

Rapicut Carbides Limited

Regd. Office & Works :

119, GIDC Industrial Area,
Ankleshwar - 393 002, Gujarat (India)
Tel. : ++91 (2646) 251118, 221071
e-mail : info@rapicutcarbides.com
Web site : www.rapicutcarbides.com



An ISO 9001 CERTIFIED COMPANY

CIN : L28910GJ1977PLC002998

PAN No. AAACR8753N

**Listing/Corporate Relationship Dept./
Market Operations Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001.
Fax : 022-2272 3121/2272 1919**

Ref: RCL:KMS:BSE:AGM-NOTICE/19:

Date: 29-08-2019

Dear Sir,


**Sub: 42nd Annual Report of the Company for the Financial Year 2018-19.
Scrip Code: 500360**

As per disclosure under Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, please find attached 42nd Annual Report of the Company for the Financial Year 2018-19.

You are requested to take note of the same.

Thanking you,

Yours faithfully,
For RAPICUT CARBIDES LIMITED


**Kamlesh Shinde
(Company Secretary)**

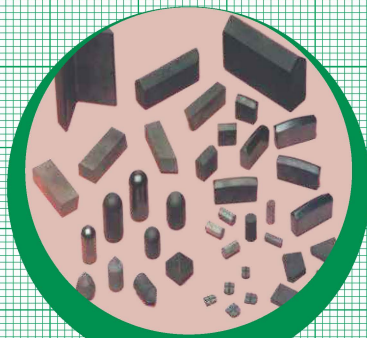


Encl: As above.

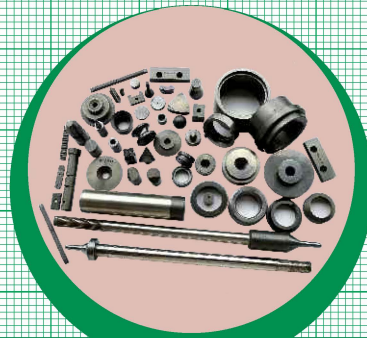
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Rapicut Carbides Limited

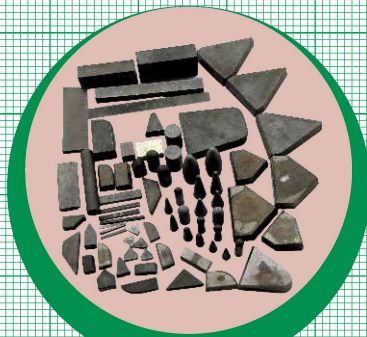
AN ISO 9001:2015 COMPANY



MINING



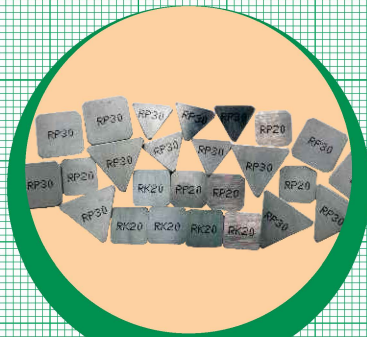
FINISHED WEAR PARTS



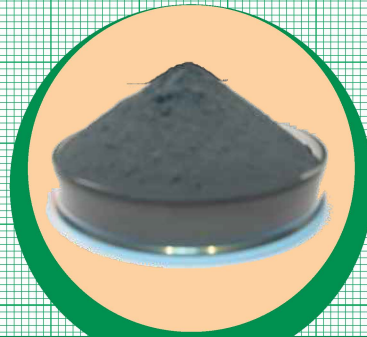
METAL CUTTING



SINTERED WEAR PARTS



ISO MILLING INSERTS



TC POWDER

42

**FORTY SECOND
ANNUAL REPORT
2018-2019**

CERTIFICATE

Management system as per
ISO 9001 : 2015

In accordance with TÜV NORD CERT procedures, it is hereby certified that

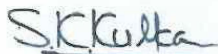
RAPICUT CARBIDES LIMITED
119, GIDC Industrial Estate,
Ankleshwar - 393 002, Gujarat,
India

applies a management system in line with the above standard for the following scope

**Manufacture and Sale of Tungsten and Tungsten Carbide
Products for Mining and Engineering Applications**

Certificate Registration No. **04 100 990693**
Audit Report No. **2.5-0062/1999**

Valid until **04.08.2020**
Valid from **04.08.2017**
Initial certification **02.06.1999**



Certification Body
at TÜV NORD CERT GmbH

Issue **18.07.2017**
Place : **Mumbai**

This certification was conducted in accordance with the TÜV INDIA auditing and certification procedures and is subject to regular surveillance audits.

TÜV NORD CERT GmbH Langemarckstrasse 20 45141 Essen www.tuev-nord-cert.com

TUV India Pvt. Ltd., 801, Raheja Plaza – 1, L.B.S. Marg, Ghatkopar (W), Mumbai - 400 086, India www.tuv-nord.com/in



Deutsche
Akkreditierungsstelle
D-ZM-12007-01-01

QUALITY POLICY

TOTAL CUSTOMER SATISFACTION
SHALL BE OUR PRIME CORPORATE
OBJECTIVE. WE SHALL ACHIEVE THIS
THROUGH INCULCATING TEAM SPIRIT
IN EVERY MEMBER OF THE COMPANY.
THE SPIRIT OF EXCELLENCE IS THE
CORNER STONE OF ALL WE DO.
QUALITY WITH US IS A WAY OF LIFE.
VALUE FOR MONEY TO THE CUSTOMER
CONTINUOUS IMPROVEMENT AND
MOVING TOWARDS ZERO DEFECT IS
OUR CONSISTENT ENDEAVOUR.
WE SHALL CONTINUALLY MEET
STATUTORY & LEGAL REQUIREMENT
AND INTERESTED PARTY REQUIREMENT
ALONG WITH CUSTOMER
REQUIREMENT



J.C. BHATIA
MANAGING DIRECTOR

BOARD OF DIRECTORS

| | |
|----------------|------------------------|
| J. C. Bhatia | Managing Director |
| L. M. Bijlani | Non-Executive Director |
| C. G. Cholera | Non-Executive Director |
| B. V. Dholakia | Independent Director |
| D. D. Kanitkar | Independent Director |
| Gayatri Parikh | Independent Director |

Management Team

B. D. Markad
Chief Operating Officer

A. R. Master
Chief Financial Officer

Kamlesh M. Shinde
Company Secretary & Compliance Officer

A. C. Gandhi
Sr. Manager (Production)

Sanjay Kumar
DGM (Sales & Marketing)

Consultant Team

R. V. Krishnan
Marketing Consultant

K. S. Dave
HR & Admin Consultant

Registrars & Share Transfer Agents
Sharex Dynamic (India) Pvt. Ltd.,
C-101, 247 Park, L B S Marg,
Vikhroli West, Mumbai-400083.

Tel : 022 28515606 / 5644 Fax : 022 28512885
Email ID : investor@sharexindia.com,
support@sharexindia.com
Website : www.sharexindia.com

Bankers
State Bank of India

Auditors
Maloo Bhatt & Co.
Chartered Accountants
Vadodara.

Registered Office & Works :
119, GIDC Industrial Area,
Ankleshwar - 393 002.
Ph. : 02646 - 251118
Fax : 02646 - 251019
CIN : L28910GJ1977PLC002998
E-mail : info@rapicutcarbides.com
investors@rapicutcarbides.com
Web : www.rapicutcarbides.com

Area Sales Offices At :
Door No. 78/84, 1st Floor,
Block- "B", Anandham Enclave,
Dharga Road, Zamin Pallavaram,
Chennai - 600 043.

1/29-B, Prince Gulam
Mohammed Road,
Kolkata - 700 026.

201-Sonal Building, Plot No.113,
RSC-11, Sector No. 1, Charkop,
Near King George School,
Kandivali (West),
Mumbai - 400 067.

7, Shivaji Housing Society,
Pune - 411 016.

Sales Representative
Bangalore

42ND ANNUAL REPORT

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NOTICE

42nd Annual General Meeting

NOTICE is hereby given that 42nd Annual General Meeting of the Members of Rapicut Carbides Limited will be held on Saturday, September 28, 2019 at 12.00 noon at Hotel Sadanand, Rajpipla Road, Ankleshwar- 393 002, Gujarat, to transact the following ordinary business:

1. To receive, consider and adopt the Audited Financial Statements comprising the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date, the reports of the Board and Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended March 31, 2019.
3. To appoint a Director in place of Shri. Lalit Mohan Bijlani (DIN: 01382116) who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board

**Kamlesh M Shinde
(Company Secretary)**

Date : 10th August, 2019
Place : Mumbai

NOTES

1. **A Member entitled to attend and vote at the Annual General Meeting (hereinafter "the AGM") is entitled to appoint a proxy to attend and vote on his/her behalf and a proxy need not be a Member of the Company.**

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The Instrument appointing the Proxy, in order to be effective must be submitted at the Company's Registered Office, duly completed and signed not later than FORTY-EIGHT HOURS before the commencement of the AGM. Proxies submitted on behalf of Bodies Corporate, Societies, etc., must be supported by appropriate resolutions/authority, as applicable.

Blank Proxy form is enclosed.

2. Corporate Members intending to send their Authorized Representative to attend the AGM are requested to send a certified copy of the Board Resolution to the Company, authorizing their Representative to attend and vote on their behalf at the AGM.
3. Members, Proxies and Authorized Representatives are requested to bring their copy of the Annual Report along with duly completed Attendance Slip enclosed herewith to attend the AGM.
4. The Annual Report duly circulated to the Members of the Company is available on the Company's Website at 'www.rapicutcarbides.com' and on the website of Central Depository Services (India) Ltd. at www.evotingindia.com. Shareholders can register their queries, if any, on e-mail id: investors@rapicutcarbides.com.
5. The Company has fixed Friday, September 20, 2019 as the 'Record Date' for determining entitlement of Members to Dividend for the financial year ended March 31, 2019.
6. If the Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such Dividend will be made on or after October 10, 2019 as under:
 - i) to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the Depositories ie NSDL & CDSL as of the close of business hours on Friday, September 20, 2019;
 - ii) to all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Friday, September 20, 2019.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, mandates, nominations, power of attorney, bank details to their DP's in case the shares are held in electronic form and in case of shares held in physical form to the Company's Registrar and Share Transfer Agents at below mentioned address:

Sharex Dynamic (India) Private Limited
C-101, 247 Park, L B S Marg,
Vikhroli West, Mumbai- 400083.
Tel : 022 28515606 / 5644 Fax : 022 28512885
Email ID : investor@sharexindia.com, support@sharexindia.com
Website : www.sharexindia.com
8. As per the provisions of Section 72 of the Companies Act, 2013 (hereinafter "the Act") the facility for making 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 to the Company's Registrar and Share Transfer Agents. Nomination Form is attached at the end of the Annual Report.
9. Members seeking any information or clarification from the Annual Report, are requested to write to the Company at least one week before the AGM, so as to enable the Management to keep the information ready at the AGM.
10. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "Listing Regulations"), as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members may contact the Company or Company's Registrar and Transfer Agents for assistance in this regard.

Shareholders can register their complaints, if any, on an e-mail ID of the Company: investors@rapicutcarbides .com / or on the email id of the Registrar: investor@sharexindia.com

11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11.00 a.m. and 1.00 p.m. up to the day prior to the day of the meeting.
12. The Company has uploaded the information in respect of the Unclaimed Dividends in respect of the Financial years 2011- 2012 to 2017-2018 on the website of the IEPF www.iepf.gov.in/ and under "Investor Section" on the website of the Company viz. www.rapicutcarbides.com.
13. In Compliance with Section 124 and 125 of the Act, the Company has transferred the unpaid and unclaimed dividends for the financial year ended March 31, 2011 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

In terms of Section 124 of the Act, all unpaid and unclaimed dividend for the financial year ended March 31, 2012 will be transferred to the Investor Education and Protection Fund set up by the Government u/s 125 of the Act on October 26, 2019 and thereafter no claim shall lie against the Company in respect of the said unpaid or unclaimed amount. Shareholders may approach IEPF Authority for claiming the dividend transferred to Investor Education and Protection Fund and follow the procedure as per Rule 7 of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred as "IEPF Rules") for claiming unpaid dividend. The Company has uploaded the information in respect of Unclaimed Dividends for the years 2011-2012 to 2017-2018 on the website of the Company.

14. As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid / unclaimed for seven consecutive years or more are required to be transferred to IEPF Demat Account. The Company had sent notice to all the members whose Dividends are lying unpaid/ unclaimed against their name for seven consecutive years or more. Members are requested to claim the same. In case the dividends are not claimed, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF without further notice. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF.

In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

15. The Company's shares are listed on BSE Limited. The Company has paid the listing fees for the financial year 2019-20 to BSE Ltd. The Company has also paid custodial fees for the year 2019-20 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
16. Pursuant to Section 101 and Section 136 of the Act, read with relevant Rules made thereunder, Company has served Notice of AGM and Annual Report through physical mode. To support the 'Green Initiative', Members willing to avail various notices, communications and documents including Annual Reports in electronic mode are requested to write to the Company accordingly and register their e-mail ID's with the Company by intimating the same to the Registrar and Share Transfer Agents of the Company.
17. A route map showing directions to reach the venue of the 42nd Annual General Meeting is given at the end of the Annual Report as per the requirement of Secretarial Standard-2 on "General Meeting".
18. In compliance with the provisions of Section 108 of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members, the facility to exercise their right to vote at the 42nd Annual General Meeting by electronic means. The Instructions in this behalf are stated herein below:

Remote e-voting facility/Voting through electronic means:

- A) The Company has appointed Central Depository Services (India) Limited ("CDSL") to provide the remote e-voting facility. In case of any query pertaining to e-voting, please visit Help & FAQ's section of CDSL e-voting website: www.evotingindia.com.
- B) The Board of Directors has appointed Shri S. Samdani or in his absence Shri Suresh Kumar Kabra, Partners of M/s Samdani Shah and Kabra, Practicing Company Secretaries, Vadodara, as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- C) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date i.e, September 21, 2019 may obtain the login ID and password by

sending a request at helpdesk.evoting@cdslindia.com or investors@rapicutcarbides.com. However, if a person is already registered with CDSL for e-voting then existing user ID and password can be used for casting vote.

- D) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- E) The facility for voting through ballot papers will be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
- F) The Scrutinizer will immediately after the conclusion of voting at the meeting, count the votes cast at the meeting, thereafter will unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutinizer will, not later than 48 hours of conclusion of the meeting, submit a consolidated scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing.
- G) The results along with the Scrutinizer's Report will be placed on the website of the Company and on the website of Central Depository Services (India) Limited and will be communicated to BSE Limited.
- H) The instructions for shareholders voting electronically are as under:**
- (i) The voting period begins on Wednesday, September 25, 2019, 9.00 am and ends on Friday, September 27, 2019, 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 21, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" /Members tab to cast your votes.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. Ex. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the Depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p> |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members

holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company (Rapid Carbides Limited) on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobile. The m-Voting app can be downloaded from Google Play Store. Apple and Windows Phone users can download app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the Mobile App while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Annexure-A

Details of the Director seeking re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 are as under:

| | |
|--|--|
| Name of the Director | Shri. Lalit Mohan Bijlani |
| Date of Birth | 5th August, 1950 |
| Date of first Appointment on the Board | 30th March, 1984 |
| Qualification | Arts Graduate |
| Experience in specific functional areas | Finance, Admin, Marketing, Legal, Management. |
| Directorships in other Public Companies | Nil |
| Chairman/ Member of the Committees of the Board of Directors of the Company | Member of Stakeholders Relationship Committee |
| Chairman/Member of the Committees of the Board of Directors of the other Companies in which he is a Director | Nil |
| No. of Shares held in the Company | Nil |
| Inter-se Relationship between Directors | NA |
| Director Identification Number | 01382116. |

BOARD'S REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting their 42nd Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2019. The Company operates only in one business segment viz., Tungsten and Tungsten Carbide Products.

