>Sub Total (A)(1)</b>	3427840	0	3427840	56.2660	3427840	0	3427840	56.2660	0
[2]	<b>Foreign</b>	0	0	0	0	0	0	0	0	0
(a)	NRIs-Individuals	0	0	0	0	0	0	0	0	0
(b)	Other-Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(d)	Banks/FI	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	<b>Sub Total (A)(2)</b>	0	0	0	0	0	0	0	0	0
	<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	3427840	0	3427840	56.2660	3427840	0	3427840	56.2660	0
(B)	<b>Public Shareholding</b>									
[1]	<b>Institutions</b>									
(a)	Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
(b)	Banks/FI	0	0	0	0	0	0	0	0	0
(c)	Central Government	0	0	0	0	0	0	0	0	0
(d)	State Governments	0	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0	0
(g)	FII's	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)									

	<b>Sub Total (B)(1)</b>	0	0	0	0	0	0	0	0	0
[2]	<b>Non-Institutions</b>									
(a)	<b>Bodies Corporate</b>									
(i)	Indian	450720	0	450720	7.3983	444720	0	444720	7.2998	-0.0985
(ii)	Overseas	0	0	0	0	0	0	0	0	0
(b)	<b>Individuals</b>									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	573680	0	573680	9.4166	648000	0	648000	10.6366	1.2200
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1224960	0	1224960	20.1070	1184640	0	1184640	19.4452	-0.6618
(c)	<b>Other (Specify)</b>									
(i)	Hindu Undivided Family	337000	0	337000	5.5317	337000	0	337000	5.5317	0
(ii)	Clearing Member	32000	0	32000	0.5253	6000	0	6000	0.0985	-0.4268
(iii)	Non Resident Indians (Non Repat)	8000	0	8000	0.1313	8000	0	8000	0.1313	0
(iv)	Non Resident Indians (Repat)	38000	0	38000	0.6237	36000	0	36000	0.5909	-0.0328
(v)	Trusts	0	0	0	0	0	0	0	0	0
(vi)	NBFC registered with RBI	0	0	0	0	0	0	0	0	0
	<b>Sub Total (B)(2)</b>	2664360	0	2664360	43.7340	2664360	0	2664360	43.7340	0
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)</b>	2664360	0	2664360	43.7340	2664360	0	2664360	43.7340	0
(C)	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	<b>Total (A)+(B)+(C)</b>	6092200	0	6092200	100	6092200	0	6092200	100	0

#### (ii) Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares Held	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares Held	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Ashok Kumar Agarwal	610880	10.0272	0	610880	10.0272	0	0
2	Ankit Agrawal	569880	9.3543	0	569880	9.3543	0	0
3	Santosh Agarwal	568520	9.3319	0	568520	9.3319	0	0
4	Vitthal Das Agarwal HUF	500600	8.2171	0	500600	8.2171	0	0
5	Neha Agrawal	420000	6.8941	0	420000	6.8941	0	0

6	Parwati Bai Agrawal	302920	4.9723	0	302920	4.9723	0	0
7	Ashok Kumar Agrawal HUF	212840	3.4936	0	212840	3.4936	0	0
8	Ankit Agarwal HUF	104000	1.7071	0	104000	1.7071	0	0
9	Vitthal Das Agrawal	63200	1.0374	0	63200	1.0374	0	0
10	Rajendra Kumar Agrawal	40320	0.6618	0	40320	0.6618	0	0
11	Atika Agrawal	34680	0.5693	0	34680	0.5693	0	0
	<b>Total</b>	<b>3427840</b>	<b>56.2660</b>	<b>0</b>	<b>3427840</b>	<b>56.2660</b>	<b>0</b>	<b>0</b>

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares Held	% of total Shares of the company	No. of Shares Held	% of total Shares of the company
1	<b>Ashok Kumar Agarwal</b>				
	At the beginning of the Year	610880	10.0272	610880	10.0272
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			610880	10.0272
2	<b>Ankit Agrawal</b>				
	At the beginning of the Year	569880	9.3543	569880	9.3543
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			569880	9.3543
3	<b>Santosh Agarwal</b>				
	At the beginning of the Year	568520	9.3319	568520	9.3319
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			568520	9.3319
4	<b>Vitthal Das Agrawal HUF</b>				
	At the beginning of the Year	500600	8.2171	500600	8.2171
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			500600	8.2171
5	<b>Neha Agrawal</b>				
	At the beginning of the Year	420000	6.8941	420000	6.8941
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			420000	6.8941
6	<b>Parwati Bai Agrawal</b>				

	At the beginning of the Year	302920	4.9723	302920	4.9723
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			302920	4.9723
<b>7</b>	<b>Ashok Kumar Agrawal HUF</b>				
	At the beginning of the Year	212840	3.4936	212840	3.4936
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			212840	3.4936
<b>8</b>	<b>Ankit Agarwal HUF</b>				
	At the beginning of the Year	104000	1.7071	104000	1.7071
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			104000	1.7071
<b>9</b>	<b>Vitthal Das Agrawal</b>				
	At the beginning of the Year	63200	1.0374	63200	1.0374
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			63200	1.0374
<b>10</b>	<b>Rajendra Kumar Agrawal</b>				
	At the beginning of the Year	40320	0.6618	40320	0.6618
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			40320	0.6618
<b>11</b>	<b>Atika Agrawal</b>				
	At the beginning of the Year	34680	0.5693	34680	0.5693
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			34680	0.5693

**(iv) Shareholding Pattern Of Top Ten Shareholders (Other Than Directors, Promoters & Holders Of GDRs & ADRs)**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares Held	% of total Shares of the company	No. of Shares Held	% of total Shares of the company
<b>1</b>	<b>Argent Leasing and Finance Pvt. Ltd.</b>				
	At the beginning of the Year	413120	6.7811	413120	6.7811
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			413120	6.7811
<b>2</b>	<b>Sunit Karnawat</b>				
	At the beginning of the Year	304000	4.9900	304000	4.9900
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			304000	4.9900

<b>3</b>	<b>Vikram Karnawat</b>				
	At the beginning of the year	304000	4.9900	304000	4.9900
	Transfer (09.08.2019)	(16000)	(0.2626)	288000	4.7274
	Transfer (23.08.2019)	16000	0.2626	304000	4.9900
	At the end of the year			304000	4.9900
<b>4</b>	<b>Ishwar Prasad Agarwal and Sons</b>				
	At the beginning of the Year	121000	1.9861	121000	1.9861
	Increase / Decrease			<b>No Change</b>	
	At the end of the Year			121000	1.9861
<b>5</b>	<b>Manoj Kumar Kothari HUF</b>				
	At the beginning of the Year	62000	1.0177	62000	1.0177
	Increase / Decrease			<b>No Change</b>	
	At the end of the Year			62000	1.0177
<b>6</b>	<b>Shyam Sunder Agarwal</b>				
	At the beginning of the Year	52000	0.8536	52000	0.8536
	Increase / Decrease			<b>No Change</b>	
	At the end of the Year			52000	0.8536
<b>7</b>	<b>Sunita Kothari</b>				
	At the beginning of the Year	50000	0.8207	50000	0.8207
	Increase / Decrease			<b>No Change</b>	
	At the end of the Year			50000	0.8207
<b>8</b>	<b>Garvit Kothari</b>				
	At the beginning of the Year	38000	0.6237	38000	0.6237
	Increase / Decrease			<b>No Change</b>	
	At the end of the Year			38000	0.6237
<b>9</b>	<b>Rahul Vijayraj Jain</b>				
	At the beginning of the Year	24000	0.3939	24000	0.3939
	Transfer (07.06.2019)	6000	0.0985	30000	0.4924
	Transfer (21.06.2019)	2000	0.0329	32000	0.5253
	Transfer (29.06.2019)	4000	0.0656	36000	0.5909
	At the end of the Year			36000	0.5909
<b>10</b>	<b>Harsha Jain</b>				
	At the beginning of the Year	0	0	0	0
	Transfer (16.08.2019)	4000	0.0657	4000	0.0657
	Transfer (20.09.2019)	4000	0.0656	8000	0.1313
	Transfer (27.09.2019)	2000	0.0328	10000	0.1641
	Transfer (04.10.2019)	4000	0.0657	14000	0.2298
	Transfer (18.10.2019)	8000	0.1313	22000	0.3611
	Transfer (01.11.2019)	10000	0.1642	32000	0.5253
	Transfer (08.11.2019)	4000	0.0656	36000	0.5909
	At the end of the Year			36000	0.5909
<b>11</b>	<b>Rajesh S. Pandit</b>				
	At the beginning of the Year	32000	0.5253	32000	0.5253
	Increase / Decrease			<b>No Change</b>	
	At the end of the Year			32000	0.5253

12	<b>Vasudevarao Dhanekula</b>				
	At the beginning of the Year	88000	1.4445	88000	1.4445
	Transfer (20.09.2019)	(4000)	(0.0657)	84000	1.3788
	Transfer (27.09.2019)	(14000)	(0.2298)	70000	1.1490
	Transfer (30.09.2019)	(4000)	(0.0656)	66000	1.0834
	Transfer (11.10.2019)	(2000)	(0.0329)	64000	1.0505
	Transfer (18.10.2019)	(8000)	(0.1313)	56000	0.9192
	Transfer (25.10.2019)	(6000)	(0.0985)	50000	0.8207
	Transfer (01.11.2019)	(4000)	(0.0656)	46000	0.7551
	Transfer (08.11.2019)	(2000)	(0.0329)	44000	0.7222
	Transfer (15.11.2019)	(10000)	(0.1641)	34000	0.5581
	Transfer (29.11.2019)	(6000)	(0.0985)	28000	0.4596
	Transfer (06.12.2019)	(6000)	(0.0985)	22000	0.3611
	Transfer (13.12.2019)	(2000)	(0.0328)	20000	0.3283
	Transfer (24.01.2020)	(4000)	(0.0657)	16000	0.2626
	Transfer (07.02.2020)	(2000)	(0.0328)	14000	0.2298
	Transfer (14.02.2020)	(6000)	(0.0985)	8000	0.1313
	At the end of the year			8000	0.1313

**(v) Shareholding Of Directors & KMP**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares Held	% of total Shares of the company	No. of Shares Held	% of total Shares of the company
<b>1.</b>	<b>Ashok Kumar Agarwal (Chairman cum Managing Director)</b>				
	At the beginning of the Year	610880	10.0272	610880	10.0272
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			610880	10.0272
<b>2.</b>	<b>Ankit Agrawal (Whole-time Director)</b>				
	At the beginning of the Year	569880	9.3543	569880	9.3543
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			569880	9.3543
<b>3.</b>	<b>Neha Agrawal (Executive Director)</b>				
	At the beginning of the Year	420000	6.8941	420000	6.8941
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			420000	6.8941

**Note: No other Director and KMP held any shares during the financial year 2019-20.**

V. INDEBTEDNESS

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	21,17,39,115.12	19,66,39,973.25	--	40,83,79,088.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,53,424.23	-	-	5,53,424.23
<b>Total (i+ii+iii)</b>	<b>21,22,92,539.35</b>	<b>19,66,39,973.25</b>		<b>40,89,32,512.60</b>
<b>Change in Indebtedness during the financial year</b>				
Additions		98,49,823.07	-	98,49,823.07
Reduction	1,16,09,221.23		-	1,16,09,221.23
Net Change	(1,16,09,221.23)	98,49,823.07		(17,59,398.16)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	20,06,83,318.12	20,64,89,796.32	-	40,71,73,114.44
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>20,06,83,318.12</b>	<b>20,64,89,796.32</b>	<b>-</b>	<b>40,71,73,114.44</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

**(A) Remuneration To Managing Director, Whole Time Directors And/Or Manager**

S. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Mr. Ashok Kumar Agarwal (Chairman cum Managing Director)	Mr. Ankit Agrawal ( Whole-Time Director)	Mrs. Neha Agrawal (Executive Director)	
<b>1.</b>	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,50,000/-	20,25,000/-	13,50,000/-	56,25,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,600/-	21,600/-	21,600/-	64,800/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
<b>2.</b>	Stock Option	-	-	-	-
<b>3.</b>	Sweat Equity	-	-	-	-
<b>4.</b>	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others	-	-	-	-
	<b>Total (A)</b>	<b>22,71,600/-</b>	<b>20,46,600/-</b>	<b>1371600/-</b>	<b>56,89,800/-</b>

**Note: The remuneration paid to Executive Directors is within the ceiling under Section 197 of the Companies Act, 2013 and shareholders' approval.**

**(B) Remuneration to other Directors**

S. No.	Particulars of Remuneration	Name of the Directors			Total amount (in Rs.)
		Mr. Devi Shankar Goyal	Mr. Himanshu Goyal	Mrs. Radhika Agarwal	
1.	Independent Directors				
	• Fee for attending board/ committee meetings	NIL			
	• Commission				
	• Others				
	Total (B) (1)				
2.	Other Non-Executive Directors				
	• Fee for attending board/ committee meetings	NIL			
	• Commission				
	• Others				
	Total (B) (2)				
	Total (B) = (B)(1)+(B)(2)	NIL	NIL	NIL	NIL

**(C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

S.No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount (in Rs.)
		Mr. Bharat Bhushan Gupta (CFO)	Ms. Pranju Daftari (Company Secretary)*	Ms. Neha Dusad (Company Secretary)**	Ms. Srishti Kulshrestha (Company Secretary)***	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,78,400/-	38,694/-	2,20,823/-	27,097/-	20,65,014/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others					
	Total (A)	17,78,400/-	38,694/-	2,20,823/-	27,097/-	20,65,014/-

\*Ms. Pranju Daftari resigned from the post of Company Secretary w.e.f 31.05.2019

\*\*Ms. Neha Dusad was appointed as the Company Secretary w.e.f 24.06.2019 and resigned from the post of Company Secretary w.e.f. 18.01.2020

\*\*\*Ms. Srishti Kulshrestha was appointed as the Company Secretary w.e.f 04.03.2020

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

**For and on behalf of the Board of Directors**

**Place: Jaipur  
Date: 21.08.2020**

**Ashok Kumar Agarwal  
Chairman cum Managing Director  
DIN: 00793152**

**Annexure-E to the Board's Report**  
**Form no. MR-3**  
**Secretarial Audit Report**

**As on the Financial Year ended on 31st March, 2020**

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

**To**  
**The Members**  
**RMC SWITCHGEARS LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RMC Switchgears Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing 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 Audit period covering the Financial Year ended on March 31, 2020 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. RMC Switchgears Limited ("the Company") for the Financial Year ended on March 31, 2020 according to the provisions of;

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing; (*Not Applicable during the period under review.*)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *There was no issue of securities during the period under review.*
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; *Not Applicable during the period under review.*
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015. *Not Applicable during the period under review.*
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *Not Applicable during the period under review.*
- (h) The Securities and Exchange Board of India (Buy Back of securities) Regulations, 2018; *Not Applicable during the period under review.*
- (i) The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- (vi) As informed and certified by the management, there are no laws that are specifically applicable to the company based on their sector/industry.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited (BSE) and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda, and detailed notes on agenda were sent at least seven days in advance except where consent of all the Director were received for circulation of Notices and Agendas at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.
- All decisions of the Board Meetings and Committees Meetings were carried with requisite majority.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their

meeting(s), we are of the opinion that 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.

This Report is to be read with our letter of even date which is annexed as “Annexure A” and forms as an integral part of this report.

**For B K Sharma and Associates**

**Company Secretaries**

**[BRIJ KISHORE SHARMA]**

**Proprietor**

**M. N.: FCS-6206**

**COP No.: 12636**

**PLACE: Jaipur**

**DATE: 21.08.2020**

**To  
The Members  
RMC SWITCHGEARS LIMITED**

**Our report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by us provide reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of event, etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination is limited to the verification of procedures 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.

**For B K Sharma and Associates**

**Company Secretaries**

**[BRIJ KISHORE SHARMA]**

**Proprietor**

**M. N.: FCS-6206**

**COP No.: 12636**

## Annexure-F to the Board's Report Particular of Employees

[Pursuant to Section 197 (12) of the Companies Act, 2013 read with  
Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**I. RATIO OF REMUNERATION OF DIRECTORS TO MEDIAN REMUNERATION OF EMPLOYEES (MRE) OF THE COMPANY FOR THE FINANCIAL YEAR 2019-20:**

S. No.	Name of Director	Designation	Ratio of Remuneration to MRE	% Increase in Remuneration
1.	<b>Mr. Ashok Kumar Agarwal</b>	Chairman cum Managing Director	6.75:1	35.89 %
2.	<b>Mr. Ankit Agrawal</b>	Whole-time Director	6.08:1	28.18%
3.	<b>Mrs. Neha Agrawal</b>	Executive Director	4.07:1	19.62%

**II. THE PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER, CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY IN THE FINANCIAL YEAR.**

S. No.	Name of Person	Designation	% Increase in Remuneration
1.	<b>Mr. Bharat Bhushan Gupta</b>	Chief Financial Officer (CFO)	NIL

**Note:**

- The median remuneration of employees was Rs. 3,21,103.50 as on 31st March, 2020 and Rs. 3,36,596 as on 31st March, 2019. There was increase in MRE during the financial year 2019-20 of 4.82 %
- The numbers of permanent employees on the roll of the Company as on 31st March, 2020 were 129.
- The average managerial percentage has been increased by 28.88% in the F.Y. 2019-20, while for others it is increased to 31.26% .This is based on Remuneration policy of the Company that rewards people differentially based on their contribution to the success of the Company and also ensures that external market competitiveness and internal relativities are taken care of. There are no exceptional circumstances in increase in managerial remuneration.
- The Non-Executive Directors of the Company are entitled for sitting fees and commission as per statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Extract of Annual Return (MGT- 9). The ratio of remuneration and percentage increase for Non-Executive Directors is therefore not considered for the above purpose
- The median remuneration calculated on the basis of employee who worked for whole FY 2019-20.
- For calculation of median remuneration of employee total remuneration paid during the year was taken of the all employee except contract labour. Employee Join/ left during the year were not considered for this calculation.
- Remuneration paid during the financial year ended 31st March, 2020 is as per the Remuneration Policy of the Company.

**[Pursuant to Section 197 (12) of the Companies Act, 2013 read with  
Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**I. DETAILS OF TOP TEN EMPLOYEES AS PER REMUNERATION AS ON 31ST MARCH, 2020**

S. No.	Employee Name	Designation	Remuneration received in F.Y. 2019-20	Date of Commencement of employment	Nature of Employment *	Educational Qualification	Age	Experience (In years)	Last Employment
1	Ashok Kumar Agarwal	Chairman cum Managing Director	22,71,600/-	23.08.1994	Permanent	B.Com	64	46	Self Employed
2	Ankit Agarwal	Whole-time Director	20,46,600/-	20.11.2008	Permanent	B.Com	38	20	Self Employed
3	Bharat Bhushan Gupta	Chief Financial Officer	17,78,400/-	01.08.2018	Permanent	CA	48	25	NANDAN TERRY PVT. LTD.
4	Neha Agarwal	Executive Director	13,71,600/-	28.06.2016	Permanent	BBA	37	20	Self Employed
5	Saiju Joshep	Deputy General Manager	11,61,566/-	05.06.2019	Permanent	DME	39	20	GREEN PLY
6	Mahesh Kumar Gupta	Plant Head (Metal Division)	8,46,668/-	02.07.2018	Permanent	BE	47	25	DELTON CABLES LIMITED
7	Tarun Kumar Sharma	Vice President	8,40,000/-	02.09.2011	Permanent	MSC, MBA	49	30	GENUS POWER INFRASTRUCTURE LTD.
9	Kamlesh Kumar Patel	Manager	7,98,451/-	01.05.2013	Permanent	ITI	37	18	EPP COMPOSIT
8	Deepak Jain	Manager (R & D)	7,96,591/-	05.06.2017	Permanent	P.H.D	44	20	PERMALI WALLACE LIMITED
10	Sudhir Bishnoi	Deputy General Manager	7,93,112/-	01.08.2005	Permanent	PGDBM	39	20	MARG COMPUSOFT

**Note:**

- All employments terminable by notice from either side.
- No employee of the Company holds such percentage of equity shares within the meaning of clause (iii) of rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- No employee is relative of any director or manager of the Company other than Directors interse.
- No employee of the Company was falling under criteria prescribed in Rule 5(2)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- No employee of the Company was falling under criteria prescribed in Rule 5(2)(ii) & 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**For and on behalf of the Board of Directors**

**Place: Jaipur  
Date: 21.08.2020**

**Ashok Kumar Agarwal  
Chairman cum Managing Director  
DIN: 00793152**

## Annexure-G to the Board's Report Management Discussion And Analysis Report

### INDUSTRY STRUCTURE AND DEVELOPMENTS

India's electrical equipment industry is highly diverse and manufactures a wide range of high and low technology products. The industry directly employs around half million persons and provides indirect employment to another one million people. The industry can be broadly classified into two sectors – generation equipment and T&D equipment. Other electrical equipment, including instrument transformers, surge arrestors, stamping and lamination, insulators, insulating material, industrial electronics, indicating instruments, winding wires, etc., contributed to `25,000 crore (US\$ 5.2 billion).

There has been an overall growth in most segments of the electrical equipment industry — in boilers, turbines, generators, transformers, switchgears, and wires and cables due to the high demand from central and state power utilities. India's EE industry is expected to grow steadily and witness growth opportunities as a result of the government's focus on capacity augmentation across generation, transmission and distribution.

Company started its operations in the year 1994 initially in the building hardware segment. It started production of Enclosures of Energy Meters, LT/HT Distribution Boxes and Panels in the year 2000. Over the years, we have gradually expanded our product base. Now the company is ISO 9001:2015 certified Company engaged in the business of designing and manufacturing of Enclosures of Energy Meters, LT/HT Distribution Boxes and Panels, Junction Boxes, Feeder Pillars and other Power Distribution and Circuit Protection Switchgears made from Mild Steel, Stainless Steel in Fabrication and Deep Drawn Process along with Sheet Moulding Compound and Bulk Moulding Compound (DMC) materials. The company has also been undertaking work involving laying of energy transmission lines and establishing electric substation, fixing of new energy meters and shifting of existing energy meters from inside to outside etc in different regions of the country.

The company will be creating the networks also in various circles. Indian energy sector has registered rapid growth in the last few years. It continues to remain the key focus area for the country with our revered PM's slogan "Har Ghar Bijali" by 2022. The company is quite hopeful with the opportunities available in this segment and we are expecting this to be another profit centre for us in the coming years. We have been continuously strengthening and updating our manufacturing capacity to cope up with the market demands. With the experience of our promoters & senior management, we have been able to sustain and grow continuously, all thanks to our customers like KEI Industries Limited, NCC Limited, Capital Electec Pvt. Ltd. and all Government owned power utilities of the States of Rajasthan, Haryana, Uttar Pradesh, Madhya Pradesh, Bihar, Karnataka, Gujarat, Kerala, Jharkhand and Uttaranchal, to name a few. This year, the company has also undertaken projects under the Central funded schemes like DDUGJY and IPDS schemes in the states of Karnataka and Gujarat, to ensure theft-free and safe power.

The Indian electrical equipment industry comprises of two broad segments – generation equipment (boilers, turbines, generators) and transmission & distribution (T&D) and allied equipment like transformers, cables, transmission lines, switch gears, capacitors, energy meters, instrument transformers, surge arrestors, stamping and lamination, insulators, insulating material, industrial electronics, indicating instruments, winding wires, etc.

- The present scenario of the transmission & distribution industry is very dynamic with increasing resources of state government to provide power supply to consumers.
- The generation equipment sector is around 15% of the total industry, while the T&D equipment sector is the rest 85% of the Industry. Generators, Generating Sets & Parts, Switchgear and Control gear, Transformers & Parts, Cables, Industrial Electronics, Boilers & Parts, transmission Line Towers etc.
- The sector boasts of a diversified, matured and strong manufacturing base backed by a robust supply chain. Rugged performance design of equipment to meet tough network demand and presence of major foreign players,

either directly or through technical collaborations with Indian manufacturers is a testimony of unique advantages India holds in this sector.

- With state-of-the-art technology in most sub-sectors at par with global standards, the major export markets for Indian electrical equipment are USA, Germany, UAE, Saudi Arabia, France, UK, Nigeria, China, Kenya and Brazil. The major export products are Rotating Machines (Motors, AC Generators, and Generating Sets) & Parts, Switchgear and Control gear, Trans- formers & Parts, Cables, Industrial Electronics, Boilers & Parts, and Transmission Line Towers etc. (Source:)

## SWOT ANALYSIS

### (A) STRENGTHS

- Quality of the products gives a market edge.
- Manufacturing of SMC enclosures, demand for which is continuously rising.
- Competitive edge in terms of quality and competitive bidding.
- The company has well knit marketing network.
- Long Experience of Promoter in this Field.
- Strong Management Team and a motivated and efficient work force.
- Profit making company since incorporation (except initial years) with proven track record.

### (B) WEAKNESSES:

- Company has to mainly depend on the financially weak SEBs for its sales. Though the payment is almost secure but the delay in payment is normal feature of some of the SEBs.
- Uncertainty and slow pace of reforms.
- Macroeconomic challengers which constrain public and private funding.

### (C) OPPORTUNITIES:

- The Government is focusing on increasing the penetration of power supply in villages.
- Expansion of key industry sector like power, steel, petrochemicals, telecom and others.
- Per capita consumption of energy being relatively low, the growth potential for this industry in medium and long term is high.
- Govt's plan to convert traditional meters into smart meters
- Replacement and retrofitting programmes.
- Government's focus on improving health of Electricity Boards through various schemes and other measures
- Manufacturing of SMC enclosures, demand for which is continuously rising

### (D) THREATS

- Stiff competition in the Electrical industry.
- Change of technology.
- Opening of the Indian economy for overseas players
- Any unfavourable change in Govt. Policies may affect the profitability of the company.
- Scarcity of technically skilled personnel.

## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is mainly engaged in the business of manufacturing of Distribution Boxes and Panels, Junction Boxes, Feeder Pillars, so the Management considers as this is the major business segment of the Company.

## SWITCHGEARS

Growing transmission and distribution network and rural electrification Programme coupled with infrastructure development are the key factors driving the switchgear market in India. Further, favourable government schemes and initiatives such as UDAY and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) are also expected to ensure a positive slope in switchgear demand in future. Switchgears perform some of the most critical functions in the power distribution system such as protection, isolation and control in the electrical systems. The switchgear industry in India is expected to gain strong growth momentum as the need of the hour for the Government to have a safe, reliable, and efficient power distribution setup at both micro and macro levels intensifies. According to Niti Aayog, the Government of India is planning to reach a renewable energy capacity of 175 GW by 2022. With the Government's thrust on renewable energy and efficient T&D distribution system, the Indian switchgear market is projected to reach USD 3.7 billion by 2022.

## INDUSTRY OUTLOOK

There is still lot of potential for growth in the turnover of the Company because the demand of Company's products in the market is increasing. The Company is developing innovative and different type of product as per requirement of the market. There is a strong Demand of SMC enclosures in the market hence management has planned to expand its production capacity to cater the increased demand.

## RISK AND CONCERN

The Company continuously ascertains risks and concerns in the Electrical Industry affecting its present operations, future performances and business environment. In order to overcome such risks and concerns your Company adopts preventive measures as considered expedient and necessary. The overarching objective of the Company is one of responsible risk management. The Company has evolved a risk-management framework encompassing effective processes and catalysed by a talented pool of qualified professionals. As a result, its business decisions balance risk and reward, leading to profitable and sustainable growth.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The Audit Committee gives valuable suggestions from time to time for improvement of the company's business processes, systems and internal controls. All efforts are being made to make the internal control systems more effective

## DISCUSSIONS ON FINANCIAL PERFORMANCE VIS-À-VIS OPERATIONAL PERFORMANCE

Financial performance of the Company has been good and your company is doing well on fulfilling its objectives of growth, profitability and maximization of shareholders wealth. During the year company made net profit Rs. 30.06 Lakhs and last year net profit was Rs. 380.06 Lakh. This Year the turnover of our company is Rs 5939.38 Lakh and last year turnover was Rs. 13175.10 Lakh;

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company always believes that its growth is closely linked with the growth and overall development of its employees. The Company is committed to upgrade the skill of its employees and to create an environment where

excellence is recognized and rewarded. The target is to place right people at right position and to enhance the efficiency, working speed, competency and time management skill of its employees. The Company's endeavor is to create an environment where people can use all of their capabilities in promoting the business of the Company. Number of on rolls people employed, as on 31/03/2020 is 129

#### CAUTIONARY STATEMENT

The report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" that describe our objectives, plans or goals. All these forward looking statements are subject to certain risks and uncertainties, including but limited to, Government action, economic development, risks inherent in the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements.

**For and on behalf of the Board of Directors**

**Place: Jaipur**  
**Date: 21.08.2020**

**Ashok Kumar Agarwal**  
**Chairman cum Managing Director**  
**DIN: 00793152**

# Annexure-H to the Board's Report Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

**For the Financial Year ended on 31st March, 2020**

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

## I. CONSERVATION OF ENERGY

- a. Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation and maximum possible savings of energy is achieved.
- b. No specific investment has been made in reduction in energy consumption.
- c. As the impact of measures taken for conservation and optimum utilisation of energy are not quantitative, its impact on cost cannot be stated accurately.
- d. Since the Company does not fall under the list of industries, which should furnish this information in Form A annexed to the Companies (Disclosure of particular in report of Board of Director) Rules, 1988, So we are not required to furnish such information.

## II. TECHNOLOGY ABSORPTION

### I. EFFORTS IN BRIEF, MADE TOWARDS TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The Company continues to perform Product Development activities to improve quality of products and to reduce production cost to serve its customer better.

### II. BENEFITS DERIVED AS A RESULT OF THE ABOVE EFFORTS

- Improvement in overall productivity
- Improvement in quality of the products
- Reduction in process scrap
- Reduction in Cost

### III. IN CASE OF IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST 3 YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR), FOLLOWING INFORMATION MAY BE FURNISHED:

- Technology Imported - No technology has been imported by the Company.
- Year of Import- N. A.
- Has technology been fully absorbed - N.A.
- If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N. A.

### IV. THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

The Company has not incurred any expenditure on Research and Development.

## III. FOREIGN EXCHANGE EARNINGS AND OUTGO

### (A) ACTIVITIES RELATING TO EXPORTS, INITIATIVES TAKEN TO INCREASE EXPORTS, DEVELOPMENT OF NEW EXPORT MARKETS FOR PRODUCTS AND SERVICES AND EXPORT PLANS:

NIL

**(B)** THE DETAILS OF EARNINGS IN FOREIGN CURRENCY AND OUTGO OF FOREIGN CURRENCY ARE AS UNDER:

PARTICULARS		Year Ended 31.03.2020	Year Ended 31.03.2019
<b>A)</b>	<b>Foreign Currency used for:</b>		
a)	Raw Materials	97,96,341.85	1,68,91,247.66
b)	Capital Goods	11,70,418	4,78,343.00
c)	Expenditure in Foreign Currency	8,82,064.15	6,48,501.00
<b>B)</b>	<b>Earnings in Foreign Currency</b>	-	-

**For and on behalf of the Board of Directors**

**Place: Jaipur**  
**Date: 21.08.2020**

**Ashok Kumar Agarwal**  
**Chairman cum Managing Director**  
**DIN: 00793152**

## Annexure-I to the Board's Report Details of Composition of the Board, Board Meetings and Committee Meetings

**For the Financial Year ended on 31st March, 2020**

### BOARD OF DIRECTORS

The Board of Directors of the Company have an optimum combination of Executive and Independent Non Executive Directors. Mr. Ashok Kumar Agarwal is the Chairman cum Managing Director of the Company. The Board comprises of three Independent Directors in the Company out of its total strength of six. Accordingly, composition of the Board is in conformity with the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Following is the composition of the Board of Directors of the Company:

Name of Directors	Category	Directorship held in Companies as on 31.03.2020	Committee Membership/ Chairmanship held in other Companies as on 31.03.2020
<b>Mr. Ashok Kumar Agarwal</b> DIN: 00793152	Chairman cum Managing Director	2	NIL
<b>Mr. Ankit Agrawal</b> DIN: 00793035	Whole-time Director	2	NIL
<b>Mrs. Neha Agrawal</b> DIN: 07540311	Executive Director	2	NIL
<b>Mr. Devi Shankar Goyal</b> DIN: 07559565	Independent Director	1	NIL
<b>Mr. Himanshu Goyal</b> DIN: 03101053	Independent Director	3	NIL
<b>Mrs. Radhika Agarwal</b> DIN:07579658	Independent Director	2	NIL

**Note:** It includes both Public Company & Private Company.

### NO. OF BOARD MEETINGS

During the financial year ended on 31<sup>st</sup> March, 2020, the Board of Directors have duly met Fifteen (15) times on 01.04.2019, 29.05.2019, 31.05.2019, 24.06.2019, 14.08.2019, 25.09.2019, 31.10.2019, 14.11.2019, 03.12.2019, 24.12.2019, 18.01.2020, 26.02.2020, 04.03.2020, 05.03.2020 and 16.03.2020. The intervening gap between any two meetings was within the time period and quorum at these meetings was in conformity with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards-1 on Board Meetings.

The attendance records of the Directors at the Board Meetings during the year ended on 31st March, 2020 and at the last AGM is as under:

Name of Directors	Category	No. of Board Meetings held	No. of Board Meeting attended	Attendance at last AGM
<b>Mr. Ashok Kumar Agarwal</b> DIN: 00793152	Managing Director	15	15	Yes
<b>Mr. Ankit Agrawal</b> DIN: 00793035	Whole-time Director	15	10	No
<b>Mrs. Neha Agrawal</b> DIN: 07540311	Executive Director	15	15	Yes

<b>Mr. Devi Shankar Goyal</b> DIN: 07559565	Independent Director	15	13	No
<b>Mr. Himanshu Goyal</b> DIN: 03101053	Independent Director	15	14	No
<b>Mrs. Radhika Agarwal</b> DIN:07579658	Independent Director	15	15	No

### KEY MANAGERIAL PERSONNEL

The Company duly complies with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details of Key Managerial Personnel (KMP's) in the company as on 31<sup>st</sup> March, 2020 are as under:

<b>Name of Key Managerial Personnel (KMP)</b>	<b>Category</b>
Mr. Ashok Kumar Agarwal	Chairman cum Managing Director
Mr. Ankit Agarwal	Whole-time Director
Mrs. Neha Agrawal	Executive Director
Mr. Bharat Bhushan Gupta	Chief Financial Officer
Ms. Srishti Kulshrestha	Company Secretary

### AUDIT COMMITTEE

The Board has constituted a well-qualified Audit Committee. The Committee comprises of 3 members. All the members of the Committee possess sound knowledge on accounts, audit, finance, internal control etc.

#### I. BROAD TERMS OF REFERENCE

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations. It inter-alia includes the following:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditor's report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.
- All other matters specified in the Companies Act, 2013 and SEBI (LODR) regulations, 2015

#### II. COMPOSITION & MEETINGS

During the financial year 2019-20, Five (5) Audit Committee Meetings were held. The meetings were on 29.05.2020, 14.08.2019, 31.10.2019, 14.11.2019 and 07.03.2020. The Audit Committee meets at regular interval to transact the required business (s). The attendance of each committee members of Audit committee is as under:

<b>Name of Directors</b>	<b>Category</b>	<b>No. of Board Meetings held</b>	<b>No. of Board Meeting attended</b>
<b>Mr. Himanshu Goyal</b> DIN: 03101053	Independent Director & Chairman	5	5

<b>Mr. Ashok Kumar Agarwal</b> DIN: 00793152	Managing Director & Member	5	5
<b>Mr. Devi Shankar Goyal</b> DIN: 07559565	Independent Director & Member	5	5

### NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted a well-qualified Nomination and Remuneration Committee. The Committee comprises of 3 members. All the members are Non-executive Independent Directors.

#### I. BROAD TERMS OF REFERENCE

The Committee is empowered to-

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors;
- Identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors/Independent Directors on the Board and as Key Managerial Personnel;
- Support Board in evaluation of performance of all the Directors & in annual self- assessment of the Board's overall performance;
- Conduct Annual performance review of MD, WTD, ED and senior management employees;
- Formulate a policy relating to remuneration for the Directors, Committee and also the senior management employees.
- All other matters specified in the Companies Act, 2013 and SEBI (LODR) regulations, 2015

#### II. COMPOSITION & MEETINGS

The Nomination and Remuneration Committee consists of three members. During the financial year 2019-20, Five (5) Nomination and Remuneration Committee Meetings were held on 31.05.2019, 26.06.2019, 14.08.2019, 18.01.2020 and 04.03.2020. The attendance of the members at the meeting is as under:

Name of Directors	Category	No. of Board Meetings held	No. of Board Meeting attended
<b>Mr. Devi Shankar Goyal</b> DIN: 07559565	Independent Director & Chairman	5	5
<b>Mr. Himanshu Goyal</b> DIN: 03101053	Independent Director & Member	5	5
<b>Mrs. Radhika Agarwal</b> DIN:07579658	Independent Director & Member	5	5

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted a well-qualified Stakeholders Relationship Committee. The Committee comprises of 3 members. All the members are Non-executive Independent Directors.

#### I. BROAD TERMS OF REFERENCE

The Committee shall-

- Address the share- holder's investor's complaints with respect to transfer, transmission of shares, duplicate issuance of share certificate, non-receipt of Annual Report, non-receipt of dividend etc.
- Overlook the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the Quality of Investor services.
- Ensure proper its stakeholder relationship.