FINANCIAL HIGHLIGHTS

| Particulars | (Rs. in Lakhs) | |
|--|--------------------------------------|------------------------------|
| | Year ended March 31, 2019 | Year ended March 31, 2018 |
| Sales and Other Income | 4628 | 4258 |
| Profit before Depreciation and Tax (Including Deferred Tax) | 458 | 511 |
| Profit after Depreciation and Tax | 284 | 316 |
| Reassessment of Losses (Profit) on defined employee benefit plans and fair value of loan | 18 | 55 |
| Total Comprehensive income for the year | 266 | 261 |
| Add: Profit brought forward from previous year | 1219 | 1095 |
| Profit available for appropriation | 1485 | 1356 |
| Appropriations : | | |
| Dividend and Dividend Tax | 117 | 97 |
| Transfer to General Reserve | 40 | 40 |
| Profit carried to Balance Sheet | 1328 | 1219 |

DIVIDEND

Based on the Company's performance, the Directors have recommended a dividend of Rs.1.50 per equity share for the financial year 2018-19. The dividend paid for financial year 2017-18 was Rs. 1.80 per share. The dividend on equity shares, if approved by the members, would involve a cash outflow of Rs 97.06 Lakhs, including dividend tax, surcharge and education cess.

TRANSFER TO RESERVES

Your Directors propose to transfer Rs 40.00 Lakhs to the General Reserve out of the current year's profit and retain the balance amount of Rs. 1328 Lakhs in the Profit and Loss Account.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report as "Annexure I".

CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final report.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint venture or Associate Company.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

SHARE CAPITAL

There is no change in paid up equity share capital during the year. The paid up equity share capital of the Company as on March 31, 2019 is Rs 53712450/-.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 (the Act) and the Article of Association of the Company, Shri Lalit M Bijlani (DIN: 01382116) Director of the Company retires by rotation and being eligible, offers himself for re appointment. A resolution seeking shareholders approval for his re-appointment forms part of the Notice. During the year, Shri Chandrashekhar J. Bhatia relinquished the position of Non-Executive Director with effect from September 14, 2018 due to personal reasons. The Board places on record its appreciation for his invaluable contribution and guidance.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder. There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

Pursuant to provisions of Section 203 of the Act, during the year, Shri. Balaram Markad, Senior Vice President of the Company was appointed as Chief Operating Officer and also as Key Managerial Personnel. The other Key Managerial Personnel as on March 31, 2019 are Shri. Ashwin R Master, Chief Financial Officer and Shri. Kamlesh M Shinde, Company Secretary.

BOARD EVALUATION

The Nomination and Remuneration Committee and Board has carried out an Annual performance Evaluation of its own, its Committees and individual Directors pursuant to the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and Structure, Effectiveness of Board Process, Information and Functioning etc. In a separate Meeting of the Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole was evaluated taking into account the views of Managing Director and Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD

Six (6) Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

April 16, 2018; May 26, 2018; August 11, 2018; September 22, 2018; November 14, 2018; February 07, 2019.

The necessary quorum was present at all the meetings.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's Policy on Directors appointment and remuneration and other matters provided in Section 178 (3) of the Act is annexed to this report as "Annexure II".

AUDIT COMMITTEE

The Audit Committee consists of the following members:

1. Shri. Bhumitra V. Dholakia- Chairman. (Independent, Non- Executive).
2. Shri. Dhananjay D. Kanitkar-Member. (Independent, Non- Executive).
3. Shri. Jagdish C. Bhatia-Member. (Managing Director).

Five Audit Committee Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

May 26, 2018; August 11, 2018; September 22, 2018; November 14, 2018; February 07, 2019.

Board accepted recommendations of the Audit Committee.

AUDITORS

At the fortieth AGM held on September 23, 2017 the Members approved appointment of M/s. Maloo Bhatt & Co., Chartered Accountants (Firm Registration No.129572W) as Statutory Auditors of the Company to hold office for a period of four years from the conclusion of that AGM till the conclusion of the forty forth AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM. The Statutory Auditors' report does not contain any qualifications, reservations or adverse remarks.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Samdani Shah & Kabra, a firm of Company Secretaries in Practice, to conduct Secretarial Audit of the Company for the Financial Year ended March 31, 2019. The Secretarial Audit Report in Form MR-3 is annexed herewith as "Annexure III". The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

COST AUDITORS

The provisions of the Cost Audit are not applicable to the Company and hence the Company is not required to appoint Cost Auditor. However cost records as specified under Section 148 (1) read with relevant Rules and accordingly such accounts and records are made and maintained by the Company.

REPORTING OF FRAUD BY AUDITORS

There are no offences involving fraud committed against the company by officers or employees of the company, pursuant to section 143(12) of the Act, reported by auditors to the central government.

NOMINATION AND REMUNERATION COMMITTEE AND STAKE HOLDERS RELATIONSHIP COMMITTEE

The Company has duly constituted Nomination and Remuneration Committee and Stake Holders Relationship Committee.

During the financial year ended March 31, 2019 under review, the Company held Three Nomination and Remuneration Committee Meetings as under:-

May 26, 2018; September 22, 2018; November 14, 2018.

During the financial year ended March 31, 2019 under review, the Company held Sixteen Stakeholder's Relationship Committee Meeting.

COMPLIANCE WITH SECRETARIAL STANDARDS

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

RISK MANAGEMENT

The Company has the risk assessment and mitigation procedures in place and the Board has been kept informed of such assessment.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Company has not granted any loans, furnished guarantees and made investments during the financial year ended March 31, 2019 as envisaged under Section 186 of the Act.

RELATED PARTY DISCLOSURES

The particulars of Contracts or Arrangements entered into with related parties under Section 188 of the Companies Act, 2013 are furnished in "Annexure IV" to this report.

CORPORATE SOCIAL RESPONSIBILITY

Since the Company is not falling under all three criteria mentioned in Section 135 (1) of the Companies Act, 2013. The Company is not required to spend 2% of the average net profits of the three immediately preceding financial years mentioned in Section 135 (5) of the Act.

ANNUAL RETURN AND EXTRACT OF ANNUAL RETURN

As per provisions of Section 92 of the Act read with Rules made thereunder, a draft Annual Return of the Company for the year

under review in the form MGT-7 is available on the website of the Company at <http://www.rapicutcarbides.com/finance.htm> and the Extract of Annual Return in the form MGT-9 has been annexed to this Report as “Annexure V”.

DIRECTORS RESPONSIBILITY STATEMENT

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

- In the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards have been followed and there are no material departures;
- Such accounting policies as mentioned in Note 1, 2 and 29 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- Proper and sufficient care has been taken 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 irregularities;
- The Annual Financial Statements have been prepared on a going concern basis;
- Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively with the size and nature of the business. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and the timely preparation of reliable financial disclosure.

HEALTH, SAFETY AND MEASURES TAKEN ON ENVIRONMENT PRESERVATION.

The health and safety of the employees across its operations remains the highest priority for the Company. All endeavours are being taken to enhance safety standards and processes towards minimizing risks in all operations in the Company. Initiatives taken by Company on Health, Safety and on Environment Preservation are mentioned below:

- Company has appointed a dynamic safety officer supported by safety committee.
- In association with union and workers, Company implemented following programmes.

Swachha Rapicut Abhiyan

- Workers contribute voluntarily twice a month for shramdaan and clean up the peripheral of company inside the compound.

Green Rapicut Abhiyan :

- Company planted more than 50 plants during the year.

Safe Rapicut Abhiyan:

- Safety equipments are provided to all workers as per safety needs.
- Helmets are made mandatory for all employees who commute on duty by two wheeler.
- All pressure vessels are being tested at scheduled intervals.
- Training on safety is conducted periodically for all concerned workers.

Measures on Health

- Health awareness training program to all the workers.
- Safety nose masks are provided to keep workers safe from any occupational health issues.

Measures taken on Environment Preservation

- Workers are educated for making minimum waste of food, cotton, plastics and plastic bags etc. These wastes are collected and disposed off regularly.

Accident at Factory:

- There were no accidents during the year under review.

WHISTLE BLOWER / VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) & (10) of the Act, a Vigil Mechanism or Whistle Blower Policy has been established for directors, employees and other stakeholders to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The said Policy provides for adequate safeguards against victimization and direct access to the higher levels of supervisors. The same is also uploaded on the website of the Company and web-link to the same is : <http://rapicutcarbides.com/finance.htm>

CORPORATE GOVERNANCE AND REPORT THEREON

Pursuant to Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compliance with the Corporate Governance provisions as specified in Regulations 17 to 27 and para C, D and E of Schedule V are not applicable to the Company as the paid up share capital of the Company is less than Rs. 10 Crores and net worth is also less than Rs. 25 Crores as on the last day of previous financial year. Hence, Corporate Governance Report is not furnished.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Except as disclosed elsewhere in this report, no material changes and commitments that could affect the Company's financial position have occurred during the financial year of the Company.

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

Pursuant to the requirement of Section 134(3) (m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the details pertaining to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are provided as follows:

A. CONSERVATION OF ENERGY

a) Energy Conservation measures taken:

1. Close monitoring of consumption of electricity, Diesel and water.
2. Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required.
3. Creating awareness among Workmen to conserve energy.

b) Impact of measures:

1. Due to measures taken as described above, the overall power and fuel oil consumption at plants and office had decreased.

2. Details of total energy consumption:

| Sr. No. | Particulars | 2018-2019 | 2017-2018 |
|---------|------------------------------------|-----------------------|----------------|
| (a) | Purchased:- Electricity | | |
| | (i) Unit (KWH) | 2183923 | 2229105 |
| | (ii) Total Amount (Rs in Lakhs) | 164.79 | 169.80 |
| | (iii) Rate/Unit (Rs.) | 7.57 | 7.62 |
| (b) | Own Generation | | |
| | (i) Coal | Not Applicable | Not Applicable |
| | (ii) Furnace Oil- KI | Not Applicable | Not Applicable |

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company has not imported, innovated or adapted any technology during the year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

| During the Period under review: | 2018 -19 | 2017-18 |
|---------------------------------|----------------|---------|
| a) Foreign exchange earnings | 17.82 | 17.09 |
| b) Foreign exchange expenditure | 1011.24 | 1902.77 |

PARTICULARS OF EMPLOYEES

Particulars of Employees pursuant to Section 134(3) (q) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

| Sr. No. | Requirement under Rule 5 | Details |
|---------|---|--|
| 1. | Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year | Shri. Jagdish C Bhatia, Managing Director: 9.37 Shri B V Dholakia, Independent Director: 0.317 Shri DD Kanitkar, Independent Director: 0.302 Shri LM Bijlani, Non Executive Director: 0.288 Shri CG Cholera, Non Executive Director: 0.288 Smt. Gayatri Parikh, Non Executive Director: 0.245 |
| 2. | Percentage increase in remuneration of each Director, Chief Financial Officer, Executive Director, Company Secretary | Shri. Jagdish C Bhatia, Managing Director: 3.43% Shri. B D Markad, Chief Operating Officer: 8.93% Shri. Ashwin R Master, Chief Financial Officer: 13.70% Shri. Kamlesh M Shinde, Company Secretary: 28.18% |
| 3. | Percentage increase in the median remuneration of employees in the financial year | Increase by 5.70 % |
| 4. | Number of permanent Employees as on March 31, 2019 on the rolls of the Company | 97 Employees |
| 5. | Average percentile increase made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Managerial Personnel: 9.17% Other Personnel : 5.13% |
| 6. | Affirmation that the remuneration is as per the remuneration policy of the Company | Remuneration is as per the Nomination and Remuneration Policy of the Company. |

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

In terms of regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details in respect of equity shares lying in the suspense accounts are given below:

| Requirement under Rule 5 | No. of Shareholders | No. of Shares |
|--|---------------------|---------------|
| Aggregate outstanding shares lying in the suspense account at the beginning of the year i.e. as on April 1, 2018 | 335 | 90769 |
| Number of shareholders/legal heirs who approached to the issuer/Registrar for transfer of shares from suspense account during the Financial Year 2018-19 | 2 | 1650 |
| Number of shareholders/legal heirs to whom shares were transferred from suspense account during the Financial Year 2018-19 | 2 | 1650 |
| Aggregate outstanding shares lying in the suspense account at the end of the year i.e. as on March 31, 2019 | 333 | 89119 |

The voting rights on the shares in the suspense account as on March 31, 2019 will remain frozen till the rightful owners of such shares claim the shares.

DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has set up an Internal Complaints Committee (ICC) for providing a Redressal Mechanism pertaining to Sexual Harassment of Women employees at workplace. There was no complaint received during the year under review. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on following items during the year under review:

1. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
3. The Company has not resorted to any Buy Back of its shares during the year under review.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. The Company is not required to submit Business Responsibility Report in pursuance of Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their sincere appreciation for the support and assistance extended by the Company's Suppliers, Bankers and Business Associates. Your Directors are thankful to the employees and the esteemed Shareholders for their continued support and the confidence reposed in the Company and its Management.

For and on behalf of the Board

Date : 10th August, 2019
Place : Mumbai

Chetan G. Cholera
(Director)

Jagdish C. Bhatia
(Managing Director)

ANNEXURE - I

TUNGSTEN CARBIDE INDUSTRY STRUCTURE, PERFORMANCE, DEVELOPMENT, OVERVIEW

Financial year 2018/19 went through a very pitch in raw material price volatility in both the principal inputs viz; Tungsten Oxide and Cobalt Metal Powder and the price of latter more than doubled. Consequently, inspite of closely controlled other expenses and about 9% rise in Turnover compared with the previous year, margins came under pressure and this feature was most significant in the last quarter of 2018-19.

OUTLOOK

However the outlook for 2019-20, holds promise of marked improvement in margins particularly after the first quarter has seen appreciable drop in raw material prices which is bound to reflect in margins in subsequent quarters.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

The product-wise performance of the Company is mentioned below:-

| Sr. No. | Particulars of Products Manufactured | 12 Months ended 31/03/2019 | 12 Months ended 31/03/2018 |
|---------|--------------------------------------|----------------------------|----------------------------|
| 1. | Metal Cutting | 250793 Nos. | 416008 (Nos) |
| 2. | Mining | 1041623 Nos. | 938660 (Nos) |
| 3. | Wear Parts | 71404 Nos. | 46032 (Nos) |
| 4. | Intermediates | 38304 Kgs. | 40634 (Kgs) |
| 5. | TC Tool Room Products | 54478 Nos. | 20534 (Nos) |

Drop in Metal Cutting numbers resulted in somewhat feeble business of end users because of various reasons. But this was more than compensated by surge in wear parts and Tool Room Products as also Mining products to some extent.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

Marketing team is working towards achieving growth in Mining Buttons and Tool Room Products, the latter of which is traditionally high value added product group. Company has thus far managed to stay insulated against competitive forces and hopes do so the current year also.

AREAS OF CONCERN

- Price volatility in key raw materials;
- Uncertainty in sustained stability of Rupee-USD equation;
- Assured conducive business environment which at certain times tends to be shaky;
- Natural calamities and/or accidents.

INTERNAL CONTROL SYSTEMS THEIR ADEQUACY AND COMPLIANCE

The company has put in place fairly sound system of internal controls recorded and reported diligently.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

It has been the strong point of company's approach to continuously understanding and working towards maintaining a healthy relationship with its workforce. This reflects in the day work/activities at the ground level.

| | |
|---|-----|
| Number of Employees at the Beginning of the year | 106 |
| Number of Employees Recruited during the year | 3 |
| Number of Employees Resigned during the year | 6 |
| Number of Employees Retired/Expired during the year | 6 |
| Number of Employees at the End of the year | 97 |

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS DURING THE FINANCIAL YEAR 2018-19

The key financial ratios during FY 2018-19 vis-à-vis FY 2017-18 are as below:

| Sr No | Key Financial Ratios | FY 2018-19 | FY 2017-18 |
|-------|---------------------------|-------------------|------------|
| 1 | Debtors Turnover Ratio* | 5.88 | 7.80 |
| 2 | Inventory Turnover Ratio | 1.768 | 1.767 |
| 3 | Interest Coverage Ratio | 17.17 | 19.25 |
| 4 | Current Ratio | 3.51 | 3.15 |
| 5 | Debt Equity Ratio | 0.401 | 0.436 |
| 6 | Operating Profit Margin % | 8.56% | 10.66% |
| 7 | Net Profit Margin% | 6.14% | 7.43% |
| 8 | Return on Networth % | 11.12% | 13.15% |

* This Ratio is reflective of the increased turnover of 2018-19.

The other key financial ratios has not witnessed a significant change i.e. a change of 25% or more as compared to FY 2017-18.