## II. COMPOSITION & MEETINGS

The Stakeholders' Relationship Committee consists of three members. The Committee met Four (4) times on 12.04.2019, 15.07.2019, 31.10.2019 and 18.01.2020 during the financial year ended on 31st March, 2019. The attendance of the members at the meeting is as under:

Name of Directors	Category	No. of Board Meetings held	No. of Board Meeting attended
<b>Mr. Devi Shankar Goyal</b> DIN: 07559565	Independent Director & Chairman	4	4
<b>Mr. Himanshu Goyal</b> DIN: 03101053	Independent Director & Member	4	4
<b>Mrs. Radhika Agarwal</b> DIN:07579658	Independent Director & Member	4	4

**For and on behalf of the Board of Directors**

**Place: Jaipur**  
**Date: 21.08.2020**

**Ashok Kumar Agarwal**  
**Chairman cum Managing Director**  
**DIN: 00793152**



# ***FINANCIAL STATEMENTS***

## ***For the Financial Year 2019-20***

- ❖ **Independent Auditors' Report on Financial Statements**
- ❖ **Balance Sheet**
- ❖ **Statement of Profit and Loss**
- ❖ **Cash Flow Statement**
- ❖ **Notes to the Financial Statements**

## *Independent Auditor's Report*

### **To the Members of *RMC SWITCHGEARS LIMITED*, Report on the Financial Statements**

#### **Opinion**

We have audited the financial statements of *RMC SWITCHGEARS LIMITED* (“the Company”), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss, and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the ‘State of Affairs’ of the Company as at March 31, 2020, and ‘Profit’ and its ‘Cash Flows’ for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Management’s Responsibility for the Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone annual financial results, 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.
2. 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
4. Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 annual financial results 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.
5. Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Emphasis of Matter:**

We draw your attention to following note to the financial statements:

*As described in Note 1(XV) to the Financial results, as regards the management's evaluation of COVID-19 pandemic on future performance of the company.*

Our opinion is not modified in respect of the above matter.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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, 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 financial statements – Refer Note 27 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**For SARASWAT & COMPANY**  
**Chartered Accountants**  
**FRN: 004846C**

**CA PRAVIN SARASWAT**  
**Partner**  
**Membership number: 072679**

**Jaipur**  
**Dated: 31/07/2020**

## Annexure – A to the Auditors’ Report

The Annexure referred to in the Independent Auditors’ Report to the members of the company on the Financial Statements for the year ended 31<sup>st</sup> March 2020, we report that:

1. (a) The company is maintaining proper records showing full particulars, including quantitative details & situation of Fixed Assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; No such material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company except for the cases below:

Asset Category	Gross Block as at March 31, 2020 (in lacs)	Net Block as at Mar 31, 2020 (in lacs)	Remarks
Freehold Land at Chaksu, Jaipur	Rs. 18.50	Rs. 18.50	Correction in land records Company’s name is pending

2. The Physical Verification of Inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed;
3. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In respect of loans, investments, guarantees, and security all the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposit from the public within the meaning of Section 73 to 76 of the Act and Rules framed there-under to the extent notified.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under Section 148 (1) of the Act and are of the opinion, that prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.
7. (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Services Tax (GST) and any other statutory dues to the appropriate authorities.  
(b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders.
9. No money was raised during the year by way of initial public offer by the company. Term Loans raised have been used by the company for the purpose for which they were sanctioned and raised.
10. No Fraud by the Company or fraud on the company by its Officers or employees has been noticed or reported during the year.
11. The Managerial Remuneration has been paid and provided in accordance with the provisions of section 197 read with Schedule V of the Companies Act, 2013. Company’s case is covered by the Part II of the Schedule V of the Companies Act, 2013 and requisite compliances, in the case of inadequate profits, are pending.

12. The company is not a Nidhi Company and hence reporting under clause 12 of the CARO, 2016 Order is not applicable.
13. All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
14. The company has not made any preferential allotment of shares during the year under review.
15. The Company has not entered into any non-cash transaction with the Directors or person connected with him/her under the provisions of section 192 of Companies Act, 2013.
16. According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For SARASWAT & COMPANY**  
**Chartered Accountants**  
**FRN: 004846C**

**CA PRAVIN SARASWAT**  
**Partner**  
**Membership number: 072679**

**Jaipur**  
**Dated: 31/07/2020**

**Report on the Internal Financial Control under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the Internal Financial Control over Financial Reporting of RMC SWITCHGEARS LTD. (“the Company”) as on 31st March 2020 in conjunction with our audit of the financial statements of the company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Control over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, 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.

**Jaipur**  
**Dated: 31/07/2020**

**For SARASWAT & COMPANY**  
**Chartered Accountants**  
**FRN: 004846C**

**CA PRAVIN SARASWAT**  
**Partner**  
**Membership number: 072679**

**RMC SWITCHGEARS LIMITED**

(CIN: L25111RJ1994PLC008698)

**BALANCE SHEET AS AT 31st MARCH, 2020**

(Amount in Rs.)

Particulars		Note No.	As At March 31, 2020	As At March 31, 2019	
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>1)</b>	<b>Shareholders' Funds</b>			
	(a)	Share Capital	2	6,09,22,000.00	6,09,22,000.00
	(b)	Reserves and Surplus	3	21,39,60,280.53	21,09,54,792.01
				<b>27,48,82,280.53</b>	<b>27,18,76,792.01</b>
	<b>2)</b>	<b>Non-Current Liabilities</b>			
	(a)	Long Term Borrowings	4	21,50,91,671.17	21,67,95,681.35
	(b)	Deferred Tax Liabilities(Net)	31	1,92,81,462.27	1,63,47,995.15
	(c)	Other Long Term Liabilities		-	-
	(d)	Long Term Provisions	5	25,18,493.00	24,04,543.00
				<b>23,68,91,626.44</b>	<b>23,55,48,219.50</b>
	<b>3)</b>	<b>Current Liabilities</b>			
	(a)	Short Term Borrowings	6	15,99,19,807.85	15,36,89,876.91
	(b)	Trade Payables	-	18,03,51,516.62	30,63,15,202.73
	(c)	Other Current Liabilities	7	6,51,10,089.13	9,76,00,731.80
	(d)	Short Term Provisions	-	-	-
				<b>40,53,81,413.60</b>	<b>55,76,05,811.44</b>
	<b>TOTAL</b>			<b>91,71,55,320.57</b>	<b>1,06,50,30,822.95</b>
<b>II.</b>	<b>ASSETS</b>				
	<b>1)</b>	<b>Non-Current Assets</b>			
	(a)	Fixed Assets	8		
	i)	Tangible Assets		28,39,05,909.57	28,84,88,460.22
	ii)	Intangible Assets		22,28,166.00	18,73,264.55
	iii)	Capital Work in Progress		-	-
				<b>28,61,34,075.58</b>	<b>29,03,61,724.77</b>
	(b)	Investments in Subsidiary	9	-	5,30,000.00
	(c)	Long Term Loans and Advances	10	21,31,943.38	26,60,576.00
	(d)	Other Non-Current Assets	11	3,37,29,675.80	1,13,03,841.80
				<b>3,58,61,619.18</b>	<b>1,44,94,417.80</b>
	<b>2)</b>	<b>Current Assets</b>			
	(a)	Current Investments	-	-	-
	(b)	Inventories	12	9,72,62,468.28	11,40,54,188.67
	(c)	Trade Receivables	13	38,54,20,297.83	50,60,79,208.39
	(d)	Cash and Cash Equivalents	14	68,76,943.90	2,79,07,481.35
	(e)	Short Term Loans and Advances	15	5,44,81,646.88	3,21,34,413.21
	(f)	Other Current Assets	16	5,11,18,268.92	7,99,99,388.75
				<b>59,51,59,625.81</b>	<b>76,01,74,680.38</b>
	<b>TOTAL</b>			<b>91,71,55,320.57</b>	<b>1,06,50,30,822.95</b>
				0.00	0.00

The accompanying notes are an integral part of the financial statements  
As per our separate report of even date

**For Saraswat & Company**

Chartered Accountants

FRN 004846C

For & on behalf of the Board of Directors of  
RMC Switchgears Limited

**Ashok Kumar Agarwal**

Chairman Cum Managing Director

(DIN: 793152)

**CA Pravin Saraswat**

Partner

Membership Number : 072679

Jaipur, Dated The 31st Day of July, 2020

**Bharat Bhushan Gupta**      **Srishti Kulshrestha**

Chief Financial Officer      Company Secretary

**RMC SWITCHGEARS LIMITED**

(CIN: L25111RJ1994PLC008698)

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2020**

(Amount in Rs.)

Particulars		Note No.	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
<b>I.</b>	Revenue from Operations(Gross)	17	59,39,38,255.41	1,31,75,09,884.70
<b>II.</b>	Other Income	18	29,21,025.73	86,03,967.78
<b>III.</b>	<b>Total Revenue ( I + II)</b>		<b>59,68,59,281.14</b>	<b>1,32,61,13,852.48</b>
<b>IV.</b>	<b>Expenses</b>			
	a) Cost of Materials consumed	19	27,36,38,569.33	68,04,16,328.92
	b) Changes in inventories of Finished Goods & Work-in-Progress	20	26,26,461.14	-3,37,72,921.14
	c) Purchases of Stock-in-Trade		9,23,81,221.06	12,22,15,679.70
	d) Employee Benefits Expenses	21	3,39,63,273.16	2,96,91,823.00
	e) Finance Costs	22	5,38,54,232.52	6,36,40,512.30
	f) Depreciation and Amortization Expenses	23	2,33,62,994.53	2,29,29,237.17
	g) Other expenses	24	11,06,10,743.76	38,98,79,266.06
	<b>Total Expenses (a to g)</b>		<b>59,04,37,495.51</b>	<b>1,27,49,99,926.01</b>
<b>V.</b>	<b>Profit Before Exceptional Item (III - IV)</b>		<b>64,21,785.64</b>	<b>5,11,13,926.48</b>
<b>VI.</b>	<b>Exceptional Items</b>		<b>4,82,830.00</b>	<b>-</b>
<b>VII.</b>	<b>Profit Before Tax (V - VI)</b>		<b>59,38,955.64</b>	<b>5,11,13,926.48</b>
<b>VIII.</b>	<b>Tax Expenses</b>			
	a) Current Tax		9,26,477.00	1,05,22,720.00
	Less: MAT Credit Entitlement		-9,26,477.00	-84,688.47
	b) Deferred Tax Liability	31	29,33,467.12	26,70,414.06
<b>IX.</b>	<b>Profit (Loss) for the year (VII-VIII)</b>		<b>30,05,488.52</b>	<b>3,80,05,480.89</b>
<b>X</b>	<b>Earning per equity share: (Face Value of Rs.10 each)</b>	28		
	a) Basic		<b>0.42</b>	<b>5.36</b>
	b) Diluted		<b>0.42</b>	<b>5.36</b>

The accompanying notes form an integral part of the Financial Statements

As per our separate report of even date

For & on behalf of the Board of Directors of  
RMC Switchgears Limited

**FOR SARASWAT & COMPANY**

Chartered Accountants

FRN 004846C

**Ashok Kumar Agarwal**

Chairman Cum Managing Director

(DIN: 793152)

**CA Pravin Saraswat**

Partner

Membership Number : 072679

**Bharat Bhushan Gupta**

**Srishti Kulshrestha**

Jaipur, Dated The 31st Day of July, 2020

Chief Financial Officer

Company Secretary

**RMC SWITCHGEARS LIMITED**

(CIN: L25111RJ1994PLC008698)

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2020**

Particulars		Year ended on	Year ended on
		31st March, 2020	31st March, 2019
		Amount in (Rs.)	Amount in (Rs.)
<b>I)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>1</b>	<b>Net Surplus in Statement of profit &amp; loss Before Taxes</b>	<b>59,38,955.64</b>	<b>5,11,13,926.48</b>
<b>2</b>	<b>Adjustments for:</b>		
i)	Depreciation and Amortisation	22586994.53	22153237.17
ii)	Finance Cost	53854232.52	63640512.30
iii)	Interest Income	(3105563.47)	(8006286.50)
iv)	Dividend Income	0.00	0.00
v)	(Profit)/Loss on Sale of Fixed Assets	184537.74	(597681.28)
vi)	(Profit)/Loss on Sale/Disposal of Investments	482830.00	0.00
vii)	Provisions	113950.00	(425260.00)
	<b>Operating Profit Before Working Capital Changes</b>	<b>80055936.96</b>	<b>127878448.17</b>
<b>3</b>	<b>Adjustments for Working Capital changes:</b>		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Inventories	16791720.39	(44142425.39)
	Trade receivables	12,06,58,910.56	(172388158.20)
	Short-term loans and advances	(22347233.67)	336120.97
	Other current assets	2,88,81,119.83	(56852263.66)
	<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
	Trade payables	(125963686.11)	151064910.27
	Other current liabilities	(32490642.67)	31094542.43
<b>4</b>	<b>Cash Generated From Operations</b>	<b>6,55,86,125.30</b>	<b>3,69,91,174.58</b>
	Less: Direct Taxes ( Net of MAT effect)	0.00	(10438031.53)
	<b>NET CASH FROM OPERATING ACTIVITIES [A]</b>	<b>6,55,86,125.30</b>	<b>2,65,53,143.05</b>
<b>II)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
i)	Purchase of Tangible / Intangible Assets	(19668883.08)	(17027324.27)
ii)	Investment in Equity Shares of Wholly Owned Subsidiary Company	47170.00	(530000.00)
iii)	Sale of Tangible / Intangible Assets	0.00	0.00
vi)	Proceeds on Disposal of Tangible Fixed Assets	1125000.00	1038294.00
v)	Interest Received	3105563.47	8006286.50
vi)	Other Non Current Assets	(22425834.00)	21131043.00
vii)	Long Term Loans and Advances	5,28,632.62	7413320.00
	<b>NET CASH (USED IN) INVESTING ACTIVITIES [B]</b>	<b>-3,72,88,350.99</b>	<b>2,00,31,619.23</b>
<b>III)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
i)	Proceeds/(Repayment) from Short Term Borrowings(Net)	6229930.94	14688130.36
ii)	Proceeds/(Repayment) from Long Term borrowings (Net)	(1704010.18)	11430477.33
iii)	Proceeds/(Repayment) from Long Term Liabilities (Net)	0.00	0.00
iv)	Finance Cost Paid	(53854232.52)	(63640512.30)
	<b>NET CASH FROM FINANCING ACTIVITIES [C]</b>	<b>(49328311.76)</b>	<b>(37521904.61)</b>
	<b>NET CASH GENERATED/(USED) [A+B+C]</b>	<b>(21030537.45)</b>	<b>9062857.67</b>
	Cash & cash equivalents- The beginning of the year	27907481.35	18844623.68
	Cash & cash equivalents- The end of the year	<b>68,76,943.90</b>	<b>2,79,07,481.35</b>
	Note:		

1	Components of cash & cash Equivalents:-		
	Cash on hand	2,20,692.46	1526055.63
	Balances with banks		
	In current Accounts	4,565.44	60596.72
	In fixed deposits	66,51,686.00	26320829.00
		<b>6876943.90</b>	<b>27907481.35</b>
		0.00	0.00
2	The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement		

As per our separate report of even date

FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS

**FOR SARASWAT & COMPANY**

Chartered Accountants

FRN 004846C

**Ashok Kumar Agarwal**

Chairman Cum Managing Director

(DIN: 793152)

**Pravin Saraswat**

PARTNER

Membership Number 072679

PLACE : JAIPUR

Jaipur, Dated The 31st Day of July, 2020

**Bharat Bhushan Gupta**      **Srishti Kulshrestha**

Chief Financial Officer      Company Secretary

## **RMC SWITCHGEARS LIMITED**

Note No. 1

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31/03/2020**

#### **i) Corporate Information**

RMC Switchgears Limited is a public company domiciled in India. The company is primarily engaged in the business of 'Switchgear Engineering', 'ECI contracts for power distribution / transmission sector' and 'PVC Marble and Solid Surface'.

#### **ii) Basis of Accounting**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply, in all material aspects, with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013 (the 'Act').

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

#### **iii) Changes in Accounting Policies**

The Company has reclassified/regrouped/rearranged the previous year figures, wherever necessary, to make them comparable with current year's figures & groups.

#### **iv) Fixed Assets and Depreciation**

a) Fixed Assets are stated at cost including attributable cost (net of cenvat/vat credit /GST Credit availed) of bringing the assets to its working condition for the intended use.

b) Depreciation on the assets has been provided as under:

1) Depreciation has been provided on the basis of useful lives of the tangible assets as prescribed in Schedule II to the Companies Act, 2013 by using Straight-line method (SLM) of depreciation. Based on the technical advice, company has taken the useful lives of 20 years in case of some Plant & Machineries in place of 15 years as prescribed in Schedule II of the Companies Act, 2013.

2) Depreciation on intangible assets is provided in accordance with AS-26 over the period of 5 years.

3) Premium paid on Leasehold Land is amortized over the Lease term which is of 99 years.

#### **4) Impairment of Tangible & Intangible Assets**

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using weighted average cost of capital.

Post impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### **v) Valuation of Inventory**

Inventory of raw material, stores, spares, semi-finished goods and finished goods are valued at lower of cost and net realizable value. Cost is determined on the basis of FIFO/Weighted Average Method. Inventory of rejected

material is valued at cost or net realizable value whichever is lower. Work in process generally includes cost of direct material, labour cost and other manufacturing overheads. Goods-in-Transit is valued at cost.

**(vi) Income Tax**

a) Pursuant to the Taxation Laws(Amendment) Ordinance, 2019 issued on 20<sup>th</sup> September, 2019, corporate assesses have been given an option to apply a lower income tax rate with effect from 1<sup>st</sup> April, 2019, subject to certain conditions specified therein. Based on an evaluation of the comparative tax costs considering the future performance forecasts, the management is of the opinion that it would not be beneficial for the company to avail the option under the Ordinance as above till the year in which the company's MAT Credit entitlements are fully utilized. Accordingly, there is no impact at present in the measurement of tax expense for the year ended 31<sup>st</sup> March, 2020 and the deferred tax assets (net) as on that date.

Company has provided for the tax liability u/s 115JB (MAT) of the Income Tax Act, 1961 and consequent MAT Credit available has been recognized as asset.

b) Deferred Tax has been provided on the DTL (net of DTA) at the prevailing Income Tax Rates as prescribed under Income Tax Act, 1961. However, the tax rate being used, is as prescribed u/s 115JB of the Income Tax Act, 1961 (in place of regular rate i.e. 25%) in view of the availability of MAT Credit balance lying for adjustment against future profits.

**vii) Liquidated Damages:**

Liquidated damages are provided based on contractual terms when the delivery/commissioning dates of an individual project have exceeded or are likely to exceed the delivery/commissioning dates as per the respective contract. This expenditure is expected to be incurred over the respective contractual terms upto closure of the contract.

**viii) Foreign Currency:**

- a) Transactions in Foreign Currency entered into by the Company are accounted at the Exchange Rates prevailing the date of the transaction. Foreign Currency monetary items of the company, outstanding on the Balance Sheet date are restated at the year-end rates. Non- monetary items of the company are carried at historical costs.
- b) Exchange Difference arising on settlement / restatement of short term foreign currency monetary assets & liabilities of the company are recognized as expense in the statement of Profit & Loss or capitalized if such differences pertain to creation of Fixed Assets.

**ix) Revenue Recognition:**

- a) Sales Revenue is recognized when the risk and rewards of ownership are passed on to the customers, which is generally on dispatch.
- b) Revenue from turnkey contracts is recognized based on the stage of completion determined with reference to the costs incurred on contracts and their estimated total costs. Provision for foreseeable losses/ construction contingencies on turnkey contracts is made on the basis of technical assessments of costs to be incurred and revenue to be accounted for.
- c) Price Escalation and other claims or variations in the contract work are included in contract revenue only when:
  - i) Negotiations have reached to an advanced stage such that it is probable that customer will accept the claim: and
  - ii) The amount that is probable will be accepted by the customer and can be measured reliably.

**x) Use of Estimates:**

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of financial statements and the reported amount of revenue and expenses of the year. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

**xi) Borrowing Costs**

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets as Pre-operative Expenses. During the year, Rs. 6.96 Lacs (Previous year Rs. 1.61 Lacs) has been capitalized for the Capital Assets added during the year. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

**xii) Employees Benefits:**

a) **Defined Contribution Plans:**

Employees' own and Employer's contribution to Provident Funds are contributed by company monthly at a determined rate. These contributions are remitted to the Employees' Provident Fund Organization, India and are charged to Profit and Loss Account on accrual basis.

b) **Defined Benefits Plans:**

Gratuity: The Company provides for gratuity, a defined benefit retirement plan, for its employees. The plan provides for lump sum payments to the eligible employees at retirement, death, while in employment, or on termination of employment or otherwise as per the provisions the Payment of Gratuity Act, 1972. The company accounts for liability of future gratuity benefits based on an external actual valuation on projected unit credit method carried out annually for assessing liability as at the balance sheet date.

**xiii) Segment Reporting:**

a) **Primary Segment:**

Company is engaged in 'Switch Gear Engineering' and 'Construction contracts for power distribution / transmission sector' which relate to one primary segment i.e. Power.

b) **Secondary Segment:**

The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

**xiv) Deferred Revenue Expenditure:**

Company had come out with the Initial Public Offer (IPO) during the FY 2016-17 and Preferential Issue during FY 2017-18, mainly for financing the working capital requirement of the company. Expenditure incurred for this purpose is being written off over the period of 5 years in installment, beginning from 01/04/2017. Amount Written Off during the year was Rs. 776000/- (Previous Year 776000/-) and to be written off during the subsequent balance two years is Rs. 1380757/80 (Previous Year Rs. 2156757/80). As the funds were raised for the purpose of using for working capital purposes, expenses incurred are being claimed as expense for the purpose of Income Tax.

Company has incurred significant expenses amounting Rs. 6722233/- (Previous year NIL) for creating the Retail marketing network of its products in the FY 2019-20. Benefits of such expenses would accrue in the future years. Therefore, it has been considered prudent to defer the write off of such expense over the period of 5 years in equal installment, beginning from 01/04/2020. These expenses, however, are being claimed as revenue expense for the purpose of Income Tax.

**xv) Impact of COVID-19**

The spread of COVID-19 has severely impacted business around the globe. In many countries including India, there has been severe disruption to regular business operations due to lock-down, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, intangible assets, Trade Receivables, and Inventory as at the balance sheet date and has concluded that there is no material adjustments required in the financial statements. Management believes that it has considered all the possible impact of known events arising from COVID -19 pandemic in the

preparation of the financial Statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

**xvi)** Corresponding Figures of previous year have been reclassified/regrouped or rearranged to make them comparable with the current year figures.

As per our separate report of even date

FOR AND ON BEHALF OF  
THE BOARD OF DIRECTORS

**FOR SARASWAT & COMPANY**

Chartered Accountants

FRN 004846C

**Ashok Kumar Agarwal**

Chairman Cum Managing Director

(DIN: 793152)

**Pravin Saraswat**

PARTNER

Membership Number 072679

PLACE : JAIPUR

Jaipur, Dated The 31st Day of July, 2020

**Bharat Bhushan Gupta**

Chief Financial Officer

**Srishti Kulshrestha**

Company Secretary

**RMC SWITCHGEARS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

<b>NOTE : 2</b>		
<b>Share Capital</b>		<i>(Amount In Rs)</i>
<b>Particulars</b>	<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
<b><u>Authorized Capital</u></b>		
65,00,000 Equity Shares of Rs.10/- each	6,50,00,000.00	6,50,00,000.00
<b><u>Issued, Subscribed and Paid Up Capital</u></b>		
60,92,200 (Previous Year: 60,92,200 ) Equity shares of Rs 10/- each Fully Paid up	6,09,22,000.00	6,09,22,000.00
<b>TOTAL</b>	<b>6,09,22,000.00</b>	<b>6,09,22,000.00</b>

<b>i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :</b>					
<b>Particulars</b>		<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>		
Outstanding at the beginning of the Year		60,92,200	60,92,200		
Outstanding at the end of the Year		60,92,200	60,92,200		
<b>ii) Details of Shareholders holding more than 5 % equity shares :</b>					
<b>Particulars</b>		<b>As At 31.03.2020</b>		<b>As At 31.03.2019</b>	
		<b>No. of Shares</b>	<b>% Holding</b>	<b>No. of Shares</b>	<b>% Holding</b>
(a)	Ashok Kumar Agarwal	6,10,880	10.03%	6,10,880	10.03%
(b)	Ankit Agarwal	5,69,880	9.35%	5,69,880	9.35%
(c)	Santosh Agarwal	5,68,520	9.33%	5,68,520	9.33%
(d)	Vitthal Das Agarwal (HUF)	5,00,600	8.22%	5,00,600	8.22%
(e)	Neha Agrawal	4,20,000	6.89%	4,20,000	6.89%
(f)	Argent Leasing & Finance Pvt. Ltd.	4,13,120	6.78%	4,13,120	6.78%
<b>iii) Terms and Rights attached to equity shares:</b>					
The Company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member. All equity shares of the Company rank pari passu in all respects including the right to dividend. The dividend is recommended by the Board of Directors and declared by the members at the ensuing Annual general Meeting.					
<b>iv)</b> Company doesn't have any holding or ultimate holding Company.					
<b>v)</b> 32,43,150 Numbers of Equity Shares of Rs 10/- each fully paid-up have been allotted as Bonus Shares by capitalising Share Premium amounting Rs. 3,24,31,500/- during the FY 2016-17.					