ANNEXURE - II

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

POLICY RELATING TO APPOINTMENT OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND PAYMENT OF REMUNERATION

Introduction

In terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time this policy of nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objectives

- Formulate criteria and terms and conditions with regard to person who are qualified to become Directors, Key Managerial Personnel, Senior Management Personnel and to determine their remuneration.
- Formulate criteria for evaluation of Directors, Key Managerial Personnel and Senior Management Personnel.
- Recommending to the Board, appointment and/or removal of Directors, Key Managerial Personnel, Senior Management Personnel.

Effective Date of Implementation

This policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on August 09, 2014. The policy shall be operative with immediate effect.

Definitions

Company: Company means Rapicut Carbides Limited.

Directors: Directors means the Directors of the Company whether executive or Non-Executive.

Board: Board means Board of Directors of the Company.

Committee: Committee means the Nomination and Remuneration Committee of the Company constituted by the Board.

Independent Director: A director mentioned under clause 49 of the Listing Agreement and Section 149 of the Companies Act, 2013 & who is a non-executive Director other than a nominee director appointed by the Banks, Financial Institutions.

Key Managerial Personnel: Key Managerial Personnel (hereinafter named as KMP) according to section 2(51) of the Companies Act, 2013, in relation to company, means-

- i) Chief Executive Officer or the Managing Director or the Manager
- ii) Company Secretary
- iii) Whole time Director
- iv) Chief Financial Officer
- v) Such other officer as may be prescribed.

Senior Management Personnel: Senior Management Personnel means all the members one level below the Executive Directors and includes the Functional Heads.

Applicability of Policy

The Policy shall be applicable to all the Directors (executive and non-executive) including Independent Directors, Key Managerial Personnel and Senior Management Personnel.

Appointment of Directors, KMP and Senior Management Personnel

- i) the candidate should possess adequate qualification, experience and expertise for the position he/she is considered for appointment;
- ii) the Committee shall formulate the criteria for determining qualifications, experience, personal traits for appointment of Directors, KMP and Senior Management Personnel;

- iii) the Committee shall have discretion to decide whether qualification, experience possessed by the candidate to be considered for appointment as Director, KMP and Senior Management Personnel is sufficient for the concerned profile;
- iv) the appointment of Directors, KMP and Senior Management Personnel shall be according to Section 149, 152, 196 and 203 of the Companies Act, 2013 & the Listing Agreement of BSE;
- v) the candidate recommended by the member for directorship shall not possess any disqualifications as mentioned under section 164 of the Companies Act, 2013;
- vi) the Committee authorises the Managing Director to select the candidate and recommend to the Committee for the relevant profile.

Remuneration to Directors, KMP and Senior Management Personnel

- i) the Committee shall recommend the remuneration to be paid to Managing Director, Executive Director, KMP and Senior Management Personnel;
- ii) the remuneration shall be sufficient and reasonable to attract and retain talent;
- iii) the remuneration payable to Directors, KMP and Senior Management Personnel shall not exceed the limits mentioned in Section 197 & 198 of the Companies Act, 2013 & Schedule V of the Companies Act, 2013;
- iv) all the directors of the Company shall be paid fixed percentage of commission on Net Profits;
- v) fixed sitting fees shall be paid to non-executive directors and independent directors for attending board meeting;
- vi) fixed monthly remuneration shall be paid to Managing Director, Executive Director, KMP and Senior Management Personnel;
- vii) the annual variable pay of Managing Director, Executive Director, KMP, Senior Management Personnel is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year, independent directors shall not be entitled to any stock option of the Company.
- viii) independent directors shall not be entitled to any stock option of the Company.

Resignation by Directors, KMP & Senior Management Personnel

- i) Director may tender his/her resignation as per the Section 168 of the Companies Act, 2013;
- ii) Managing Director, Executive Director, KMP and Senior Management Personnel may tender their resignation as per their employment contract and/or terms of appointment;

Removal of Directors, KMP & Senior Management Personnel

- i) Directors may be removed from their position as per Section 169 of the Companies Act, 2013 by passing an ordinary resolution;
- ii) Nominee Directors and Directors appointed by Tribunal shall not be removed as per Section 169 of the Companies Act, 2013 before the expiry of their term;
- iii) Managing Director, Executive Director, KMP and Senior Management Personnel may be removed from their position if they are found to breach any of the terms of their appointment.

Retirement of Directors, KMP & Senior Management Personnel

- i) the director shall retire by rotation as per the Section 152 of the Companies Act, 2013;
- ii) independent director shall not retire by rotation as per Section 152 of the Companies Act, 2013;
- iii) KMP & Senior Management Personnel shall retire as per the prevailing policy of the Company;
- iv) the Board will have discretion to retain Director, KMP & Senior Management Personnel in the same position and/or remuneration or otherwise even after attaining the age of retirement for the benefit of the Company.

ANNEXURE – III
Secretarial Audit Report

For the Financial Year ended March 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013, Rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and
Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

To,
The Members,
RAPICUT CARBIDES LIMITED
119, GIDC Industrial Area,
Ankleshwar – 393 002,
Gujarat.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rapicut Carbides Limited (hereinafter referred to as '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, 2019, (the period under review) 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 the Company for the period under review according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We report that, there were no actions/events in pursuance of the following regulations requiring compliance thereof by the Company during the period under review:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 / 2018;
- b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 / 2018;

We have also examined compliance with the applicable clauses/regulations of the following for the period under review:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- ii. The Listing Agreements entered into by the Company with the Stock Exchange "BSE Ltd". However, it was not mandatory for the company to comply with the provisions of Corporate Governance as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as it did not fall in the criteria for applicability of Corporate Governance though the company has voluntarily complied with these provisions as far as possible.

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;

- A. 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, if any, were carried out in compliance with the provisions of the Act.
- B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting.
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- D. There are adequate systems and processes in place, whereby the Company ensures and monitor compliances of applicable laws, rules, regulations and guidelines.
- E. The Compliance Management Tool / System are adequate, commensurate with the size and operations of the Company and operating effectively.
- F. During the audit period there were no specific instances / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677

CP No. 2863

Vadodara,

Date: August 10, 2019

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

Appendix A

To,
The Members,
RAPICUT CARBIDES LIMITED
119, GIDC Industrial Area,
Ankleshwar – 393 002,
Gujarat.

Our Secretarial Audit report of even date is to be read along with this letter, that:

- i. Maintenance of Secretarial records and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.
- iv. 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.

S. Samdani
Partner
Samdani Shah & Kabra
Company Secretaries
FCS No. 3677
CP No. 2863

Vadodara,
Date: August 10, 2019

ANNEXURE - IV

FORM AOC-2 – RELATED PARTY TRANSACTIONS

(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)

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 arm's length transactions under third proviso thereto. Followings are the transactions at Arm's Length and in the Ordinary Course of Business. There is no transaction which can be defined as the transaction not being at Arm's Length and not in the ordinary course of business.

| Sr. No. | Particulars | Details of contracts or arrangements or transactions not at arm's length basis | Details of material contracts or arrangement or transactions at arm's length basis | | |
|---------|---|--|--|--|---|
| | | | | | |
| 1. | Name(s) of the related party and nature of relationship | None | Smt. Dayawanti J Bhatia (Wife of Managing Director of the Company) | Shri. Chander J Bhatia (Executive Director of the Company) | Shri. Chander J Bhatia (Executive Director of the Company) |
| 2. | Nature of contracts/ arrangements/transactions | None | Flat rented to Company for accommodation of Managing Director of the Company. | Flat rented to Company for its Mumbai Sales Branch Office. | Flat rented to Company for utilizing it as Company's Guest House |
| 3. | Duration of the contracts | None | 24 Months Leave and Licence Agreement effective 1st October, 2018 to 30th September, 2020. | 1) 7 Months Leave and Licence Agreement effective from 1st March, 2018 to 30th September, 2018. 2) 24 Months Leave and Licence Agreement effective from 1st October, 2018 to 30th September, 2020. | 1) 4 Months Leave and Licence Agreement effective from 1st June, 2018 to 30th September, 2018. 2) 24 Months Leave and Licence Agreement effective from 1st October, 2018 to 30th September, 2020 |
| 4. | Salient terms of the contracts or arrangements or transactions including the value, if any | None | 1085 Sq.ft. Flat on Rs. 80,000/- rent per month. | 934 Sq.ft Flat on Rs. 20,000/- rent per month plus Society Charges and taxes at actuals till 30th September, 2018. Rent Revised to Rs 25000/- per month effective from 1st October, 2018 till 30th September, 2020 | 1086 Sq.ft. Flat on Rs.15,000/- rent per month. |
| 5. | Justification for entering into such contracts or arrangements or transactions | None | Not Applicable | Not Applicable | Not Applicable |
| 6. | Date(s) of approval by the Board | None | 22nd September, 2018 | 1) 10th February, 2018. 2) 22nd September, 2018. | 1) 26th May, 2018. 2) 22nd September, 2018. |
| 7. | Amount paid as advances, if any: | None | Refundable Deposit of Rs 10,15,000/- | Refundable Deposit of Rs 4,50,000/- | Refundable Deposit of Rs 30,000/- |
| 8. | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | None | Not Applicable | Not Applicable | Not Applicable |

For and on behalf of Board of Directors

Date : August 10, 2019
Place : Mumbai

Chetan G. Cholera
Director

Jagdish C. Bhatia
Managing Director

ANNEXURE - V

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|--|--|
| I) | CIN | L28910GJ1977PLC002998 |
| II) | Registration Date | 5th April, 1977 |
| III) | Name of the Company | Rapicut Carbides Limited |
| IV) | Category Sub-Category of the Company | Public Limited Company Company having Share Capital |
| V) | Address of the Registered Office and Contact Details | 119, GIDC Industrial Area, Ankleshwar - 393002 Tel No: 02646 251118 Website: www.rapicutcarbides.com Email Id: investors@rapicutcarbides.com |
| VI) | Whether listed Company | Yes |
| VII) | Name, Address and Contact Details of Registrar and Transfer Agent, if any: | Sharex Dynamic (India) Pvt Limited C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400 083 Phone No.: +91-22-28515606, 28515644 Fax No.: +91-22-28512885 E-mail: support@sharexindia.com Website: www.sharexindia.com |

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are as given below :

| Name and Description of main products/services | NIC Code of the Product/Service | % to total turnover of the Company |
|--|---------------------------------|------------------------------------|
| Tungsten and Tungsten Carbide Products | 24209 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary and Associate Company.

I. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding:

| Category of Share holders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual | 764743 | - | 764743 | 14.23 | 764743 | - | 764743 | 14.23 | - |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | 956172 | - | 956172 | 17.80 | 956172 | - | 956172 | 17.80 | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other (NRI) | 51242 | - | 51242 | 0.95 | 51242 | - | 51242 | 0.95 | - |
| Sub-Total (A)(1) | 1772157 | - | 1772157 | 32.99 | 1772157 | - | 1772157 | 32.99 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | 1000 | 375 | 1375 | 0.02 | 1000 | 375 | 1375 | 0.02 | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) HUF | 148497 | 2000 | 150497 | 2.80 | 167705 | 1500 | 169205 | 3.15 | 3.15 |
| Sub-total (B)(1):- | 149497 | 2375 | 151872 | 2.82 | 168705 | 1875 | 170580 | 3.17 | 0.35 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp | | | | | | | | | |
| i) Indian | 157060 | 3387 | 160447 | 2.98 | 166046 | 2700 | 168746 | 3.14 | 0.16 |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | - | - | - | - | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 1793196 | 466090 | 2259286 | 42.06 | 1780950 | 399140 | 2180090 | 40.58 | (1.48) |
| ii) Individual shareholders holding nominal share capital in excess Rs. 1 lakh | 790754 | 56437 | 847191 | 15.77 | 865702 | 56437 | 922139 | 17.16 | 1.39 |
| c) Others (specify) IEPF A/C | 80302 | - | 80302 | 1.49 | 95064 | - | 95064 | 1.77 | 0.28 |
| Non Resident Indians | 43053 | 187 | 43240 | 0.80 | 34057 | 187 | 34244 | 0.63 | (0.17) |
| Overseas Corporate Bodies | - | - | - | - | - | - | - | - | - |
| Foreign Nationals | - | - | - | - | - | - | - | - | - |
| Clearing Members | 54250 | 0 | 54250 | 1.01 | 28225 | - | 28225 | 0.52 | (0.49) |
| Trusts | 2500 | - | 2500 | 0.04 | - | - | - | - | (0.04) |
| Foreign Bodies-D R | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | 2921115 | 526101 | 3447216 | 64.17 | 2970044 | 458464 | 3428508 | 63.83 | (0.35) |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 3070612 | 528476 | 3599088 | 67.0 | 3138749 | 460339 | 3599088 | 67.00 | - |
| C. Shares held by Custodian for GDRs and ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 4842769 | 528476 | 5371245 | 100% | 4910906 | 460339 | 5371245 | 100% | - |

i) Shareholding of Promoters and entities of Promoter Group:

| Sr. No. | Share holder'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 | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Pragya Equities Pvt Ltd | 956172 | 17.80 | - | 956172 | 17.80 | - | - |
| 2 | Chetan Gopaldas Cholera | 100 | 0.002 | - | 100 | 0.002 | - | - |
| 3 | Bharti Chetan Cholera | - | - | - | - | - | - | - |
| 4 | Kanayalal Gagandas Narumalani | 40500 | 0.75 | - | 40500 | 0.75 | - | - |
| 5 | Khushal Gagandas Narumalani | 14937 | 0.28 | - | 14937 | 0.28 | - | - |
| 6 | Dayawanti Jagdish Bhatia | 300585 | 5.60 | - | 300585 | 5.60 | - | - |
| 7 | Lalit Mohan Bijlani | - | - | - | - | - | - | - |
| 8 | SupertRoyalTravelsAndTours PvtLtd | - | - | - | - | - | - | - |
| 9 | Meera Shankar Pendsay | 225269 | 4.19 | - | 225269 | 4.19 | - | - |
| 10 | Jagdish Chetandas Bhatia | 69010 | 1.29 | - | 69010 | 1.29 | - | - |
| 11 | Chander Bhatia | 57687 | 1.07 | - | 57687 | 1.07 | - | - |
| 12 | Shashidhar Jagdish Bhatia | 56655 | 1.06 | - | 56655 | 1.06 | - | - |
| 13 | Girish Jagdish Bhatia | 51242 | 0.95 | - | 51242 | 0.95 | - | - |

ii) Change in Promoter's Shareholding:

| Sr. No. | Name of the Promoter | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|--------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total company |
| 1 | JAGDISH C BHATIA | | | | |
| | Opening Balance | 69010 | 1.29 | 69010 | 1.29 |
| | Shares bought during the period 01/04/2017 to 31/03/2018 | - | - | - | - |
| | Shares sold during the period 01/04/2017 to 31/03/2018 | - | - | - | - |
| | Closing Balance | 69010 | 1.29 | 69010 | 1.29 |

i) Shareholding Pattern of Top Ten Shareholders (Other than Directors and Promoters):

| Sr. No. | Name of the Shareholder | Share holding at the beginning of the year | | Cumulative Share holding during the year | |
|-----------|--|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| 1 | G V NAGABRAHMA | | | | |
| | At the beginning of the year | 102108 | 1.90 | 102108 | 1.90 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | - | - | 102108 | 1.90 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 102108 | 1.90 |
| | At the end of the year | 102108 | 1.90 | 102108 | 1.90 |
| 2 | PUSHPA KUMAR | | | | |
| | At the beginning of the year | 94000 | 1.75 | 94000 | 1.75 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | - | - | 94000 | 1.75 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 94000 | 1.75 |
| | At the end of the year | 94000 | 1.75 | 94000 | 1.75 |
| 3 | SHASHI RANI GUPTA | | | | |
| | At the beginning of the year | 54402 | 1.01 | 54402 | 1.01 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | - | - | 54402 | 1.01 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 54402 | 1.01 |
| | At the end of the year | 54402 | 1.01 | 54402 | 1.01 |
| 4 | NIDHI JAWAHAR | | | | |
| | At the beginning of the year | 53993 | 1.00 | 53993 | 1.00 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | - | - | 53993 | 1.00 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 53993 | 1.00 |
| | At the end of the year | 53993 | 1.00 | 53993 | 1.00 |
| 5 | M B PADMAVATHI | | | | |
| | At the beginning of the year | 45867 | 0.85 | 45867 | 0.85 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | - | - | 45867 | 0.85 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 45867 | 0.85 |
| | At the end of the year | 45867 | 0.85 | 45867 | 0.85 |
| 6 | SAIFUDDIN FAKHRUDDIN MIYAJIWALA | | | | |
| | At the beginning of the year | 25064 | 0.47 | 25064 | 0.47 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | 20000 | 0.37 | 45064 | 0.84 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 45064 | 0.84 |
| | At the end of the year | 45064 | 0.84 | 45064 | 0.84 |
| 7 | DHARMESH MANHARLAL GANDANI | | | | |
| | At the beginning of the year | - | - | - | - |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | 36240 | 0.67 | 36240 | 0.67 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 36240 | 0.67 |
| | At the end of the year | 36240 | 0.67 | 36240 | 0.67 |
| 8 | SHIRISH JOSHI | | | | |
| | At the beginning of the year | 22000 | 0.41 | 22000 | 0.41 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | 9200 | 0.17 | 31200 | 0.58 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 31200 | 0.58 |
| | At the end of the year | 31200 | 0.58 | 31200 | 0.58 |
| 9 | S S KUMAR HUF | | | | |
| | At the beginning of the year | 28825 | 0.54 | 28825 | 0.54 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | - | - | 28825 | 0.54 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 28825 | 0.54 |
| | At the end of the year | 28825 | 0.54 | 28825 | 0.54 |
| 10 | BHAVINI AJAY MUKHTYAR# | | | | |
| | At the beginning of the year | 27250 | 0.50 | 27250 | 0.50 |
| | Shares bought during the period 01/04/2018 to 31/03/2019 | - | - | 27250 | 0.50 |
| | Shares sold during the period 01/04/2018 to 31/03/2019 | - | - | 27250 | 0.50 |
| | At the end of the year | 27250 | 0.50 | 27250 | 0.50 |

I) Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | Share holding of each Director and Key Managerial Personnel | Share holding at the beginning of the year | | Share holding at the end of the year | |
|---------|---|--|----------------------------------|---------------------------------------|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| 1 | Chetan Gopaldas Cholera | 100 | 0.001 | 100 | 0.001 |
| 2 | Jagdish Bhatia | 69010 | 1.28 | 69010 | 1.28 |
| 3 | Chander Bhatia* | 57687 | 1.07 | 57687 | 1.07 |
| 4 | Dhananjay D Kanitkar | 750 | 0.01 | 750 | 0.01 |
| 5 | Bhumitra V Dholakia | 625 (2 nd Joint Holder) | 0.01 | 625 (2 nd Joint Holder) | 0.01 |
| 6 | Gayatri Parikh | 11283 | 0.21 | 11283 | 0.21 |
| 7 | Lalit Mohan Bijlani | Nil | Nil | Nil | Nil |
| 8 | Balram D Markad (COO)# | Nil | Nil | Nil | Nil |
| 9 | Ashwin R Master (CFO) | Nil | Nil | Nil | Nil |
| 10 | Kamlesh M Shinde (Company Secretary) | Nil | Nil | Nil | Nil |

*Shri Chander Bhatia resigned from the office of Non-Executive Director w.e.f September 14, 2018.

#Shri. Balram D Markad appointed as Key Managerial Personnel w.e.f September 22, 2018.

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment. (In Rs.)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 10612956 | 3208999 | - | 13821955 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 27503 | - | 27503 |
| Total (i+ii+iii) | 10612956 | 3236502 | - | 13849458 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 549789106 | - | - | 549789106 |
| Reduction | 526720118 | 3236502 | - | 529956620 |
| Net Change | 23068988 | (3236502) | - | 19832486 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 33681944 | - | - | 33681944 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 33681944 | - | - | 33681944 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
(In Rs.)

| Sr. No. | Particulars | Name of MD/WTD/ Manager | Total Amount |
|---------|---|-------------------------|--------------|
| | | J C Bhatia (MD) | |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 - | 1906800 | 1906800 |
| | (b) Value of perquisites u/s 17(2) Income -tax Act, 1961 | 736450 | 736450 |
| | (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, specify... | - | - |
| 5 | Others, please specify | | |
| | Contribution to Provident Fund | 228816 | 228816 |
| | Contribution to Gratuity | 134603 | 134603 |
| | Contribution to Superannuation | 275520 | 275520 |
| | Total | 3282189 | 3282189 |
| | Ceiling as per the Act | 5% of the Net Profit | |

A. Remuneration to other directors
(In Rs.)

| Sr. | Particulars of Remuneration | Name of Directors | | | | | C J Bhatia | Total Amount |
|-----|---|----------------------|--------------|----------------|-------------|--------|------------|--------------|
| | | B V Dholakia | D D Kanitkar | Gayatri Parikh | L M Bijlani | | | |
| 1 | Independent Directors | | | | | | | |
| | Fee for attending Board/ Committee meetings | 30000 | 25000 | 5000 | - | - | - | 60000 |
| | Commission | 80948 | 80948 | 80948 | - | - | - | 242844 |
| | Others, please specify | | | | | | | |
| | Total (1) | 110948 | 105948 | 85948 | - | - | - | 302844 |
| 2 | Other Non-Executive Directors | | | | | | | |
| | Fee for attending Board/ Committee meetings | - | - | - | 20000 | 20000 | 5000 | 45000 |
| | Commission | - | - | - | 80949 | 80949 | - | 161898 |
| | Others, please specify | | | | | | | |
| | Total (2) | | | | | | | |
| | Total (B)=(1+2) | | | | | | | |
| | Total Managerial Remuneration | 110948 | 105948 | 85948 | 100949 | 100949 | 5000 | 509742 |
| | Overall Ceiling as per the Act | 1% of the Net Profit | | | | | | |

B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD
(In Rs.)

| Sr. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|--------|--------|---------|
| | | COO | CFO | CS | TOTAL |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1891896 | | 674436 | 3843828 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 85382 | 80969 | 75092 | 241443 |
| | (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, specify... | - | - | - | - |
| 5 | Others, please specify | | | | |
| | Contribution to Provident Fund | 145400 | 104665 | 52975 | 303040 |
| | Contribution to Gratuity | 97508 | 68432 | 32056 | 197996 |
| | Contribution to Superannuation | 181751 | 130832 | 64250 | 376833 |
| | | | | | |
| | Total | 2401937 | | 898809 | 4963140 |

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no instances of any penalties/punishments/compounding of offences for the year ended 31st March, 2019.

CEO/CFO CERTIFICATION

To,
The Board of Directors
Rapicut Carbides Limited.

1. We have reviewed the financial statements and the Cash Flow Statement of Rapicut Carbides Limited for the period ended March 31, 2019 and to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the period ended March 31, 2019 are fraudulent, illegal or violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - Significant changes in the Company's internal control over financial reporting during the period;
 - Significant changes, if any in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

Date: 25th May, 2019
Place : Mumbai

Aswhin R. Master
Chief Financial Officer

Jagdish C. Bhatia
Managing Director

DECLARATION

I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed the Compliance with the Code of Conduct for the year ended March 31, 2019.

Date : 25th May, 2019
Place : Mumbai.

Jagdish C. Bhatia
Managing Director

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Rapicut Carbides Limited
Report on the Ind AS financial statements**

Opinion

We have audited the accompanying Ind AS financial statements of Rapicut Carbides Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as Ind AS financial statements)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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: including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2019, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit 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. There is no key audit matter to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's information, but does not include the financial statements and our auditor's report thereon.

Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's information are expected to be made available to us after this Auditor's Report.

As per information and explanations received from management corporate governance is not applicable to the company for the year under audit.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS financial statements

The Management and Board of Directors of the company are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act, read with (Indian Accounting Standards) Rules, 2015.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for

safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements 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. That Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

Other Matter

We believe that the audit evidence, we have obtained is sufficient & appropriate to provide the basis for our audit opinion on the Ind AS financial statement.

Report on Other Legal and Regulatory Requirements

1. 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 enclose in the Annexure-A statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - The Balance Sheet, Statement of Profit and Loss, including other comprehensive income, its cash flows and the changes in equity dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid Ind AS financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
 - On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
 - 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" and
 - In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 :
 - a) The Company has disclosed the impact of pending litigations as at 31st March, 2019 on its financial position in its financial statement.
 - b) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - c) There has been an occasion in case of the Company during the year under report to transfer sums to the Investor Education and Protection Fund. There was no delay in transferring such sums.

For **MALOO BHATT & CO.**
Chartered Accountants

YASH BHATT
Partner
Mem. No.117745
FR No.129572W

Place: Mumbai
Date: 25th May, 2019.

ANNEXURE-A

TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in paragraph 1 Our Report of even date to the members of Rapicut Carbides Limited on the accounts of the company for the year ended 31st March, 2019.

- 1) On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:
 - The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
 - All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - All the title deeds of immovable properties are held in the name of the company.
- 2) The Inventory has been physically verified during the year by the management. The discrepancies noticed on verification between the physical stocks and the book records are not material.
- 3) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- 4) In our opinion company has complied with provisions of section 185 & 186 of the Companies Act, 2013 wherever applicable in respect of loans, investments, guarantees and securities.
- 5) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder to the extent notified.
- 6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained, however we have not made detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7) According to the information and explanations given to us, and based on records of the company examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, custom duty, excise duty, service tax, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities in India.
- 8) According to the information and explanations given to us, there are dues of Central Excise, Income Tax and Service Tax which have not been deposited as the same are disputed. The disputed statutory dues aggregating to Rs.5.03/- lakhs, that have not been deposited on account of matters pending before appropriate authorities are as under:

| Sr. No | Name of the Statute | Name of the Dues | Forum where Dispute is pending | Amount (In Lacs) |
|--------------|--------------------------|------------------|--------------------------------|------------------|
| 1. | Central Excise Act, 1944 | Excise Duty | Commissioner (Appeal) CESTAT | 0.10 |
| 2 | Service Tax | Service Tax | Commissioner (Appeal) | 4.93 |
| TOTAL | | | | 5.03 |

- 9) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders as at the balance sheet date.
- 10) In our opinion, the company has not raised any money by way of public offer including debt instrument. The term loans

outstanding at the end of the year were applied for the purposes for which they were raised.

- 11) During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- 12) In our opinion managerial remuneration has been paid or provided in accordance with requisite approval wherever applicable, and mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- 13) The Company is not covered by Nidhi rules, 2014.
- 14) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 & 188 of the Companies act, 2013 wherever applicable and the details have been disclosed in the Ind As financial statement as required by the applicable accounting standards.
- 15) During the year company has not made any preferential allotment or private placement of share or convertible debentures, hence requirement of section 42 of the Companies Act, 2013 are not applicable.
- 16) During the year company has not entered into any non-cash transaction with directors or person connected with him, hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- 17) Company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934.

Place: Mumbai
Date: 25th May, 2019.

For **MALOO BHATT & CO.**
Chartered Accountants

YASH BHATT
Partner
Mem. No.117745
FR No.129572W

Annexure – B

INDEPENDENT AUDITOR'S REPORT

Independent Auditors' report to the members of Rapicut Carbides Limited ("the company") on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2019 in conjunction with our audit of the Ind As 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.

AUDITORS' 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, 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 Ind As 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 CONTROLS OVER FINANCIAL REPORTING

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind As 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 details, 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 Ind As financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind As 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 March, 2019, 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 or Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai
Date: 25th May, 2019.

For **MALOO BHATT & CO.**
Chartered Accountants

YASH BHATT
Partner
Mem. No.117745
FR No.129572W

BALANCE SHEET AT MARCH 31, 2019

(Amount in Rs.)

| SR. NO. | PARTICULARS | NOTE NO. | As at 31/03/19 | As At 31/03/18 |
|---------|--------------------------------------|----------|---------------------|---------------------|
| | ASSETS | | | |
| 1 | Non-current assets | | | |
| a. | Property, plant and equipment | 3 - A | 4,69,61,569 | 5,12,62,000 |
| b. | Capital work-in-progress | 3 - B | - | - |
| c. | Other intangible assets | 4 | 13,64,211 | 23,22,992 |
| d. | Intangible assets under development | | - | - |
| e. | Financial assets | | | |
| (i) | Investments | 5 | 5,27,407 | 4,23,060 |
| (ii) | Trade receivables | 6 | 1,39,100 | 49,528 |
| (iii) | Loans | | - | - |
| (iv) | Other financial assets | 7 | 40,46,707 | 40,42,557 |
| f. | Deferred tax assets (net) | | - | - |
| g. | Other non-current assets | 8 | - | - |
| | Total non-current assets | | 5,30,38,994 | 5,81,00,137 |
| 2 | Current assets | | | |
| a. | Inventories | 9 | 20,65,81,635 | 19,84,40,321 |
| b. | Financial assets | | | |
| (i) | Other investments | | - | - |
| (ii) | Trade receivables | 6 | 8,89,29,080 | 6,83,01,978 |
| (iii) | Cash and cash equivalents | 10 | 44,53,757 | 59,75,077 |
| (iv) | Bank balances other than (iii) above | 11 | 52,876 | 40,75,874 |
| (v) | Loans | | - | - |
| (vi) | Other financial assets | 7 | 44,000 | 1,10,000 |
| c. | Current Tax Assets (Net) | 19 | 7,44,354 | - |
| d. | Other current assets | 8 | 41,07,752 | 1,05,12,770 |
| e. | Assets classified as held for sale | | - | - |
| | Total current assets | | 30,49,13,454 | 28,74,16,020 |
| | Total assets | | 35,79,52,448 | 34,55,16,157 |
| | EQUITY AND LIABILITIES | | | |
| 1 | Equity | | | |
| a. | Equity Share capital | 12 | 5,37,12,450 | 5,37,12,450 |
| b. | Other equity | 13 | 20,16,48,275 | 18,67,35,035 |
| | Total equity | | 25,53,60,725 | 24,04,47,485 |
| 2 | Liabilities | | | |
| 1 | Non-current liabilities | | | |
| a. | Financial liabilities | | | |
| (i) | Borrowings | 14 | 11,15,162 | 7,40,504 |
| (ii) | Trade payables | 15 | - | - |
| - | Due to Micro & Small Enterprises | | - | - |
| - | Others | | 32,414 | 3,427 |
| (iii) | Other financial liabilities | 16 | 26,43,470 | 28,49,606 |
| b. | Provisions | 17 | 1,02,95,496 | 79,48,661 |
| c. | Deferred tax liabilities (Net) | | 8,98,877 | 15,44,922 |
| d. | Other non-current liabilities | 20 | 6,45,000 | 6,45,000 |
| | Total non-current liabilities | | 1,56,30,419 | 1,37,32,120 |
| 2 | Current liabilities | | | |
| a. | Financial liabilities | | | |
| (i) | Borrowings | 18 | 3,23,22,201 | 1,06,12,955 |
| (ii) | Trade payables | 15 | - | - |
| - | Due to Micro & Small Enterprises | | 55,18,868 | 46,95,840 |
| - | Others | | 3,69,90,466 | 4,92,90,441 |
| (iii) | Other financial liabilities | 16 | 7,92,648 | 31,05,483 |
| b. | Provisions | 17 | 82,33,060 | 92,71,998 |
| c. | Current Tax Liabilities (Net) | 19 | - | 34,18,976 |
| d. | Other current liabilities | 20 | 31,04,061 | 1,09,40,859 |
| | Total current liabilities | | 8,69,61,304 | 9,13,36,552 |
| | Total liabilities | | 10,25,91,723 | 10,50,68,672 |
| | Total equity and liabilities | | 35,79,52,448 | 34,55,16,157 |

 Basis of preparation, measurement and significant accounting policies
 Notes to Account

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Auditor's Report Signed in terms of our separate report of even date
For Maloo Bhatt & Co.
 Chartered Accountants

Yash Bhatt
 Partner
 M. No. 117745
 FR No. 1259572W

 Place : Mumbai
 Date : 25th May, 2019.