<b>NOTE : 3</b>			
<b>Reserves and Surplus</b>			
<b>Particulars</b>		<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
<b>(a)</b>	<b>Share Premium Account</b>		
	As per Last Financial Statements	10,68,11,250.00	10,68,11,250.00
	Closing Balance	<b>10,68,11,250.00</b>	<b>10,68,11,250.00</b>
<b>(b)</b>	<b>Capital Reserve</b>		
	As per Last Financial Statements:		
	Capital Investments Subsidy - State	14,50,060.00	14,50,060.00
	CLCS Subsidy-Central Government	15,00,000.00	15,00,000.00
		<b>29,50,060.00</b>	<b>29,50,060.00</b>
<b>(c)</b>	<b>Surplus in Statement of Profit and Loss</b>		
	As per Last Financial Statements	10,11,93,482.01	6,31,88,001.12
	Add : Transferred during the year from Statement of Profit and Loss	30,05,488.52	3,80,05,480.89
	Net Surplus in Statement of Profit and Loss	10,41,98,970.53	10,11,93,482.01
<b>TOTAL</b>		<b>21,39,60,280.53</b>	<b>21,09,54,792.01</b>

**NOTE : 4****Long Term Borrowings**

Particulars	As At 31.03.2020		As At 31.03.2019	
	Non Current	Current	Non Current	Current
<b>Secured</b>				
<b>I.</b> Term Loan from Bank:				
From Punjab National Bank (PNB)	1,30,23,143.62	1,05,12,000.00	2,30,29,205.00	72,00,000.00
<b>II.</b> Subordinate Loan				
From Small Industries Development Bank of India	18,32,382.00	75,00,000.00	93,32,382.00	75,00,000.00
<b>III.</b> Loans for Vehicles	56,36,118.60	17,53,923.05	38,92,890.53	14,89,332.68
<b>IV.</b> Loans for Plant & Machinery	-	5,05,943.00	5,05,943.00	50,99,485.00
<b>Unsecured</b>				
<b>I.</b> From Directors	5,56,91,299.00	-	5,86,44,438.00	-
<b>II.</b> Inter-Corporate Deposits	8,68,02,723.69	52,44,592.62	7,61,66,143.83	1,17,47,779.00
<b>III.</b> Others	5,21,06,004.26	66,45,176.75	4,52,24,678.99	48,56,933.43
<b>TOTAL</b>	<b>21,50,91,671.17</b>	<b>3,21,61,635.42</b>	<b>21,67,95,681.35</b>	<b>3,78,93,530.11</b>

**(A) Nature of Securities:**

<b>I.</b>	<b>Term Loan from PNB</b>
	Secured by way of first charge on the fixed assets of the company created out of such borrowings, both present and future, situated at Tehsil Chaksu, Jaipur and personal guarantees of Ashok Kumar Agarwal, Ankit Agarwal and Neha Agarwal, Directors of The Company.
<b>II.</b>	<b>Subordinate Loan</b>
	SIDBI Loan is secured by way of second charge on the immovable assets of the company and further secured by the personal guarantees of Ashok Kumar Agarwal and Ankit Agarwal, Directors of Company, Smt. Santosh Agarwal and VD Agarwal, Ex-Directors of The Company.

**(B) Terms of repayment of term loans and other loans:**

1				
Secured Term Loans				
	Particulars	As At 31.03.2020	As At 31.03.2019	Terms of Repayment
<b>I.</b>	Small Industries Development Bank of India	93,32,382.00	1,68,32,382.00	Repayment in 48 Graded Monthly Installments commencing in July, 2017 @ 15% p.a. 33 Monthly installments have been paid as on 31st March, 2020.
<b>II.</b>	Hero Fincorp Ltd	5,05,943.00	10,45,295.00	Repayable in 48 Equated Monthly Installments commencing from February, 2017 @ 13% p.a. 38 Monthly Installments have been paid as on 31st March, 2020.
<b>III.</b>	Punjab National Bank	2,35,35,143.62	3,02,29,205.00	Repayable in 66 Graded Monthly Installments commencing from 30th April, 2018 @ MCLR + Spread of 4.5%, repayable Rs. 876000/- per month in FY 2020-21. 24 Monthly Installments have been paid as on 31 March, 2020
<b>IV.</b>	Dewan Housing Finance Corporation Ltd	-	45,60,133.00	Repayable in 24 Equated monthly Installments commencing from 1 April, 2018 of Rs. 406864/- each @ 12.75% p.a. 24 Monthly Installments have been paid as on 31 March, 2020.
2				
Unsecured Term Loans				
	Particulars	As At 31.03.2020	As At 31.03.2019	Terms of Repayment

	(a)	From Directors	5,56,91,299.00	5,86,44,438.00	Repayable not earlier than 12 months on demand.
	(b)	Inter-Corporate Deposits	8,68,02,723.69	7,61,66,143.83	Repayable not earlier than 12 months on demand.
	(c)	<b>Others</b>			
	i)	Standard Chartered Bank	4,35,91,664.33	4,68,02,305.18	Repayable in 144 Equated Monthly Installments of Rs. 652536/- each commencing in Dec. 2016 @ 9.85% p.a. 48 Monthly Installments have been paid as on 31st March, 2020
	ii)	Standard Chartered Bank	16,49,983.58	32,79,307.24	Repayable in 36 Equated Monthly Installments of Rs. 163416/- each @ MCLR + 4.5% p.a. commencing in March, 2018. 25 Installment has been paid as on 31st March, 2020.
	iii)	Standard Chartered Bank	98,31,905.62	-	Repayable in 36 Equated Monthly Installments of Rs. 131046/- each @ MCLR +.60% p.a.(Presently 9.80%) commencing in December, 2019. 03 Installment has been paid as on 31st March, 2020.
	iv)	IDFC First Bank Ltd	36,77,627.48	-	Repayable in 30 Equated Monthly Installments of Rs. 141040/- each @ 15.5% p.a. 06 Installment has been paid as on 31st March, 2020.

<b>3</b>	<b>Vehicle Loans</b>				
	<b>Particulars</b>	<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>	<b>Terms of Repayment</b>	
<b>I.</b>	Axis Bank Ltd	-	3,99,058.00	Repayable in 60 Equated Monthly Installments of Rs. 42500/- each @ 10.50% p.a. 60 installments have been re-paid in full as on 15/01/2020	
<b>II.</b>	The Federal Bank Ltd	5,84,348.05	7,67,906.40	Repayable in 60 Equated Monthly Installments of Rs. 20589/- each @ 8.90% p.a. 28 Installments have been paid as on 31st March, 2020.	
<b>III.</b>	HDFC Bank Ltd	34,95,696.00	-	Repayable in 60 Equated Monthly Installments of Rs. 71720/- each @ 8.50% p.a. Zero Monthly Installments have been paid as on 31st March, 2020.	
<b>IV.</b>	HDFC Bank Ltd	33,09,997.60	42,15,258.81	Repayable in 60 Equated Monthly Installments of Rs. 101640/- each @ 8.26% p.a. 23 Monthly Installments have been paid as on 31st March, 2020.	

**NOTE : 5**

<b>Long Term Provisions</b>		
<b>Particulars</b>	<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
Provision for Employee benefits	25,18,493.00	24,04,543.00
<b>TOTAL</b>	<b>25,18,493.00</b>	<b>24,04,543.00</b>

**NOTE : 6**

<b>Short Term Borrowings</b>		
<b>Particulars</b>	<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Cash credit from banks	15,99,19,807.85	15,36,89,876.91

<b>Unsecured</b>		
Security Deposits and Refundable/Adjustable Advances	-	-
<b>TOTAL</b>	<b>15,99,19,807.85</b>	<b>15,36,89,876.91</b>
<b>Nature of Securities:</b>		
<b>1</b>	<b>Cash Credit</b>	
Cash Credit under the consortium arrangements between Punjab National Bank and The Federal Bank Ltd. are Secured by way of first pari-passu charge on entire current assets, both present and future, of the company. Also collaterally secured by way of first charge ranking pari passu on all unencumbered immovable assets of the company, both present and future and equitable mortgage of Factory Land and Building on pari-passu basis located at Malviya Industrial Area, Jaipur and at Kotkhawda Road, Tehsil Chaksu, Jaipur and personal guarantees of Ashok Kumar Agarwal, Neha Agarwal and Ankit Agarwal, Directors of the company.		

**NOTE :7**

<b>Other Current Liabilities</b>			
<b>Particulars</b>		<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
(a)	Current maturities of Long Term Borrowings:		
	Term Loans (Secured)	1,80,12,000.00	1,47,00,000.00
	Vehicle Loans (Secured)	17,53,923.05	14,89,332.68
	Plant and Machinery Loans (Secured)	5,05,943.00	50,99,485.00
	Other Loans	1,18,89,769.37	1,66,04,712.43
(b)	Advance from Customers	56,94,449.45	45,64,599.65
(c)	Creditors and Provision For Expenses	2,55,63,602.58	4,64,91,011.41
(d)	Statutory & Other Liabilities	16,90,401.68	86,51,590.63
<b>TOTAL</b>		<b>6,51,10,089.13</b>	<b>9,76,00,731.80</b>

**NOTE : 8 :FIXED ASSETS**

DESCR PTION OF ASSETS	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		
	AS AT	ADDI TION S	DEDUC TIONS	AS AT	AS AT	DELE TION S	DEPRE CIATIO N/ AMORT ISATIO N	AS AT	AS AT	AS AT
	1st April 2019			31st March 2020	1st April 2019	SALE S	AS AT	31st March 2020	31st March 2020	1st April 2019
	RS.	RS.	RS.	RS.	RS.		RS.	RS.	RS.	RS.
<b>1.TANGI BLE ASSETS</b>										
Freehold Land	18,50,100.00	-	-	18,50,100.00	-	-	-	-	18,50,100.00	18,50,100.00
Leasehold Land	5,98,238.00	-	-	5,98,238.00	1,37,851.20	-	5,675.80	1,43,527.00	4,54,711.00	4,60,386.80
Buildings	8,57,55,381.57	-	-	8,57,55,381.57	2,02,08,557.19	-	24,51,441.97	2,26,59,999.16	6,30,95,382.41	6,55,46,824.38
Plant & Equipmen t	23,17,32,207.79	3,77,548.66	8,18,454.93	23,12,91,304.53	5,98,12,973.63	3,79,080.81	1,31,37,420.70	7,25,71,313.52	15,87,19,991.00	17,19,19,237.16
Miscellan eous Fixed Assts	5,49,79,128.43	1,44,42,969.42	-	6,94,22,097.85	2,07,58,369.34	-	39,07,324.86	2,46,65,694.20	4,47,56,403.65	3,42,20,759.09
Furniture and Fixtures	47,79,985.23	14,943.00	-	47,94,928.23	19,24,005.48	-	3,99,406.75	23,23,412.23	24,71,516.00	28,55,979.75
Vehicles	2,17,58,598.86	39,90,288.00	20,66,999.00	2,36,81,887.86	1,01,23,425.83	11,96,835.38	21,97,491.90	1,11,24,082.35	1,25,57,805.51	1,16,35,173.03
<b>TOTAL</b>	<b>40,14,53,62.89</b>	<b>1,88,25,749.08</b>	<b>28,85,453.93</b>	<b>41,73,93,938.04</b>	<b>11,29,65,182.67</b>	<b>15,75,916.19</b>	<b>2,20,98,761.98</b>	<b>13,34,88,028.46</b>	<b>28,39,05,909.57</b>	<b>28,84,88,460.22</b>
<i>Previous Year</i>	<i>33,70,85,12.80</i>	<i>6,97,75,221.80</i>	<i>54,06,751.71</i>	<i>40,14,53,642.89</i>	<i>9,60,57,775.11</i>	<i>49,66,138.99</i>	<i>2,18,73,546.55</i>	<i>11,29,65,182.67</i>	<i>28,84,88,460.22</i>	<i>24,10,27,397.69</i>

<b>2. INTANGIBLE ASSETS</b>										
Softwares	34,32,843.44	8,43,134.00	-	42,75,977.44	15,59,578.89	-	4,88,232.55	20,47,811.44	22,28,166.00	18,73,264.55
<b>TOTAL</b>	<b>34,32,843.44</b>	<b>8,43,134.00</b>	<b>-</b>	<b>42,75,977.44</b>	<b>15,59,578.89</b>	<b>-</b>	<b>4,88,232.55</b>	<b>20,47,811.44</b>	<b>22,28,166.00</b>	<b>18,73,264.55</b>
<i>Previous Year</i>	<i>22,94,343.04</i>	<i>11,38,500.40</i>	<i>-</i>	<i>34,32,843.44</i>	<i>12,79,888.27</i>	<i>-</i>	<i>2,79,690.62</i>	<i>15,59,578.89</i>	<i>18,73,264.55</i>	<i>10,14,454.77</i>
<b>GRAND TOTAL</b>	<b>40,48,86,486.33</b>	<b>1,96,68,883.08</b>	<b>28,85,453.93</b>	<b>42,16,69,915.48</b>	<b>11,45,24,761.56</b>	<b>15,75,916.19</b>	<b>2,25,86,994.53</b>	<b>13,55,35,839.90</b>	<b>28,61,34,075.58</b>	<b>29,03,61,724.77</b>
<i>Previous Year</i>	<i>39,32,65,937.77</i>	<i>7,09,13,722.20</i>	<i>5,92,93,149.64</i>	<i>40,48,86,486.33</i>	<i>9,73,37,663.38</i>	<i>49,66,138.99</i>	<i>2,21,53,237.17</i>	<i>11,45,24,761.56</i>	<i>29,03,61,724.77</i>	<i>29,59,28,250.39</i>

**NOTE : 9**

**Non-Current Investments**

Particulars		As At 31.03.2020	As At 31.03.2019
<i>(At cost &amp; Unquoted, Non- Trade Investment)</i>			
(a)	Fully paid-up Equity Shares of Explora IOT Solutions Pvt Ltd. a wholly owned subsidiary (Previous year 530000) (During the year under review i.e. 2019-20, the company disinvested the equity shares issued by Subsidiary Company i.e. 'Explora IOT Solutions Pvt Ltd.')	-	5,30,000.00
<b>TOTAL</b>		<b>-</b>	<b>5,30,000.00</b>

**NOTE : 10**

**Long Term Loans and Advances**

Particulars		As At 31.03.2020	As At 31.03.2019
<i>(Unsecured, considered good)</i>			
(a)	Capital Advances	21,31,943.38	26,60,576.00
<b>TOTAL</b>		<b>21,31,943.38</b>	<b>26,60,576.00</b>

**NOTE : 11**

**Other Non - Current Assets**

Particulars		As At 31.03.2020	As At 31.03.2019
<i>(Unsecured, considered good)</i>			
(a)	Security Deposits	9,20,300.00	9,20,300.00
(b)	Deferred Revenue Expenditure	81,02,990.80	21,56,757.80
(c)	Fixed Deposits with Banks (with Maturity of more than Twelve Months) <i>( Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits )</i>	2,47,06,385.00	82,26,784.00
<b>TOTAL</b>		<b>3,37,29,675.80</b>	<b>1,13,03,841.80</b>

**NOTE : 12**

**Inventories**

Particulars		As At 31.03.2020	As At 31.03.2019
(a)	Raw Materials (Including Goods in Transit of Rs - NIL Previous year Rs NIL )	4,82,75,694.82	6,32,27,354.06
(b)	Work in Progress	1,64,24,911.00	56,05,250.00
(c)	Finished Goods(including Scrap)	2,75,00,181.00	4,09,46,303.14
(d)	Stores & spares (Including Goods in Transit of Rs - NIL Previous year Rs NIL )	50,61,681.46	42,75,281.47
<b>TOTAL</b>		<b>9,72,62,468.28</b>	<b>11,40,54,188.67</b>

<b>NOTE : 13</b>			
<b>Trade Receivables</b>			
<b>Particulars</b>		<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
<i>(Unsecured, considered good)</i>			
(a)	Outstanding for a period exceeding six months from the due date	1,79,60,624.07	2,44,03,924.72
(b)	Others	36,74,59,673.76	48,16,75,283.68
<b>TOTAL</b>		<b>38,54,20,297.83</b>	<b>50,60,79,208.39</b>

<b>NOTE : 14</b>			
<b>Cash and Cash Equivalents</b>			
<b>Particulars</b>		<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
(a)	Cash on Hand	2,20,692.46	15,26,055.63
(b)	Balances with Banks:		
	i) In Current Accounts	4,565.44	60,596.72
	ii) Fixed Deposits with maturity of less than 1 year (including Accrued Interest) ( Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits )	66,51,686.00	2,63,20,829.00
<b>TOTAL</b>		<b>68,76,943.90</b>	<b>2,79,07,481.35</b>

<b>NOTE : 15</b>			
<b>Short Term Loans and Advances</b>			
<b>Particulars</b>		<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
<i>(Unsecured, considered good)</i>			
(a)	Advances Recoverable in Cash/Kind or value to be received	4,88,16,443.09	1,70,03,558.28
(b)	Prepaid Expenses	56,65,203.80	44,66,056.93
(c)	Short Term Loans and Advances	-	1,06,64,798.00
<b>TOTAL</b>		<b>5,44,81,646.88</b>	<b>3,21,34,413.21</b>

<b>NOTE : 16</b>			
<b>Other Current Assets</b>			
<b>Particulars</b>		<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
<i>(Unsecured, considered good)</i>			
(a)	Input GST Credit to be adjusted against future tax liabilities	46,59,978.75	29,107.00
(b)	Security Deposits	3,17,56,196.61	6,61,94,665.19
(c)	MAT Credit Entitlement	1,47,02,093.56	1,37,75,616.56
<b>TOTAL</b>		<b>5,11,18,268.92</b>	<b>7,99,99,388.75</b>

<b>NOTE : 17</b>			
<b>Revenue From Operations</b>			
<b>Particulars</b>		<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
(a)	<b>Sale of Products</b>		
	Product Sales	51,79,07,364.40	1,08,18,38,386.68
	Sale of Scrap	51,83,937.35	1,28,93,099.85
(b)	<b>Sale of Services</b>		
	Erection & Commissioning Services	6,38,76,845.33	6,01,57,130.05
	Works Contract Services	67,24,074.33	16,25,99,268.12
		<b>59,36,92,221.41</b>	<b>1,31,74,87,884.70</b>
(c)	<b>Other Operating Revenues</b>		
	Transport Charges Recovered	2,46,034.00	22,000.00
<b>Revenue From Operations (Gross)</b>		<b>59,39,38,255.41</b>	<b>1,31,75,09,884.70</b>

<b>NOTE : 18</b>			
<b>Other Income</b>			
<b>Particulars</b>		<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
a)	Interest on Bank Deposits including Interest Accrued but not due	20,99,441.00	27,02,162.00

b)	Interest earned on Bills of Exchange	3,32,720.47	19,08,325.50
c)	Interest earned on Loans and Advances	6,73,402.00	33,95,799.00
d)	Profit (Loss) on Sale of Fixed Assets- Net	(184537.74)	5,97,681.28
<b>TOTAL</b>		<b>29,21,025.73</b>	<b>86,03,967.78</b>

**NOTE : 19**

<b>Cost of Materials Consumed</b>			
<b>Particulars</b>		<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
Opening Stock		6,32,27,354.06	5,49,58,449.30
Add : Purchases(Net of Returns)		25,86,86,910.09	68,86,85,233.68
		<b>32,19,14,264.15</b>	<b>74,36,43,682.98</b>
Less: Closing Stock		4,82,75,694.82	6,32,27,354.06
<b>TOTAL</b>		<b>27,36,38,569.33</b>	<b>68,04,16,328.92</b>

**NOTE : 19.1**

<b>Materials consumed comprises:</b>			
<b>Particulars</b>		<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
a)	Plastic Dana	6547033.81	9924930.24
b)	Ferrous and Non-ferrous Metals	159391152.90	199728620.36
c)	Sheet Moulding Compound, Resins & other fibres etc.	32800951.61	121891483.63
d)	Electricals and Electronic Parts for Switchgears	34338801.17	59216963.10
e)	Other Materials	40560629.84	289654331.59
		<b>27,36,38,569.33</b>	<b>68,04,16,328.92</b>

**NOTE : 19.2**

<b>Value of Imported and indigenous Raw material Consumed and their percentage to consumption :</b>						
<b>Particulars</b>			<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>		
a)	Value of Imported and Indigenous Raw Materials Consumed during the year :					
	Imported	Value	Rs.	10413119.44	16891247.66	
		Percentage		3.81%	2.48%	
	Indigenous	Value	Rs.	263225449.89	663525081.27	
		Percentage		96.19%	97.52%	
				<b>27,36,38,569.33</b>	<b>68,04,16,328.92</b>	

**NOTE : 20**

<b>Changes in Inventory of Finished Goods &amp; Work in Progress</b>			
<b>Particulars</b>		<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
<b>Opening Inventory</b>	Work In Progress	5605250.00	5454314.25
	Finished Goods	40946303.14	7324317.75
		46551553.14	12778632.00
<b>Closing Inventory</b>	Work In Progress	16424911.00	5605250.00
	Finished Goods	27500181.00	40946303.14
		43925092.00	46551553.14
<b>TOTAL</b>		<b>2626461.14</b>	<b>(33772921.14)</b>

**NOTE : 21**

<b>Employee Benefits Expenses</b>			
<b>Particulars</b>		<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
a)	Salary, Wages & Allowances	33091472.16	29121587.00
b)	Contribution to Provident Fund /ESI	614818.00	400597.00
c)	Labour & Staff Welfare Expenses	143033.00	594899.00
d)	Provision for Gratuity based on Actuarial Valuation	113950.00	-4,25,260.00
<b>TOTAL</b>		<b>3,39,63,273.16</b>	<b>2,96,91,823.00</b>

<b>NOTE : 22</b>		
<b>Finance Costs</b>		
<b>Particulars</b>	<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
a) Interest Expense on Borrowings from Bank	28193804.42	3,11,63,575.61
Others	19180323.29	19528374.67
b) Other Borrowing Costs	7176104.81	13110338.02
Less: Interest Capitalized during the Year	-6,96,000.00	-1,61,776.00
<b>TOTAL</b>	<b>5,38,54,232.52</b>	<b>6,36,40,512.30</b>

<b>NOTE : 23</b>		
<b>Depreciation and Amortisation Expenses</b>		
<b>Particulars</b>	<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
a) Depreciation on Tangible Assets	22093096.98	21867881.55
b) Depreciation on Intangible Assets	488232.55	279690.62
c) Amortisation of Tangible Assets	5665.00	5665.00
d) Amortisation of Intangible Assets- Deferred Revenue Expenditure	776000.00	776000.00
<b>TOTAL</b>	<b>2,33,62,994.53</b>	<b>2,29,29,237.17</b>

<b>NOTE : 24</b>		
<b>Other Expenses</b>		
<b>Particulars</b>	<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
Auditors' Remuneration	361000.00	357500.00
Brokerage	228621.00	145886.00
Conveyance Expenses	153828.00	16582.00
Directors' Remuneration	5625000.00	4350000.00
Discount/ Rate Difference	1283344.23	3101888.84
Excise, Service Tax and VAT Expenses	53896.70	71648.00
Freight & Carriage Inward	2722055.78	8529003.65
Insurance Expenses	900094.13	1015734.12
Job Work Charges	9093365.43	41061839.71
Loading, Unloading & Labour Charges	331462.50	67498.60
Liquidated Damages Paid / (Recovered) (Net)	(2280666.00)	13046446.93
Loss on Sale of Shares of Wholly Owned subsidiary	482830.00	
Miscellaneous Expenses	9462950.10	10754433.62
Packing Material Consumed	3412706.00	14326754.88
Postage & Courier Expenses	307004.79	166066.63
Power & Fuel	11468218.12	25691481.00
Printing & Stationery	130121.72	122666.50
Professional & Legal Charges	672398.06	3250620.68
Rent	20000.00	300000.00
<b>Repairs &amp; Maintenance Expenses</b>		
a) Plant & Machinery	511429.93	3214748.16
b) Building	496565.38	662189.91
c) Others	987970.90	1110877.14
Stores, Spares & Accessories Consumed	45378502.62	214275470.14
Selling and Distribution expenses	12479292.91	37503271.12
Telephone & Internet Expenses	349461.38	390131.16
Travelling Expenses	5822614.15	5534400.76
Type-Testing Expenses	456967.43	384012.50
Vehicle Upkeep Expenses	182538.51	428114.00
<b>TOTAL</b>	<b>11,10,93,573.76</b>	<b>38,98,79,266.06</b>

(A)	<b>Auditors' Remuneration (Net of GST Input Credit)</b>		
	i) As Auditor	3,50,000.00	3,50,000.00
	ii) For Certification	11000.00	7500.00
	<b>TOTAL</b>	<b>3,61,000.00</b>	<b>3,57,500.00</b>

<b>NOTE : 24.1</b>			
<b>Value of Imported and Indigenous Stores &amp; Spares Consumed and their percentage to consumption :</b>			
<b>Particulars</b>		<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
<b>a)</b>	<b>Value of Imported and indigenous Stores &amp; Spares Consumed and their percentage to consumption :</b>		
	Imported	Value	Rs.
		Percentage	
	Indigenous	Value	Rs.
		Percentage	
		<b>45378502.62</b>	<b>214275470.14</b>

<b>NOTE : 25</b>			
<b>Related Party Transactions</b>			
Related Party Disclosures as required by AS-18 are given below:			
<b>Name of the related parties and nature of relationships :</b>			
<b>a)</b>	<b>Companies / firms with whom transactions have taken place during the year :</b>	<b>Nature of Relationship</b>	
	i) Synergy Solar System	Whole Time Director is proprietor of related firm	
	ii) Acme Metawires Private Limited	Daughter of the Managing Director is a Director of related party	
	iii) Rajasthan Aluminium House Private Limited	Brother of the Managing Director is a Director of related party	
	iv) Apex Aluminium Extrusion Private Limited	Brother of the Managing Director is a Director of related party	
	v) Agarwal Metals	Brother of the Managing Director is a Partner of related party	
	vi) Explora IOT Solutions Private Limited	Wholly Owned Subsidiary (Till 30/09/2019) and now associate company	
<b>b)</b>	<b>Key Management Personnel</b>		
	i) Mr. Ashok Kumar Agarwal,	Managing Director	
	ii) Mr. Ankit Agarwal, Whole Time Director	Whole Time Director	
	iii) Mrs. Neha Agarwal, Whole Time Director	Whole Time Director	
	iv) Mr. Bharat Bhushan Gupta,	Chief Finance Officer	
	v) Ms Pranju Daftari,	Company Secretary cum Compliance Officer (till 20/06/2019)	
	vi) Ms Neha Dusat,	Company Secretary cum Compliance Officer ( from 24/06/2019 to 18/01/2020)	
	vii) Ms Srishti Kulshrestha,	Company Secretary cum Compliance Officer (from 04/03/2020)	
<b>c)</b>	<b>Relatives of Key Management Personnel</b>	<b>Relation</b>	
	i) Mrs. Santosh Agarwal	Spouse of the Managing Director	
	ii) Mr. Vitthal Das Agarwal	Father of the Managing Director	
	iii) Mrs. Parvati Bai Agarwal	Mother of the Managing Director	
	iv) Mr. Amit Agarwal	Son -in- Law of the Managing Director	
	v) Mr. Rajendra Agarwal	Brother of the Managing Director	
	vi) Mrs. Anju Gupta	Spouse of Shri Bharat Bhushan Gupta, CFO	
	<b>The following transactions were carried out / outstanding with related parties in the ordinary course of business with parties referred above:</b>		
	<b>Particulars</b>	<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
	<b>Payments</b>		
	<i>Details of transactions with relative parties of Key Management Personnel as mentioned in (a) above are as under:</i>		
	Material Purchased	2,18,50,139.15	3,22,57,944.39
	<b>Receipts</b>		
	Sales	2,15,38,447.70	1,91,47,989.62
	<i>Details of transactions with Key Management Personnel as mentioned in (b) above are as under:</i>		
	Remuneration to Directors	56,87,400.00	44,14,800.00
	Remuneration to Key Management Persons	20,86,614.00	38,68,740.00
	Rent for factory land	-	3,00,000.00
	Interest payment	75,27,924.00	69,47,851.00
	<i>Details of transactions with Relatives of Key Management Personnel as mentioned in (c) above are as under:</i>		
	Salary Payment	6,00,000.00	4,00,000.00