A. R. Master
 Chief Financial Officer

Kamlesh M. Shinde
 Company Secretary
 M No. : 35836

For and on behalf of the Board
J. C. Bhatia Managing Director
 Din No. 00250737
C. G. Cholera Non Executive Director
 Din No. 00131143
B. V. Dholakia Independent Director
 Din No. 01871816
Gayatri Parikh Independent Director
 Din No. 00045529
D. D. Kanitkar Independent Director
 Din No. 03523774

PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rs.)

| SR. NO. | PARTICULARS | NOTE NO. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|-------------|--|----------|---------------------|---------------------|
| | Revenue from operations | 21 | 46,24,72,573 | 42,53,51,346 |
| | Other income | 22 | 3,19,260 | 4,60,131 |
| I | Total Income | | 46,27,91,833 | 42,58,11,477 |
| | Expenses | | | |
| a. | Cost of materials consumed | 23 | 32,53,44,005 | 24,89,72,457 |
| b. | Purchase of stock-in-trade | | | |
| c. | Changes in inventories of finished goods, stock-in-trade and work-in-process | 24 | (2,26,19,993) | (32,77,336) |
| d. | Excise duty on sale of goods | | - | 74,98,625 |
| e. | Employee benefits expense | 25 | 5,53,42,008 | 5,68,04,096 |
| f. | Finance costs | 26 | 23,06,942 | 23,55,224 |
| g. | Depreciation and amortisation expense | 27 | 85,55,821 | 81,06,966 |
| h. | Other expenses | 28 | 5,65,71,574 | 6,23,53,791 |
| II | Total expenses | | 42,55,00,357 | 38,28,13,822 |
| III | Profit before tax | | 3,72,91,476 | 4,29,97,655 |
| IV | Tax expense | | | |
| | (1) Current tax | | 1,11,00,000 | 1,24,00,000 |
| | (2) Earlier year tax | | (15,65,098) | (3,61,462) |
| | (3) Deferred tax | | (6,46,045) | (6,79,246) |
| V | Profit for the year | | 2,84,02,619 | 3,16,38,363 |
| VI | Other Comprehensive Income | | | |
| a. | Item that will not be reclassified to Profit & Loss A/c | | | |
| | Fair value of gain on investment | | 1,04,347 | 1,57,356 |
| | Remeasurment of employee benefit plan | | (19,38,156) | (57,00,170) |
| b. | Item that will be reclassified to Profit & Loss A/c | | | |
| VII | Total comprehensive Income for the year | | 2,65,68,810 | 2,60,95,549 |
| VIII | Earning per Equity Share | | | |
| | Basic | | 4.95 | 4.86 |
| | Diluted | | 4.95 | 4.86 |

Basis of preparation, measurement and significant accounting policies

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Notes to Account

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Auditor's Report Signed in terms of our separate report of even date For Maloo Bhatt & Co.
Chartered Accountants

Yash Bhatt
Partner
M. No. 117745
FR No. 1259572W

A. R. Master
Chief Financial Officer

Kamlesh M. Shinde
Company Secretary
M No. : 35836

Place : Mumbai
Date : 25th May, 2019.

For and on behalf of the Board

J. C. Bhatia Managing Director
Din No. 00250737
C. G. Cholera Non Executive Director
Din No. 00131143
B. V. Dholakia Independent Director
Din No. 01871816
Gayatri Parikh Independent Director
Din No. 00045529
D. D. Kanitkar Independent Director
Din No. 03523774

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rs.)

| | Particulars | Year Ended 31/03/19 | Year Ended 31/03/18 |
|-------------|--|------------------------|------------------------|
| I. | CASH INFLOWS | | |
| (01) | From Operating activities | | |
| | (a) Profit from operating activities Adjustments : | 3,72,91,476 | 4,29,97,655 |
| | Depreciation and amortization | 85,55,821 | 81,06,966 |
| | Loss/(Profit) on sale of Fixed assets | (1,08,263) | - |
| | Loss on sale of Investment | - | - |
| | Assets written off | 17,490 | 23,621 |
| | Other Income | (2,10,997) | (4,60,131) |
| | (b) Working capital changes: | | |
| | Decrease in inventories | - | - |
| | Decrease in trade receivables | - | - |
| | Decrease in short-term loans and advances | - | - |
| | Decrease in other current assets | 56,60,664 | 74,95,866 |
| | Decrease in other current financial assets | 66,000 | - |
| | Decrease in other current assets- Bank margin money | 40,22,998 | - |
| | Increase in trade payables | - | 92,36,474 |
| | Increase in other current liabilities and tax | - | 47,61,342 |
| | Increase in current and non current financial liabilities | - | - |
| | Increase in short term provisions | - | 4,77,477 |
| | Total of (1) | 5,52,95,189 | 7,26,39,270 |
| (02) | From Investing activities | | |
| | (a) Proceeds from sale of fixed assets | 4,55,000 | - |
| | (b) Proceeds from sale of investments | - | - |
| | (c) Realisation of long term loans and advances from subsidiaries/associates/business venture | - | - |
| | (d) Decrease in other financial assets - non current | - | - |
| | (e) Decrease in other non current assets | - | - |
| | (f) Dividend received | 3,162 | - |
| | (g) Interest received | 1,84,554 | 4,26,151 |
| | (h) Other income | - | 5,095 |
| | (i) Export Incentive | 23,281 | 28,885 |
| | Total of (2) | 6,65,997 | 4,60,131 |
| (03) | From Financing activities | | |
| | (a) Proceeds from issue of share capital | - | - |
| | (b) Share application money pending allotment | - | - |
| | (c) Proceeds from long-term Liabilities | - | - |
| | (d) Proceeds from non current gratuity & leave encashment provisions | - | 12,56,349 |
| | (e) Proceeds from other non current assets | - | - |
| | (f) Proceeds from short-term borrowings | 2,17,09,246 | 2,86,50,159 |
| | (g) Proceeds from long-term borrowings | 3,74,658 | - |
| | Total of (3) | 2,20,83,904 | 2,99,06,508 |
| | Total cash inflows (1+2+3) | 7,80,45,090 | 10,30,05,909 |

(Amount in Rs.)

| | | | |
|-------------|---|--------------------|---------------------|
| II | CASH OUTFLOWS | | |
| | compensation | - | - |
| | (Gain)/Loss on sale of Fixed assets | - | - |
| | Assets written off | - | - |
| | Provision/(Reversal)for Long Term | - | - |
| | (b) Working capital changes: | | |
| | Increase in inventories | 81,41,314 | 4,60,80,237 |
| | Increase in trade receivables | 2,07,16,674 | 2,75,73,067 |
| | Increase in other current assets- Bank margin money | - | 5,12,142 |
| | Increase in other financial asset - current & non current | - | 4,76,384 |
| | Decrease in trade payables | 1,14,47,960 | - |
| | Decreast in current and non current financial liabilities | 25,18,971 | 14,11,441 |
| | Decrease in current & Non current provisions | 6,30,260 | - |
| | Decrease in other current liabilities & Tax | 1,12,55,774 | - |
| | Total of (1) | 5,47,10,953 | 7,60,53,271 |
| (02) | From Investing activities | | |
| | (a) Purchase of tangible assets/Capital work in progress | 34,06,361 | 39,29,741 |
| | (b) Purchase of intangible assets/assets under development | 2,54,474 | 1,21,269 |
| | (c) Purchase of Investment | - | - |
| | (d) Investment in subsidiaries/associates/business venture | - | - |
| | (e) Payment of long-term loans and advances to subsidiaries/associates/business venture | - | - |
| | (f) Increase in long-term loans and advances | - | - |
| | (g) Increase in Short -term loans and advances | - | - |
| | (h) Increase in other non current assets | 4,150 | - |
| | Total of (2) | 36,64,985 | 40,51,010 |
| (03) | From Financing activities | | |
| | (a) Repayment of long-term borrowings | - | 25,47,861 |
| | (b) Repayment of short-term borrowings | - | - |
| | (c) Dividend paid (including distribution tax) | 1,16,55,570 | 96,97,171 |
| | (d) Interest and other finance costs | - | - |
| | (e) Direct Tax Paid | 95,34,902 | 1,20,38,538 |
| | (f) prior period expenses | - | - |
| | Total of (3) | 2,11,90,472 | 2,42,83,570 |
| | Total cash outflows (1+2+3) | 7,95,66,410 | 10,43,87,851 |
| III | Net(decrease)/increase in cash and cash equivalents(I-II) | (15,21,320) | (13,81,942) |
| | Add: Cash and cash equivalents at the beginning of the period | 59,75,077 | 73,57,019 |
| IV | Cash and cash equivalents at the end of the period | 44,53,757 | 59,75,077 |

Notes :

- Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 notified under Companies (Indian Accounting Standards) Rules, 2015.
- Purchase of fixed assets includes movements of capital work-in-progress between the beginning and the end of the year.
- Previous year figure regrouped/recasted wherever necessary.

Auditor's Report Signed in terms of our separate report of even date
For Maloo Bhatt & Co.
Chartered Accountants

Yash Bhatt
Partner
M. No. 117745
FR No. 1259572W

Place : Mumbai
Date : 25th May, 2019.

A. R. Master
Chief Financial Officer

Kamlesh M. Shinde
Company Secretary
M No. : 35836

For and on behalf of the Board

J. C. Bhatia Managing Director
Din No. 00250737
C. G. Cholera Non Executive Director
Din No. 00131143
B. V. Dholakia Independent Director
Din No. 01871816
Gayatri Parikh Independent Director
Din No. 00045529
D. D. Kanitkar Independent Director
Din No. 03523774

Statement of Changes in Equity for the year ended March 31, 2019.

A. Equity Share Capital

(Amount in Rs.)

| | As at 1st April, 2017 | Changes in Equity Share Capital during 2017-18 | Balance as at 31st March, 2018 | Changes in Equity Share Capital during 2018-19 | Balance as at 31st March, 2019 |
|----------------------|-----------------------|--|--------------------------------|--|--------------------------------|
| Equity Share Capital | 5,37,12,450 | - | 5,37,12,450 | - | 5,37,12,450 |

B. Other Equity

(Amount in Rs.)

| Particulars | Reserves & Surplus | | | | Other Reserves (Govt. Subsidy) | Other items of other comprehensive income | Total |
|--|--------------------|----------------------------|----------------------------------|-------------------|--------------------------------|---|---------------|
| | Capital Reserve | Securities Premium Reserve | Other Reserves (General Reserve) | Retained Earnings | | | |
| Closing balance as at 31 March 2017 | 29,06,317 | 1,27,15,948 | 4,50,00,000 | 10,94,76,437 | - | 2,37,954 | 17,03,36,656 |
| Total comprehensive income for the year | - | - | - | 3,16,38,363 | - | 1,57,356 | 3,17,95,719 |
| Dividend & dividend tax paid | - | - | - | (96,97,171) | - | - | (96,97,171) |
| Transfer to retained earnings | - | - | 40,00,000 | (40,00,000) | - | - | - |
| Re-measurements of the actuarial provision for Employee Benefit Plan | - | - | - | - | - | (57,00,170) | (57,00,170) |
| Closing balance as at 31st March 2018 | 29,06,317 | 1,27,15,948 | 4,90,00,000 | 12,74,17,629 | - | (53,04,860) | 18,67,35,035 |
| Total comprehensive income for the year | - | - | - | 2,84,02,619 | - | 1,04,347 | 2,85,06,966 |
| Dividend & dividend tax paid | - | - | - | (1,16,55,570) | - | - | (1,16,55,570) |
| Transfer to retained earnings | - | - | 40,00,000 | (40,00,000) | - | - | - |
| Re-measurements of the actuarial provision for Employee Benefit Plan | - | - | - | - | - | (19,38,156) | (19,38,156) |
| Closing balance as at 31st March 2019 | 29,06,317 | 1,27,15,948 | 5,30,00,000 | 14,01,64,678 | - | (71,38,669) | 20,16,48,275 |

Auditor's Report Signed in terms of our separate report of even date
For Maloo Bhatt & Co.
Chartered Accountants

Yash Bhatt
Partner
M. No. 117745
FR No. 1259572W

Place : Mumbai
Date : 25th May, 2019.

A. R. Master
Chief Financial Officer

Kamlesh M. Shinde
Company Secretary
M No. : 35836

For and on behalf of the Board

J. C. Bhatia Managing Director
Din No. 00250737
C. G. Cholera Non Executive Director
Din No. 00131143
B. V. Dholakia Independent Director
Din No. 01871816
Gayatri Parikh Independent Director
Din No. 00045529
D. D. Kanitkar Independent Director
Din No. 03523774

NOTES to the Financial Statements for the year ended 31st March 2019**Note No. 1.****STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:****1. Company Overview**

Rapicut Carbides Limited (RCL) was incorporated as a Public Limited Company in April 1977, and an integrated unit was set up at Ankleshwar, Gujarat for manufacturing of Tungsten Carbide Tips, Inserts and other Carbide products from ore stage. Commercial Production Commenced in October 1979.

Gujarat Drillwell Pvt. Ltd was merged with the Company in the year 1993

The Company has listed its equity shares with Bombay Stock Exchange in the year 1980.

2. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements of the Company for the year ended 31st March, 2019 were approved for issue in accordance with the resolution of the Board of Directors on 25th May, 2019.

a. Statement of Compliance

The Comparative Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31st March, 2019, have been prepared in accordance with the Ind AS notified above. For all periods up to and including the year ended 31st March, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value. All assets and liabilities has 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 Companies Act, 2013.

c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company. The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind -AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as

the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known /materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

(i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized.

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

(ii) Recognition and measurement of defined benefit obligations:

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

(iii) Recognition of deferred tax assets:

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

(iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

(v) Discounting of long-term financial liabilities :

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

(vi) Determining whether an arrangement contains a lease:

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

3 Standards Issued effective from April 2018

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. The Company has completed its evaluation of the possible impact of Ind AS 115 and adopted the standard from 1st April, 2018.

4 Standards Issued but effective from April 2019

Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116, 'New Standard on Leases. The Standard is applicable to the Company with effect from 1st April, 2019.

In the new lease accounting model for lessees, leases will be recognised on balance sheet by recognising a lease liability with a corresponding 'right-of use' asset. Ind AS 116 will have an impact on all three components of the financial statements. The Company has completed its evaluation of the possible impact of Ind AS 116 and adopted the standard from 1st April, 2019.

5 Current versus Non Current Classification:

- (I) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:
1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
 2. Held primarily for the purpose of trading.
 3. Expected to be realized within twelve months after the reporting period, or
 4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non - current.
- (II) A liability is current when it is:
1. Expected to be settled in normal operating cycle,
 2. Held primarily for the purpose of trading,
 3. Due to be settled within twelve months after the reporting period, or
 4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non - current. Deferred tax assets and liabilities are classified as non – current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

Note no 2

2.1 Significant Accounting Policies

A. Plant, Property & Equipment :

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS, i.e. 1st April 2016 as permitted under IndAS 101. Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence. Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are Charged to the statement of profit and loss for the period during which such expenses are incurred. The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

B. Depreciation & Amortization:

- a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion. Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets. b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

C. Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The useful lives of intangible assets are assessed as either finite or infinite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired. Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

D) Impairment of Non-Current Assets:

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less cost disposal, recent market transactions are taken in to account. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

E) Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk.

F) Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

a. Raw materials and packing materials:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

b. Work-in-progress and finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

c. Traded goods:

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

- d. Waste and scrap are not separately valued being insignificant in value.
- e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G) Retirement benefits:

a) Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post-Employment Benefits:

i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund and Super annuation, a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities and super annuation fund.

ii) Defined Contribution Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method. The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity LIC scheme. Re measurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

c) Other Long-Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

H) Foreign Currency:

Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees, which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

Transactions and Balances:

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates

prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

I) Financial Instruments:

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

J) Financial Assets:

(I) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

(II) Initial recognition measurement:

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

(iii) Subsequent Recognition

a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counter party is in default under the terms of the agreement. Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision account and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognised in provision for impairment and changes in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income.

b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

c) Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

(iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

2) Financial Liabilities:

(i) Initial recognition and measurement :

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

(ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

(iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

(iv) Trade and Other Payables :

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

(v) Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

K) Borrowing Costs:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are charged to the Statement of Profit and Loss.