	<b>Balance outstanding at the end of period/year :</b>		
	Payable as at the year end (Net)	5,41,47,580.58	5,98,59,003.07

<b>NOTE : 26</b>		
<b>Disclosure Under Accounting Standard - 7 (Revised) "Construction Contracts"</b>		
<b>Particulars</b>	<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
(a) (i) Contract Revenue recognized during the year	7,06,00,919.66	22,27,56,398.17
(ii) Method used to determine the contract revenue recognized and the stage of completion	{ Refer Note 1((ix)(b)) }	{ Refer Note 1((ix)(b)) }
(b) Disclosure in respect of contracts in progress as at the year end:-		
(i) Aggregate amount of costs incurred and recognized profits (less recognized losses)	Included under various cost and expenses head of accounts	Included under various cost and expenses head of accounts
(ii) Advances received, outstanding	-	-
(iii) Retentions receivable	1,42,86,101.26	2,86,93,217.26
(iv) Amount due from customers (included under Note 13 – Trade Receivables)	18,46,28,380.86	37,19,01,232.80
(v) Amount due to customers	-	-

<b>NOTE : 27</b>		
<b>Contingent Liabilities and Commitments</b>		
<b>Particulars</b>	<b>As At 31.03.2020</b>	<b>As At 31.03.2019</b>
a) Bank Guarantee issued to third parties ( Net of Margin )	20,16,36,405.00	23,91,71,611.00
b) Disputed Excise Demand Liability (Net of Deposits)	-	1,23,129.00

<b>NOTE : 28</b>		
<b>Earnings Per Share</b>		
<b>Particulars</b>	<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
Basic & Diluted Earnings Per Share (EPS) are computed in accordance with Accounting Standard (AS) 20 "Earnings Per Share"		
a) Weighted Average Equity Shares outstanding at year end	60,92,200	60,92,200
b) Profit for Basic & Diluted Earnings Per Share as per Statement of Profit and Loss	30,05,488.52	3,80,05,480.89
c) Earnings Per Share (Basic)	0.42	5.36
d) Earnings Per Share (Diluted)	0.42	5.36
e) Face Value per Share	10.00	10.00

<b>NOTE : 29</b>		
<b>Disclosures specified by MSMED Act, 2006</b>		
The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosure relating to amounts unpaid as at the year end together with interest paid/payable to Micro Enterprises and Small Enterprises and others, under this Act could not be given. As per "The Micro, Small and Medium Enterprises Development Act, 2006, the company is required to identify the Micro, Small and Medium Suppliers and pay interest on overdue beyond the specified period. The Management believes that there are no overdue principal amount/interest payable amount for delayed payment to such vendors at the Balance Sheet Date. Accordingly, there is no liability for interest in respect of payments made during the year or on balances brought forward from previous year.		

<b>NOTE : 30</b>		
<b>CIF Value of Imports, Expenditures and Earnings in Foreign Currency</b>		
<b>Particulars</b>	<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
(a) Raw Materials	1,04,13,119.44	1,68,91,247.66
(b) Capital Goods	19,05,173.10	4,78,343.00
(c) Expenditure in Foreign Currency	8,06,474.00	6,48,501.00
(d) Earnings in Foreign Currency	-	-

		<b>1,31,24,766.54</b>	<b>1,80,18,091.66</b>
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<b>NOTE : 31</b>			
<b>Deferred Taxation {See Note 1(vi)(b)}</b>			
<b>Particulars</b>		<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
	<b>Deferred Tax Liabilities</b>		
a)	Accumulated Depreciation	9,86,39,622.58	8,88,85,765.06
b)	Expenses claimed as deducted but deferred in accounts	81,02,990.80	21,56,757.80
		<b>10,67,42,613.38</b>	<b>9,10,42,522.86</b>
	<b>Deferred Tax Assets</b>		
a)	Expenses allowable for tax purposes on Payment Basis	25,18,493.00	24,04,543.00
b)	DTA on account of disallowance u/s 40(a)(ia)	-	2,70,438.50
		<b>25,18,493.00</b>	<b>26,74,981.50</b>
	<b>Net Deferred Tax Liability</b>	10,42,24,120.38	8,83,67,541.36
	Tax Liability on Net DTL	1,92,81,462.27	1,63,47,995.15

<b>NOTE : 32</b>			
<b>Employee Benefits</b>			
<b>A.</b>	<b>Defined Contribution Plans</b>		
	The amount recognized as an expense for defined contribution plans are as under:		
	<b>Particulars</b>	<b>For the Year Ended 31.03.2020</b>	<b>For the Year Ended 31.03.2019</b>
	Provident Fund	3,90,874.00	2,59,847.00
	Employee State Insurance	2,06,978.00	1,40,750.00
<b>B.</b>	<b>Defined Benefits Plan (Gratuity)</b>		
	Valuation in respect of Gratuity has been carried out by independent actuary as at the Balance Sheet date. The details of the same are given as under:		
<b>(i)</b>	<b>Assumptions:</b>		
(a)	Discount Rate (Per Annum)	6.75%	7.50%
(b)	Rate of increase in compensation level	10.00%	10.00%
(c)	Rate of return on Plan Assets	-	-
(d)	Expected Average remaining working lives of employees in no. of years	29.60	24.70
<b>(ii)</b>	<b>Changes in the present Value of Obligation:</b>		
(a)	Present value of the obligation at the beginning of the year	24,04,543.00	28,29,803.00
(b)	Interest Cost	1,62,307.00	2,12,235.00
(c)	Current Service Cost	7,67,173.00	5,98,091.00
(d)	Actuarial (Gain)/Loss	(815530.00)	(1235586.00)
(e)	Benefits Paid	-	-
(f)	Present value of the obligation at the end of the year	25,18,493.00	24,04,543.00
<b>(iii)</b>	<b>Amount recognized as on 31/03/2020</b>		
(a)	Present Value of Obligation as at year end	25,18,493.00	24,04,543.00
(b)	Fair value of Plan Assets as at year end	-	-
(c)	Net (Asset)/Liability recognized	25,18,493.00	24,04,543.00
<b>(iv)</b>	<b>Expenses recognized as on 31/03/2020</b>		
(a)	Current Service Cost	7,67,173.00	5,98,091.00
(b)	Interest Cost	1,62,307.00	2,12,235.00
(c)	Net actuarial (Gain)/Loss	(815530.00)	(1235586.00)
(d)	Expense(Gain) for the year which has been accounted in Profit & Loss A/c	113950.00	(425260.00)

As per our separate report of even date

For & on behalf of the Board of Directors of  
RMC Switchgears Limited

**FOR SARASWAT & COMPANY**

Chartered Accountants

FRN 004846C

**Ashok Kumar Agarwal**

Chairman Cum Managing Director

(DIN: 793152)

**CA Pravin Saraswat**

Partner

Membership Number : 072679

Jaipur, Dated The 31st Day of July, 2020

**Bharat Bhushan Gupta**

Chief Financial Officer

**Srishti Kulshrestha**

Company Secretary



**RMC SWITCHGEARS LIMITED**

CIN: L25111RJ1994PLC008698

Registered Office: 7 Km. from Chaksu, Kotkhawda Road, Village Badodiya,

Tehsil Chaksu, Tonk Road, Jaipur, Rajasthan, India -303901

Corporate office: B-11 (B&C) Malviya Industrial Area, Jaipur-302017

E Mail ID: [info@rmcindia.in](mailto:info@rmcindia.in), [cs@rmcindia.in](mailto:cs@rmcindia.in)

Website: [www.rmcindia.in](http://www.rmcindia.in), Contact No : 0141-4031516, 4400222

**MGT-11  
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**26th Annual General Meeting  
25th September, 2020**

Name of the Member(s):	-----	Email ID:-----
Registered Address:	-----	
Folio No. / Client ID:	-----	DP ID:-----

I/We, being the member(s) of----- shares of RMC Switchgears Limited, hereby appoint:

Name	-----	Email ID:-----
Address:	-----	
Signature:	-----or failing him / her;	

Name	-----	Email ID:-----
Address:	-----	
Signature:	-----or failing him / her;	

Name	-----	Email ID:-----
Address:	-----	
Signature:	-----	

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 26th Annual General Meeting of the Company, to be held on Friday, 25<sup>th</sup> September, 2020 at 11:00 A.M. (IST) at Registered Office of the Company situated at 7 K.M. from Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	Vote (Optional, See note 2) Please mention no. of shares	
		For	Against
	<b>Ordinary Business:</b>		
1.	Adoption of Financial Statements		
2.	Re-appointment of Mr. Ankit Agrawal as a Director, liable to		

	retire by rotation.		
3.	Appointment of Statutory Auditor		
	<b>Special Business:</b>		
4.	Appointment of Mr. Kuldeep Kumar Gupta as an Independent Director		
5.	Appointment of Mrs. Krati Agarwal as an Independent Director		
6.	Change in designation of Mr. Ashok Kumar Agarwal from Managing Director to Chairman cum Managing Director and amendments in terms of appointment of the same.		
7.	Amendments in terms of appointment of Mr. Ankit Agrawal, Whole Time Director of the Company.		
8.	Amendments in terms of appointment of Mrs. Neha Agrawal, Executive Director of the Company.		

Affix  
Revenue  
Stamp

Signed this-----day of -----2020

-----  
Signature of Shareholder

-----  
Signature of First proxy holder

-----  
Signature of Second proxy holder

-----  
Signature of Third proxy holder

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company and shall provide his identity at the time of attending the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote (on poll) at the Meeting in the manner he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the Meeting in person if he / she so wishes. When a Member appoints a proxy and both the Member and proxy attend the Meeting, the proxy will stand automatically revoked.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. This form of proxy shall be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
8. This form of proxy will be valid only if it is duly completed in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
9. If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

**RMC SWITCHGEARS LIMITED**

CIN: L25111RJ1994PLC008698

Registered Office: 7 Km. from Chaksu, Kotkhawda Road, Village Badodiya,  
Tehsil Chaksu, Tonk Road, Jaipur, Rajasthan, India -303901

Corporate office: B-11 (B&C) Malviya Industrial Area, Jaipur-302017

E Mail ID: [info@rmcindia.in](mailto:info@rmcindia.in), [cs@rmcindia.in](mailto:cs@rmcindia.in)

Website: [www.rmcindia.in](http://www.rmcindia.in), Contact No : 0141-4031516, 4400222

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**ATTENDANCE SLIP**

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

DP ID		Regd. Folio No.	
Client ID		No. of Shares held	

I / we hereby record my / our presence at the 26th Annual General Meeting of the members of the Company held on Friday, the 25<sup>th</sup> September, 2020 at 11.00 A.M. (IST) at the Registered Office of the Company at 7 K.M. from Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Chaksu-303901(Rajasthan).

-----  
Name of the Shareholder (In BLOCK LETTERS)

-----  
Signature

-----  
Name of the Proxy (In BLOCK LETTERS)

-----  
Signature

NOTE: PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE  
ENTRANCE OF THE MEETING VENUE.

## RMC SWITCHGEARS LIMITED

CIN: L25111RJ1994PLC008698

Registered Office: 7 Km. from Chaksu, Kotkhawda Road, Village Badodiya,  
Tehsil Chaksu, Tonk Road, Jaipur, Rajasthan, India -303901

Corporate office: B-11 (B&C) Malviya Industrial Area, Jaipur-302017

E Mail ID: [info@rmcindia.in](mailto:info@rmcindia.in), [cs@rmcindia.in](mailto:cs@rmcindia.in)

Website: [www.rmcindia.in](http://www.rmcindia.in), Contact No : 0141-4031516, 4400222

### ROUTE MAP OF THE AGM VENUE

#### RMC SWITCHGEARS LIMITED

7 Km. from Chaksu, Kotkhawda Road, Village Badodiya,  
Tehsil Chaksu, Tonk Road, Jaipur, Rajasthan, India -303901