L) Taxes:

(a) Current Income Tax:

(i) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

has a legally enforceable right to set off the recognised amounts; and

intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred Tax:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

Sales / value added taxes / Goods and service Tax:

Expenses and assets are recognised net of the amount of sales/ value added taxes paid/ Goods and service Tax, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included in the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax:

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on “Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961”, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

M) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

(a) Sale of products:

As stated in Ind AS 18, Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects sales tax and value added tax (VAT) and Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(b) Other Income:

Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

N) Dividend / Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

O) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

P) Segment Reporting:

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

Q) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

(a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) the Company has a present obligation as a result of past event,
- (ii) a probable outflow of resources is expected to settle the obligation; and
- (iii) the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to

the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(b) Contingent liabilities are disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- (ii) a present obligation arising from past events, when no reliable estimate is possible,
- (iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

(c) Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

Note No. 3

(Amount in Rs.)

| A | Property, Plant and Equipment | Leasehold Land | Buildings | Plant & Machinery and Electrical Fitting | Data Process Equipment | Furniture Fixture & Office Equipment | Vehicles | Total |
|---|---|-----------------|--------------------|--|------------------------|--------------------------------------|------------------|---------------------|
| | Gross Block | | | | | | | |
| | Gross carrying amount | | | | | | | |
| | Balance at March 31, 2017 | 3,52,174 | 2,34,66,647 | 8,81,94,814 | 29,50,497 | 30,59,907 | 54,74,328 | 12,34,98,367 |
| | Additions | - | - | 38,94,708 | 4,44,202 | 1,00,584 | - | 44,39,494 |
| | Disposals | - | - | 4,72,429 | - | - | - | 4,72,429 |
| | Effect of foreign currency exchange differences | - | - | - | - | - | - | - |
| | Balance at March 31, 2018 | 3,52,174 | 2,34,66,647 | 9,16,17,093 | 33,94,699 | 31,60,491 | 54,74,328 | 12,74,65,432 |
| | Additions | - | - | 7,70,984 | 4,38,720 | 4,95,990 | 17,00,667 | 34,06,361 |
| | Disposals | - | - | 6,02,260 | - | 3,49,759 | 22,97,351 | 32,49,370 |
| | Effect of foreign currency exchange differences | - | - | - | - | - | - | - |
| | Balance at March 31, 2019 | 3,52,174 | 2,34,66,647 | 9,17,85,817 | 38,33,419 | 33,06,722 | 48,77,644 | 12,76,22,423 |

| | Accumulated depreciation | Leasehold Land | Buildings | Plant & Machinery and Electrical Fitting | Data Process Equipment | Furniture Fixture & Office Equipment | Vehicles | Total |
|--|----------------------------------|-----------------|--------------------|--|------------------------|--------------------------------------|------------------|--------------------|
| | Balance at April 1, 2017 | 1,40,164 | 1,10,07,224 | 5,28,24,924 | 16,80,997 | 13,49,467 | 22,38,281 | 6,92,41,057 |
| | Additions | 3,557 | 5,92,306 | 57,29,242 | 3,12,801 | 2,09,770 | 5,63,510 | 74,11,186 |
| | Disposals | - | - | 4,48,808 | - | - | - | 4,48,808 |
| | Balance at April 1, 2018 | 1,43,721 | 1,15,99,530 | 5,81,05,357 | 19,93,797 | 15,59,236 | 28,01,791 | 7,62,03,432 |
| | Additions | 3,557 | 5,92,331 | 56,80,560 | 3,94,170 | 2,39,265 | 4,32,682 | 73,42,565 |
| | Disposals | - | - | 6,02,260 | - | 3,32,269 | 19,50,614 | 28,85,143 |
| | Balance at March 31, 2019 | 1,47,278 | 1,21,91,861 | 6,31,83,657 | 23,87,967 | 14,66,232 | 12,83,859 | 8,06,60,854 |

(Amount in Rs.)

| | Net Block | Leasehold Land | Buildings | Plant & Machinery and Electrical Fitting | Data Process Equipment | Furniture Fixture & Office Equipment | Vehicles | Total |
|--|----------------------------------|-----------------|--------------------|--|------------------------|--------------------------------------|------------------|--------------------|
| | Net carrying amount | | | | | | | |
| | Balance at April 1, 2017 | 2,12,010 | 1,24,59,423 | 3,53,69,890 | 12,69,500 | 17,10,435 | 32,36,047 | 5,42,57,305 |
| | Balance at April 1, 2018 | 2,08,453 | 1,18,67,117 | 3,35,11,736 | 14,00,902 | 16,01,255 | 26,72,537 | 5,12,62,000 |
| | Balance at March 31, 2019 | 2,04,896 | 1,12,74,786 | 2,86,02,160 | 14,45,452 | 18,40,490 | 35,93,785 | 4,69,61,569 |

(Amount in Rs.)

| B | Capital Work in Progress | As at 31/03/2019 | As at 31/03/2018 |
|----------|---------------------------------|-------------------------|-------------------------|
| | Machinery Under Installation | - | - |
| | Total | - | - |

Notes

3.1 In accordance with the Ind AS 36 "Impairment of Assets", the management has during the year carried out and exercise of identifying the assets that would have been impaired in respect of each unit. On the basis of this review carried out by the Management, impairment loss on Fixed Assets has been accounted in profit & loss account during the year.

Note No. 4

(Amount in Rs.)

| | Other Intangible assets | Technical Know-how | Software | Total |
|--|----------------------------------|---------------------------|------------------|------------------|
| | Gross Block | | | |
| | Gross carrying amount | | | |
| | Balance at March 31, 2017 | 6,05,681 | 27,22,295 | 33,27,976 |
| | Additions | - | 1,21,269 | 1,21,269 |
| | Disposals | - | - | - |
| | Balance at March 31, 2018 | 6,05,681 | 28,43,564 | 34,49,245 |
| | Additions | - | 2,54,474 | 2,54,474 |
| | Disposals | - | - | - |
| | Balance at March 31, 2019 | 6,05,681 | 30,98,038 | 37,03,719 |

(Amount in Rs.)

| | Accumulated amortisation | Technical Know-how | Software | Total |
|--|----------------------------------|---------------------------|------------------|------------------|
| | Balance at April 1, 2017 | 3,50,984 | 79,480 | 4,30,464 |
| | Additions | 1,21,136 | 5,74,652 | 6,95,788 |
| | Disposals | - | - | - |
| | Balance at April 1, 2018 | 4,72,121 | 6,54,132 | 11,26,253 |
| | Additions | 99,429 | 11,13,827 | 12,13,256 |
| | Disposals | - | - | - |
| | Balance at March 31, 2019 | 5,71,550 | 17,67,959 | 23,39,509 |

(Amount in Rs.)

| | Net Block | Technical Know-how | Software | Total |
|--|----------------------------------|---------------------------|------------------|------------------|
| | Balance at April 1, 2017 | 2,54,697 | 26,42,815 | 28,97,512 |
| | Deemed cost | - | - | - |
| | Balance at April 1, 2018 | 1,33,560 | 21,89,432 | 23,22,992 |
| | Balance at March 31, 2019 | 34,132 | 13,30,079 | 13,64,211 |

Note No. 5

| Investments | As at 31/03/19 | | As at 31/03/18 | |
|---|----------------|-----------------|----------------|-----------------|
| | Quantity | Amount (Rs.) | Quantity | Amount (Rs.) |
| Note for accounting policy on Investments refer no. - K (1) d | | | | |
| Non-current | | | | |
| Un-Quoted investments | | | | |
| a) Investments in Equity Instruments at FVTOCI | | | | |
| - Bharuch Enviro Infrastructure Ltd. | 1,581 | 5,15,407 | 1,581 | 4,11,060 |
| b) Investments in Govt. Security | | | | |
| - National Saving Certificate | - | 12,000 | - | 12,000 |
| TOTAL | 1,581 | 5,27,407 | 1,581 | 4,23,060 |
| Aggregate amount of quoted investments | - | - | - | - |
| Market value of quoted investments | - | - | - | - |
| Aggregate amount of unquoted investments | 1,581 | 5,27,407 | 1,581 | 4,23,060 |
| Aggregate amount of impairment in value of investments | - | - | - | - |

Note No. 6

(Amount in Rs.)

| Trade receivables | As at 31/03/19 | As at 31/03/18 |
|---|--------------------|--------------------|
| Non-current | | |
| Trade receivables | - | - |
| Secured, considered good | - | - |
| Unsecured, considered good | 1,39,100 | 49,528 |
| Significant Credit Risk | - | - |
| Credit Impaired | - | - |
| Doubtful | - | - |
| Allowance for doubtful debts (expected credit loss allowance) | - | - |
| TOTAL | 1,39,100 | 49,528 |
| Current | | |
| Trade receivables | - | - |
| Secured, considered good | - | - |
| Unsecured, considered good | 8,89,29,080 | 6,83,01,978 |
| Significant Credit Risk | - | - |
| Credit Impaired | - | - |
| Doubtful | - | - |
| Allowance for doubtful debts (expected credit loss allowance) | - | - |
| TOTAL | 8,89,29,080 | 6,83,01,978 |

6.1 Ageing of Trade Receivables

(Amount in Rs.)

| Particulars | Ageing | | | Total |
|-------------------------|---------------|--------------|-----------------|-------------|
| | Upto 6 months | 6- 12 months | above 12 months | |
| Unsecured consider good | | | | |
| As at 31.03.2018 | 6,82,12,997 | 88,981 | 49,528 | 6,83,51,506 |
| As at 31.03.2019 | 8,82,47,621 | 6,81,459 | 1,39,100 | 8,90,68,180 |

Note 6.2 All trade receivable are non interest bearing and receivable are settled within normal credit period approved by the company.

Note No. 7

(Amount in Rs.)

| Other financial assets | As at 31/03/19 | As at 31/03/18 |
|----------------------------|------------------|------------------|
| Non-current | | |
| Security deposits | 40,46,707 | 40,42,557 |
| Advances | - | - |
| Operating lease receivable | - | - |
| TOTAL | 40,46,707 | 40,42,557 |
| Current | | |
| Security deposits | - | - |
| TOTAL | - | - |
| Tender Deposit | 44000 | 1,10,000 |
| Operating lease receivable | - | - |
| TOTAL | 44,000 | 1,10,000 |

Note No. 8

(Amount in Rs.)

| Other assets | As at 31/03/19 | As at 31/03/18 |
|--|------------------|--------------------|
| Non-current | | |
| Capital Advances | - | - |
| Advances to related parties | - | - |
| Others (specify nature) | - | - |
| TOTAL | - | - |
| Current | | |
| Capital Advances | 2,68,000 | 23,895 |
| Advances to related parties | - | - |
| Advances to parties | 10,10,284 | 1,64,738 |
| Advances to employee | 71,487 | 61,879 |
| Amount due from customers under construction contracts | - | - |
| Prepaid expenses | 7,41,552 | 11,42,161 |
| Interest accrued but not received | 1,33,700 | 3,05,813 |
| Insurance claim receivable | - | 2,11,762 |
| Receivable / Recoverable from Revenue Authority | - | - |
| | 18,82,729 | 86,02,522 |
| TOTAL | 41,07,752 | 1,05,12,770 |

Note : Interest accrued but not received includes interest accrued on various fixed deposit with bank held as margin money.

Receivable / Recoverable from Revenue Authority includes:

(Amount in Rs.)

| | As at 31/03/19 | As at 31/03/18 |
|-------------------------------|------------------|------------------|
| Balance with TDS Authorities | 4,019 | 4,019 |
| Balance with customs & excise | 2,69,779 | 2,69,779 |
| Balance with VAT authorities | 3,73,683 | 3,73,890 |
| Balance with GST authorities | 12,35,248 | 79,54,834 |
| TOTAL | 18,82,729 | 86,02,522 |

Note No. 9

(Amount in Rs.)

| Inventories | As at 31/03/19 | As at 31/03/18 |
|---|---------------------|---------------------|
| a) Inventories (lower of cost and net realisable value) (As taken, valued & certified by the management) | 4,40,69,285 | 6,42,98,862 |
| - Raw materials | 9,68,07,459 | 7,63,21,699 |
| - Work-in-process | 3,29,21,115 | 3,07,86,882 |
| - Finished goods | 2,88,31,413 | 2,39,28,454 |
| - Stores, Spares | 39,52,363 | 31,04,424 |
| - Loose Tools | | |
| TOTAL | 20,65,81,635 | 19,84,40,321 |

The cost of Inventories recognised and devalued at realisable value for non moving / obsolete stock during the year was Rs. 23,42,466/- (P.Y. Rs. 26,79,048)

Note No. 10

(Amount in Rs.)

| Cash and cash equivalents | As at 31/03/19 | As at 31/03/18 |
|---|------------------|------------------|
| Balances With Banks | 43,81,850 | 59,01,038 |
| Cheques, drafts on hand | - | - |
| Cash on hand | 71,907 | 74,039 |
| Others | - | - |
| Total Cash and cash equivalents as per balance sheet | 44,53,757 | 59,75,077 |

Note No. 11

(Amount in Rs.)

| Bank balances other than (Note no. 10) above | As at 31/03/19 | As at 31/03/18 |
|---|----------------|------------------|
| Balances With Banks | - | - |
| Margin Money | 52,876 | 40,75,874 |
| Year mark balances maturity less than 12 months | - | - |
| TOTAL | 52,876 | 40,75,874 |

Note :- Fixed deposit are kept as margin against various letter of credit / guarantee

Note No. 12

(Amount in Rs.)

| Equity Share Capital | As at 31/03/19 | As at 31/03/18 |
|--|--------------------|--------------------|
| Share Capital: | | |
| (a) Authorised: | 8,00,00,000 | 8,00,00,000 |
| 80,00,000 (Last Year 80,00,000) Equity Shares of Rs.10/each | | |
| (b) Issued, Subscribed & Paid Up | | |
| Shares at the End of the accounting period | | |
| 53,71,245 (L.Y.53,71,245) Equity Shares of Rs.10/- Each | 5,37,12,450 | 5,37,12,450 |
| (Include,35,17,747/- Equity Shares issued as Bonus Shares & 60,384 Equity Shares allotted as fully paid shares to shareholders of erstwhile Gujarat Drilwell Pvt. Ltd for consideration other than cash) | | |
| TOTAL | 5,37,12,450 | 5,37,12,450 |

| | As at 31/03/19 | As at 31/03/18 |
|--|------------------|----------------|
| (c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period. | 53,71,245 | 53,71,245 |
| At the beginning of the period | - | - |
| Add : Shares issued during the year | - | - |
| Less: Shares bought back during the year | - | - |
| Outstanding at the end of the period | 53,71,245 | 53,71,245 |
| (d) Terms/rights attached to equity shares | | |
| The Company has only one class of equity shares having a face value of Rs. 10 per share. | | |

| (e) Details of shareholders holding more than 5% shares in the company - Equity Share of Rs. 10/- each fully paid up. | No. of Shares holding 31/03/19 | % | No. of Shares holding 31/03/18 | % |
|--|---------------------------------------|---------------|---------------------------------------|----------|
| Pragya Equities Pvt. Ltd. | 9,56,172 | 17.802 | 9,56,172 | 17.802 |
| Dayawanti J Bhatia | 3,00,585 | 5.596 | 3,00,585 | 5.596 |
| (f) Aggregate number of shares issued and bonus for consideration other than cash during the period of five years immediately preceding the reporting date. | 32,22,747 | | 32,22,747 | |
| (g) The company has not issued any right shares & Bonus share nor there has been buy back of shares during period of five years immediately preceding the reporting date. | NIL | | NIL | |

Note No. 13

Other equity

(Amount in Rs.)

| Particulars | Reserves & Surplus | | | | Other Reserves (Govt. Subsidy) | Other items of other comprehensive income | Total |
|--|--------------------|----------------------------|----------------------------------|---------------------|--------------------------------|---|---------------------|
| | Capital Reserve | Securities Premium Reserve | Other Reserves (General Reserve) | Retained Earnings | | | |
| Closing balance as at 31 March 2017 | 29,06,317 | 1,27,15,948 | 4,50,00,000 | 10,94,76,437 | - | 2,37,954 | 17,03,36,656 |
| Total comprehensive income for the year | - | - | - | 3,16,38,363 | - | 1,57,356 | 3,17,95,719 |
| Dividend & dividend tax paid | - | - | - | (96,97,171) | - | - | (96,97,171) |
| Transfer to retained earnings | - | - | 40,00,000 | (40,00,000) | - | - | - |
| Re-measurements of the actuarial provision for Employee Benefit Plan | - | - | - | - | - | (57,00,170) | (57,00,170) |
| Closing balance as at 31 March 2018 | 29,06,317 | 1,27,15,948 | 4,90,00,000 | 12,74,17,629 | - | (53,04,860) | 18,67,35,035 |
| Total comprehensive income for the year | - | - | - | 2,84,02,619 | - | 1,04,347 | 2,85,06,966 |
| Dividend & dividend tax paid | - | - | - | (1,16,55,570) | - | - | (1,16,55,570) |
| Transfer to retained earnings | - | - | 40,00,000 | (40,00,000) | - | - | - |
| Re-measurements of the actuarial provision for Employee Benefit Plan | - | - | - | - | - | (19,38,156) | (19,38,156) |
| Closing balance as at 31 March 2019 | 29,06,317 | 1,27,15,948 | 5,30,00,000 | 14,01,64,678 | - | (71,38,669) | 20,16,48,275 |

Nature of Reserves

13.1 Capital Reserve : represents the amount due to remission of capital liability on one time settlement from financial institution during the year 2001-2002

13.2 Securities Premium : represents the amount received in excess of par value of securities i.e equity shares. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

13.3 General Reserve : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

13.4 Retained Earnings : represent the undistributed profits of the Company

13.5 Other Comprehensive Income Reserve : represent the balance in equity for items to be accounted in Other Comprehensive Income. Other Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

Note No. 14

(Amount in Rs.)

| Non-current borrowings | As at 31/03/19 | As at 31/03/18 |
|-------------------------------------|------------------|-----------------|
| Unsecured - at amortised cost | | |
| (i) Term loans | | |
| - State Bank of India - Car Loan | 11,15,162 | 7,40,504 |
| Secured - at amortised cost | | |
| (i) Term loans | | |
| - State Bank of India | - | - |
| Total non-current borrowings | 11,15,162 | 7,40,504 |

Note :-

Secured Loan

- 1 Term Loan from State Bank of India is secured against Hypothecation of Inventories & book debts. Company's Immovable properties form part of the Collateral security and the Directors have given their Personal Guarantee for the same.
- 2 Term loan facilities availed from State Bank of India is secured against hypothication of vehicle.

Maturity Profile of Term Loans are as set out below :

(Amount in Rs.)

| Sr. No. | Financial Years | Secured Term Loans from Banks Car Loan | Un-Secured Term Loans from Banks | Total |
|---------|------------------|--|----------------------------------|------------------|
| (a) | 2019-20 | 2,44,581 | - | 2,44,581 |
| | Sub Total | 2,44,581 | - | 2,44,581 |
| (b) | 2020-21 | 2,69,824 | - | 2,69,824 |
| (c) | 2021-22 | 2,97,340 | - | 2,97,340 |
| (d) | 2022-23 | 3,27,651 | - | 3,27,651 |
| | 2023 & above | 2,20,347 | - | 2,20,347 |
| | Sub Total | 11,15,162 | - | 11,15,162 |
| | Total | 13,59,743 | - | 13,59,743 |

Rs. 2,44,581/- is shown in current maturities (on 31.03.2018 Rs. 24,95,997/-)

Note No. 15

(Amount in Rs.)

| Trade payable | As at 31/03/19 | As at 31/03/18 |
|--------------------------------------|--------------------|--------------------|
| Non-current | | |
| Sundry Creditors | | |
| (i) Due to Micro & Small Enterprises | - | - |
| (ii) Others | 32,414 | 3,427 |
| TOTAL | 32,414 | 3,427 |
| Current | | |
| Sundry Creditors | | |
| (i) Due to Micro & Small Enterprises | 55,18,868 | 46,95,840 |
| (ii) Others | 3,69,90,466 | 4,92,90,441 |
| TOTAL | 4,25,09,334 | 5,39,86,281 |

Note :-15.1

There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

Note :-15.2

All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

Note No. 16

(Amount in Rs.)

| Other financial liabilities | As at 31/03/19 | As at 31/03/18 |
|--|------------------|------------------|
| Non-current | | |
| a) Interest accrued | - | - |
| b) Unpaid dividends | 26,43,470 | 28,49,606 |
| TOTAL | 26,43,470 | 28,49,606 |
| Current | | |
| a) Current maturities of long-term debt | 2,44,581 | 24,95,997 |
| b) Current maturities of finance lease obligations | - | - |
| c) Interest accrued | - | - |
| d) Unpaid dividends | 5,48,067 | 6,09,486 |
| TOTAL | 7,92,648 | 31,05,483 |

Note - 16.1

Unclaimed dividend do not include any amount, due & outstanding, to be credited to Investors, Education and Protection Fund.

Note - 16.2

Current maturities of long term debt to the extent of Rs. 2,44,581 are secured by way of charge by hypothecation of vehicle.

Note No. 17

(Amount in Rs.)

| Provisions | As at 31/03/19 | As at 31/03/18 |
|-------------------------------------|--------------------|------------------|
| Non-current | | |
| Employee benefit - leave encashment | 25,94,626 | 20,11,056 |
| Employee benefit - gratuity | 77,00,870 | 59,37,605 |
| TOTAL | 1,02,95,496 | 79,48,661 |

(Amount in Rs.)

| Current | As at 31/03/19 | As at 31/03/18 |
|-------------------------------------|-----------------------|-----------------------|
| Employee benefit - leave encashment | 6,49,931 | 6,62,989 |
| Employee benefit - other provision | 43,86,936 | 47,77,850 |
| Employee benefit - gratuity | 10,65,629 | 8,50,600 |
| Provision for expenses | 21,30,564 | 29,80,559 |
| TOTAL | 82,33,060 | 92,71,998 |

Note No. 18

(Amount in Rs.)

| Current borrowings | As at 31/03/19 | As at 31/03/18 |
|--|-----------------------|-----------------------|
| Unsecured - at amortised cost | | |
| a) Loans repayable on demand | | |
| - from banks Overdraft | - | - |
| - from others | - | - |
| b) Loans from related parties | | |
| c) Loans from other parties | - | - |
| d) Deposits | - | - |
| e) Other loans | - | - |
| Secured - at amortised cost | | |
| a) Loans repayable on demand | | |
| - from banks State Bank of India Cash Credit | 3,23,22,201 | 1,06,12,955 |
| b) Loans from related parties | - | - |
| c) Loans from bank | - | - |
| d) Loans from other parties | - | - |
| e) Deposits | - | - |
| f) Others loans | - | - |
| TOTAL | 3,23,22,201 | 1,06,12,955 |

Secured Loan

Cash Credit from State Bank of India is secured against Hypothecation of Inventories & book debts.

Company's Immovable properties form part of the Collateral security and the Working Directors have given their Personal Guarantee for the same. Loan is repayable on demand.

Note No. 19

(Amount in Rs.)

| Current tax assets and liabilities | As at 31/03/19 | As at 31/03/18 |
|---|-----------------------|-----------------------|
| Current tax assets | | |
| Benefit of tax losses to be carried back to recover taxes paid in prior periods | - | - |
| Tax refund receivable | 7,44,354 | - |
| Others | - | - |
| TOTAL | 7,44,354 | - |
| Current tax liabilities | | |
| Income tax payable | - | 34,18,976 |
| Others | - | - |
| TOTAL | - | 34,18,976 |

Note No. 20

(Amount in Rs.)

| Other current liabilities | As at 31/03/19 | As at 31/03/18 |
|------------------------------------|-----------------------|-----------------------|
| Non current | | |
| Security deposit from distributors | 6,45,000 | 6,45,000 |
| TOTAL | 6,45,000 | 6,45,000 |

(Amount in Rs.)

| Current | As at 31/03/19 | As at 31/03/18 |
|----------------------------------|------------------|--------------------|
| Advances / Credit from customers | 3,69,048 | 4,04,352 |
| Statutory Dues payable | 27,35,013 | 1,05,36,507 |
| TOTAL | 31,04,061 | 1,09,40,859 |

Note - 20.1

Statutory dues includes indirect taxes, tax deducted at source, ESIC, provident fund, professional tax and other local authority taxes.

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(Amount in Rs.)

| PARTICULARS | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|--------------------------------|-----------|------------------------|------------------------|
| Revenue From Operations | 21 | | |
| Sale of Products | | 46,26,59,389 | 42,54,64,205 |
| Less : Returns, Discounts etc. | | 1,86,816 | 1,12,859 |
| Net Sales | | 46,24,72,573 | 42,53,51,346 |
| Other Operating Revenues | | - | - |
| TOTAL | | 46,24,72,573 | 42,53,51,346 |

with effect from 1st July,2017, Goods and Service Tax(GST) was introduced and hence ,the revenue from operations for the period 01.07.2017 to 31.03.2018 is net of GST. However for the period 01.04.2017 to 30.06.2017 it is inclusive of excise amounting to Rs.74,98,625/-

(Amount in Rs.)

| Other Income: | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|--------------------------|----------|------------------------|------------------------|
| Interest Income | 22 | 1,84,554 | 4,26,151 |
| Misc Income | | - | 5,095 |
| Dividend Income | | 3,162 | - |
| Profit on Sale of Assets | | 1,08,263 | - |
| Incentive on Export | | 23,281 | 28,885 |
| TOTAL | | 3,19,260 | 4,60,131 |

(Amount in Rs.)

| Cost Of Materials Consumed: | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|---------------------------------------|----------|------------------------|------------------------|
| Purchases Raw-Materials | 23 | 30,51,14,428 | 29,18,88,297 |
| Add: Opening Balance of Stock | | 6,42,98,862 | 2,13,83,022 |
| | | 36,94,13,290 | 31,32,71,319 |
| Less: Closing Balance of Stock | | 4,40,69,285 | 6,42,98,862 |
| Total Consumption Of Materials | | 32,53,44,005 | 24,89,72,457 |

(Amount in Rs.)

| Changes In Inventories | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|---|-----------|------------------------|------------------------|
| Finished Goods | 24 | | |
| At the beginning of the Accounting Period | | 3,07,86,882 | 3,28,16,508 |
| At the end of the Accounting Period | | 3,29,21,115 | 3,07,86,882 |
| | | (21,34,233) | 20,29,626 |
| Work-In-Process | | | |
| At the beginning of the Accounting Period | | 7,63,21,699 | 7,10,14,737 |
| At the end of the Accounting Period | | 9,68,07,459 | 7,63,21,699 |
| | | (2,04,85,760) | (53,06,962) |
| TOTAL | | (2,26,19,993) | (32,77,336) |

(Amount in Rs.)

| Employee Benefits Expense | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|--|-----------|------------------------|------------------------|
| Salary and Wages | 25 | | |
| Factory Wages | | 2,18,54,226 | 2,15,56,679 |
| Office Staff Salary | | 1,70,34,494 | 1,57,87,253 |
| Marketing Staff Salary & Incentives | | 22,65,968 | 18,83,577 |
| Directors Remuneration | | 26,43,250 | 45,51,159 |
| Contribution to Provident & Other Funds | | | |
| Contribution to Provident Fund | | 27,74,549 | 33,08,895 |
| Contribution to Employees State Ins.Fund | | 2,59,144 | 2,90,103 |
| Contribution to Other Funds | | 2,244 | 2,412 |
| Contribution to Gratuity Fund | | 13,18,274 | 26,81,793 |
| Contribution to Super Annuation Fund | | 14,89,394 | 14,75,231 |
| Other Expenses | | | |
| Workers & Staff Welfare | | 20,08,038 | 22,31,972 |
| Bonus & Exgratia | 19,03,045 | 15,96,802 | |
| Leave With Wages | 9,18,114 | 4,21,216 | |
| Perquisites to Employees | 8,61,602 | 9,19,504 | |
| Recruitment Expenses | 9,666 | 97,500 | |
| TOTAL | | 5,53,42,008 | 5,68,04,096 |

(Amount in Rs.)

| Financial Costs: | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|----------------------------------|-----------|------------------------|------------------------|
| Interest Expenses | 26 | | |
| Interest to Bank | | 17,15,690 | 13,94,201 |
| Interest to Bank On Vehicle Loan | | 85,386 | 1,07,707 |
| Interest to Bank On Term Loan | | 62,608 | 4,02,444 |
| Interest on TDS & Other Taxes | | 14,754 | 1,017 |
| Bank Charges | | 4,28,504 | 4,49,855 |
| TOTAL | | 23,06,942 | 23,55,224 |

(Amount in Rs.)

| Depreciation And Amortization Expenses: | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|---|-----------|------------------------|------------------------|
| Depreciation | 27 | 85,55,821 | 81,06,966 |
| TOTAL | | 85,55,821 | 81,06,966 |

(Amount in Rs.)

| Other Expenses: | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|---------------------------------------|-----------|------------------------|------------------------|
| A. Manufacturing Expense : | 28 | | |
| Consumption Of Stores And Spare Parts | | 2,70,32,878 | 2,62,95,255 |
| Opening Stock | | 1,56,87,172 | 1,74,90,530 |
| Add : Purchases | | 4,27,20,050 | 4,37,85,785 |
| Less : Closing Stock | | 3,27,83,776 | 2,70,32,878 |
| | | 99,36,274 | 1,67,52,907 |
| Freight Inward | | 3,47,302 | 2,44,029 |
| Power & Fuel | | 1,68,03,295 | 1,74,20,076 |
| Water Charges | | 5,91,208 | 4,38,091 |
| Rectification/Sample charges | | 2,77,067 | - |
| Repair to Machinery | | 40,79,194 | 32,55,721 |
| SUB TOTAL | | 3,20,34,340 | 3,81,10,824 |

| B. Administrative Expense | NOTE No. | Year Ended 31/03/19 | Year Ended 31/03/18 |
|--|-----------------|--------------------------------|--------------------------------|
| Car Hire Expenses | | 3,20,864 | 3,09,457 |
| Festival Celebration Expenses | | 1,97,190 | 2,08,413 |
| Donation | | 4,100 | - |
| Subscription/Membership Fees | | 2,95,000 | 2,92,750 |
| Electricity Expenses | | 15,925 | 22,957 |
| Rates & Taxes | | 4,69,639 | 3,82,208 |
| General Expenses | | 3,97,891 | 3,39,927 |
| Garden Exps | | 1,14,670 | 1,14,640 |
| Rent | | 9,70,638 | 8,58,856 |
| Insurance | | 10,31,152 | 4,31,094 |
| Legal Expenses | | 18,784 | 86,930 |
| Service Tax | | - | 66,625 |
| News Paper & Periodicals | | 84,253 | 73,404 |
| Payment to The Auditors | | 1,09,704 | 1,17,692 |
| Postage Telephone & Courier Exp. | | 7,27,527 | 5,81,949 |
| Professional Charges | | 63,78,998 | 66,82,016 |
| Printing & Stationery | | 9,10,283 | 8,69,134 |
| Repair to Buildings | | 9,05,190 | 11,48,483 |
| Repair & Maintenance (General) | | 26,01,499 | 20,19,878 |
| Loss on Impairment of Assets | | 17,490 | 23,621 |
| Security Guard Exp. | | 18,73,592 | 17,82,639 |
| Vehicle Running Expenses(conveyance) | | 1,41,108 | 1,92,892 |
| Share Transfer Exps | | 47,766 | 29,250 |
| Statutory Filing Fees | | 11,750 | 13,700 |
| Directors Commission | | 4,04,742 | 4,83,531 |
| Directors Sitting Fees | | 1,05,000 | 1,15,000 |
| SUB TOTAL | | 1,81,54,755 | 1,72,47,044 |
| C. Selling & Distribution Expense | | | |
| Advertisement Exps. | | 2,89,342 | 2,38,969 |
| Freight & Cartage(Outward) | | 19,59,009 | 17,25,988 |
| Dr./Cr. Balance W/Off | | (54,840) | 3,18,721 |
| Sale Commission & Incentives | | 1,10,211 | 3,54,898 |
| Turn Over/ Cash Discount | | 9,11,720 | 10,51,962 |
| Sales Tax / Gvat Tax Expenses/Entry Tax | | - | 2,19,684 |
| Packing Material | | 23,60,464 | 21,41,891 |
| Sales Promotion/Conference Exp | | 1,19,063 | 92,927 |
| Travelling Expenses | | 5,46,103 | 4,95,721 |
| Teravelling Expenses (Marketing) | | 1,39,062 | 3,27,844 |
| Commercial Claims Paid | | 2,345 | 27,318 |
| SUB TOTAL | | 63,82,479 | 69,95,923 |
| TOTAL | (A+B+C) | 5,65,71,574 | 6,23,53,791 |

Note No. 29
NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

1. As per opinion of the Board of Directors the Current Assets, Loans and Advances and Current Liabilities as reflected in the Balance Sheet represent the value they would realize to become payable as the case may be in the ordinary course of business.
2. We have relied on the management representation in respect of determining reuse / sale of T.C. scrap, worn out Cylpebs and acceptance of rejection claims.
3. Exchange difference amounting to Rs.3,87,022/- (P.Y. Rs6,55,261/-) has been adjusted in the cost of corresponding raw materials/consumables, Rs.NIL/- (P.Y. Rs. 657 /-) has been adjusted in exportsales
4. Micro Small and Medium Enterprise Development Act, 2006

As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information disclosed to the extent identifiable

(Amount in Rs.)

| | Particulars | 2018-19 | 2017-18 |
|----|---|------------------|-----------|
| a) | (i) The principal amount remaining unpaid to any supplier at the end of accounting year | 55,18,868 | 46,95,840 |
| | (ii) The interest due on above | - | - |
| | Total of (i) & (ii) | 55,18,868 | 46,95,840 |
| b) | The amount of interest paid by the buyer in terms of Section 16 of the Act along with the amount of the payment made to suppliers beyond the appointed day during each accounting year. | - | - |
| c) | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act. | - | - |
| d) | The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| e) | The amount of further interest remaining due and payable even in the succeeding years. Until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Act. | - | - |

5. Provision for taxation has been made during the year as per completed Income Tax Assessment of the Company.
6. Segment Reporting. The Company has only one business segment "Tungsten and Tungsten Carbide Products" as primary segment as required by Ind AS 108 "Operating Segment" under the companies (Indian accounting standard) Rules 2015. The secondary segment is geographical which is given as under:

(Amount in Rs.)

| Sr. No. | Sales & Services | 2018-19 | 2017-18 |
|---------|------------------|---------------------|--------------|
| a) | Within India | 46,06,89,858 | 42,36,42,476 |
| | Outside India | 17,82,715 | 17,08,870 |
| | TOTAL | 46,24,72,573 | 42,53,51,346 |
| Sr. No. | Other Income | 2018-19 | 2017-18 |
| b) | Within India | 3,19,260 | 4,60,131 |
| | Outside India | - | - |
| | TOTAL | 3,19,260 | 4,60,131 |

7. Related Party Disclosure as per Ind AS 24 issued by Institute of Chartered Accountant of India.

Part. A – Details of related parties.

| Sr. No. | Nature of relationships | | |
|---------|--------------------------|---------------------|--------------------------|
| 1 | Key Management Personnel | Mr. J. C. Bhatia | Managing Director |
| | | Mr. A. R. Master | Chief Financial Officer |
| | | Mr. K. M. Shinde | Company Secretary |
| | | Mr B D Markad | Chief Operation Officer |
| | | Mr. L. M. Bijlani | Director |
| | | Mr. C. G. Cholera | Director |
| | | Mr. D. D. Kanitkar | Director |
| | | Mr. B. V. Dholakia | Director |
| | | Mrs. Gayatri Parikh | Director |
| 2 | Related Party | Mr. C. J. Bhatia | Son of Managing Director |

Part. B – Disclosure of Transactions between the Company and Related Parties.

(Amount in Rs.)

| Sr. No. | Nature of Service | Name | Year Ended 31st March, 2019 | Year Ended 31st March, 2018 |
|---------|-------------------|---------------------|-----------------------------|-----------------------------|
| 1 | Remuneration | Mr. J. C. Bhatia | 28,72,066 | 29,07,828 |
| 2 | Rent | Mr. C. J. Bhatia | 4,85,280 | 4,55,280 |
| 3 | Sitting Fees | Mr. C. J. Bhatia | 5,000 | - |
| 4 | Salary | Mr. A. R. Master | 16,62,394 | 14,96,207 |
| 5 | Salary | Mr. K. M. Shinde | 8,98,809 | 7,53,326 |
| 6 | Sitting Fees | Mr. L. M. Bijlani | 20,000 | 25,000 |
| 7 | Commission | Mr. L. M. Bijlani | 80,948 | 96,707 |
| 8 | Sitting Fees | Mr. C. G. Cholera | 20,000 | 25,000 |
| 9 | Commission | Mr. C. G. Cholera | 80,948 | 96,706 |
| 10 | Sitting Fees | Mr. D. D. Kanitkar | 25,000 | 25,000 |
| 11 | Commission | Mr. D. D. Kanitkar | 80,948 | 96,706 |
| 12 | Sitting Fees | Mr. B. V. Dholakia | 30,000 | 25,000 |
| 13 | Commission | Mr. B. V. Dholakia | 80,949 | 96,706 |
| 14 | Sitting Fees | Mrs. Gayatri Parikh | 5,000 | 15,000 |
| 15 | Commission | Mrs. Gayatri Parikh | 80,949 | 96,706 |
| 16 | Salary | Mr B D Markad | 24,01,937 | 22,57,534 |

8. Deferred Tax Liability

(Amount in Rs.)

| Sr. No. | Particulars | Year Ended 31st March, 2019 | Year Ended 31st March, 2018 |
|---------|--|-----------------------------|-----------------------------|
| 1 | Deferred Tax Liability | | |
| | Related to Fixed Assets - Depreciation | 20,94,673 | 25,81,469 |
| 2 | Deferred Tax Assets | | |
| | Disallowance U/s 43-B of Income Tax Act (Leave Encashment) | (8,93,957) | (7,36,766) |
| | Re-measurement of Gratuity | (3,10,840) | (2,99,781) |
| | Total – Net Deferred Tax Liability | 8,89,877 | 15,44,922 |

9. Contingent Liabilities and Commitment :-

(To the extent not provided only)

- Company's Income Tax Assessments have been completed up to the Assessment year 2017-18. In the opinion of the management, provision made in books is sufficient to cover liabilities in respect of pending assessments.
- Company's Vat Assessments have been completed up to the Financial Year 2014-15.
- Show Cause Notices / Demands for Excise / Service Tax / Income Tax claims raised by Department and contested by the Company are Rs.8.00 lacs (P. Y. Rs. 8.00 lacs). The Company has paid Rs.2.97 lacs (P.Y. Rs. 2.97 lacs) under protest. Management has taken legal opinion that the provision made in the books is sufficient to cover the liabilities.
- Contingent Liabilities

(Amount in Rs.)

| Sr. No. | Particulars | Year Ended 31st March, 2019 | Year Ended 31st March, 2018 |
|---------|--|-----------------------------|-----------------------------|
| a) | Claim against the company not acknowledged as debts | 8,00,247 | 8,00,247 |
| b) | Guarantees / Letters of Credit | 8,28,214 | 1,81,816 |
| c) | Other money for which the Company's commitments / Liability Commitments | 87,66,499 | 78,66,584 |
| d) | Estimated amount of contract remaining to be executed on Capital account and not provide for | 6,45,412 | 55,754 |
| e) | Uncalled Liability on Shares and other Investment partly paid | NIL | NIL |
| f) | Other commitments / Counter Guarantee | NIL | NIL |
| g) | Issue of Securities for specific purpose | NIL | NIL |
| h) | Detail of any assets other than Fixed Assets and Non-current Investments which do not have a value on realization on the Ordinary Course of Business at least Equal to the amount at which they are stated | NIL | NIL |

10. Payment to The Auditors As:

(Amount in Rs.)

| Particulars | Year Ended 31st March, 2019 | Year Ended 31st March, 2018 |
|-------------------------------|-----------------------------|-----------------------------|
| For Statutory Fees | 75,000 | 75,000 |
| For Taxation Matters | NIL | NIL |
| For Management Services | NIL | NIL |
| For Other Services | 25,000 | 25,000 |
| For Reimbursement of Expenses | 9,704 | 17,692 |
| TOTAL | 1,09,704 | 1,17,692 |

11. As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below:

(Amount in Rs.)

| Particulars | Year Ended 31st March, 2019 | Year Ended 31st March, 2018 |
|--|-----------------------------|-----------------------------|
| Expenses recognized for defined Contribution Plan | | |
| Company's contribution to Provident Fund | 27,74,549 | 33,08,895 |
| Company's contribution to ESIC | 2,59,144 | 2,90,103 |
| Company's contribution to Super Annuation Fund | 14,89,394 | 14,75,231 |
| TOTAL | 45,23,087 | 50,74,229 |

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund. The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

Defined Benefit Plan - Gratuity

All Employees who have completed five years or more of service are entitled to benefits of Gratuity.

The Company has the Employee's Group Gratuity Scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is unfunded. Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as at 31st March, 2019 and 31st March, 2018 being the respective Measurement dates:

A) Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation

(Amount in Rs.)

| Particulars | Gratuity | |
|--|--------------------------|--------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Present Value of Defined Benefit Obligation at the beginning of the year | 1,74,34,064 | 1,81,83,956 |
| Current Service Cost | 8,50,600 | 8,94,342 |
| Interest Cost | 10,95,246 | 10,81,419 |
| Components of Actuarial (gain) / loss | | |
| Due to Change in financial assumptions | 2,81,600 | (3,02,118) |
| Due to Change in demographic assumption | - | - |
| Due to experience adjustments | 17,53,440 | (14,46,135) |
| Past service cost | - | 11,81,841 |
| Benefits paid | (17,87,091) | (21,59,241) |
| Present Value of Defined Benefit obligation at the end of the year | 1,96,27,859 | 1,74,34,064 |

B) Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

(Amount in Rs.)

| Particulars | Gratuity | |
|--|--------------------------|--------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Fair Value of Plan Assets at the beginning of the year | 1,06,45,859 | 1,04,71,648 |
| Return on plan assets including interest Income | 7,24,456 | 8,40,377 |
| Contributions | 12,78,136 | 14,93,075 |
| Benefits paid | (17,87,091) | (21,59,241) |
| Actuarial gain / (loss) | NIL | NIL |
| Fair value of Plan Assets at the end of the year | 1,08,61,360 | 1,06,45,859 |

C) Expenses recognized in Profit and Loss

(Amount in Rs.)

| Particulars | Gratuity | |
|--|--------------------------|--------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Current Service Cost | 8,50,600 | 8,94,342 |
| Past service cost and loss/(gain) on curtailments and settlement | - | 11,81,841 |
| Interest Cost | 4,67,674 | 5,04,927 |
| Opening service cost and interest cost | - | - |
| Net Cost recognized in Statement of Profit and Loss | 13,18,274 | 25,81,110 |

D) Expenses recognized in Other Comprehensive Income (Amount in Rs.)

| Particulars | Gratuity | |
|---|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Components of actuarial gain / losses on obligations: | | |
| Due to change financial assumptions | 2,81,600 | (3,02,118) |
| Due to change in demographic assumptions | - | - |
| Due to experience adjustments | 17,53,440 | (14,46,135) |
| Return on Plan Assets excluding amounts included in Interest Income | (96,884) | (2,63,885) |
| Opening Provision to be made | - | 77,12,308 |
| Net Cost recognized in Other Comprehensive Income | 19,38,156 | 57,00,170 |

E) Assumptions used to determine the Defined Benefit Obligations: (Amount in Rs.)

| Particulars | Gratuity | |
|---|--|---|
| | As at 31st March 2019 | As at 31st March 2018 |
| Mortality rate | 0.09% to 1.15% | 0.09% to 1.15% |
| Discount rate (per annum) | 7.05% | 7.35% |
| Expected rate of Return on Plan Assets (per annum) | - | - |
| Expected rate of increase in Salary (per annum) | 8.00% | 8.00% |
| Expected Average remaining working lives of Employees (Years) | 5.00% at younger age and 1.00% at older age | 5.00% at younger age and 1.00% at older age |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

F) Sensitivity Analysis :

| Particulars | Change in Assumption | Effect on Gratuity obligation |
|------------------------------------|----------------------|-------------------------------|
| For the year ended 31st March 2018 | | (Amount in Rs.) |
| Discount Rate | + 0.5% | 1,70,72,291 |
| | - 0.5% | 1,78,13,566 |
| Salary Growth Rate | + 0.5% | 1,77,94,291 |
| | - 0.5% | 1,70,78,970 |
| Withdrawal rate | W. R. x 110% | 1,74,28,708 |
| | W. R. x 90% | 1,74,39,454 |
| For the year ended 31st March 2019 | | |
| Discount Rate | + 0.5% | 1,91,63,546 |
| | - 0.5% | 2,01,18,426 |
| Salary Growth Rate | + 0.5% | 2,00,70,477 |
| | - 0.5% | 1,91,95,892 |
| Withdrawal rate | W. R. x 110% | 1,96,27,299 |
| | W. R. x 90% | 1,96,25,187 |

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis falls to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to

significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognized within the Balance Sheet. The method used does not indicate anything about the likelihood of change if any parameter and the extent of the change if any.

G) History of Experience adjustments is as follows: (Amount in Rs.)

| Particulars | Gratuity |
|------------------------------------|---------------|
| For the year ended 31st March 2018 | |
| Plan Liabilities – (loss) / gain | 1,74,34,064 |
| Plan Assets – (loss) / gain | (1,06,45,859) |
| For the year ended 31st March 2019 | |
| Plan Liabilities – (loss) / gain | 1,96,27,859 |
| Plan Assets – (loss) / gain | (1,08,61,360) |

H) Estimate of Expected Benefit Payments (Amount in Rs.)

| Particulars | Gratuity |
|---|-----------|
| 1st April, 2019 to 31st March, 2020 | 46,76,360 |
| 1st April, 2020 to 31st March, 2021 | 35,67,067 |
| 1st April, 2021 to 31st March, 2022 | 25,17,617 |
| 1st April, 2022 to 31st March, 2023 | 17,17,598 |
| 1st April, 2023 to 31st March, 2024 | 18,31,390 |
| 1st April, 2024 to 31st March, 2025 and onwards | 86,19,913 |

I) Statement of Employee Benefit Provision (Amount in Rs.)

| Particulars | Gratuity | |
|------------------------------------|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Fair Value of Plan Assets | 1,08,61,360 | 1,06,45,859 |
| Present Value of Obligation | 1,96,27,859 | 1,74,34,064 |
| Opening Balance | - | - |
| Amount recognized in Balance Sheet | 87,66,499 | 67,88,205 |

J) Current and Non – Current provision for Gratuity. (Amount in Rs.)

| Particulars | Gratuity | |
|-----------------|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Current | 10,65,629 | 8,50,600 |
| Non-Current | 77,00,870 | 59,37,605 |
| Opening Balance | - | - |
| Total | 87,66,499 | 67,88,205 |

K) Reconciliation of net defined benefit liability (Amount in Rs.)

| Particulars | Gratuity | |
|--|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Opening provision in books of accounts | 67,88,205 | - |
| Employee Benefit Expense – Table C | 13,18,274 | 25,81,110 |
| Amounts recognized in other comprehensive income | 19,38,156 | 57,00,170 |
| Contributions to plan assets | (12,78,136) | (14,93,075) |
| Closing provision in books of accounts | 87,66,499 | 67,88,205 |

- L) Gratuity payable as per revised accounting Ind AS 19 & actuarial valuation submitted by independent actuaries difference of fair market value of defined plant & present value of defined plant has been provided in other comprehensive income amounting to Rs. 19,38,156/- including past service cost, interest cost and liability of earlier year and difference in actuarial liability including service cost and interest cost for the year 31.03.2019 of Rs. 40,138/- is recognized in Profit & loss account

Unfunded defined plan: leave encashment

- A) Reconciliation of opening and closing balances of the Present Value of the Defined Unfunded Benefit Obligation
(Amount in Rs.)

| Particulars | Leave Encashment | |
|---|--------------------------|--------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Present Value of Unfunded Defined Benefit obligation at the beginning of the year | 26,74,045 | 25,05,731 |
| Current Service Cost | 4,73,428 | 4,23,518 |
| Interest Cost | 1,96,542 | 1,53,736 |
| Components of Actuarial (gain) / loss | | |
| Due to Change in financial assumptionns | 55,748 | (55,154) |
| Due to Change in demographic assumption | - | 1,44,230 |
| Due to experience adjustments | 1,92,396 | (3,38,542) |
| Benefits paid | (3,47,602) | (1,59,474) |
| Present Value of Defined Benefit obligation at the end of the year | 32,44,557 | 26,74,045 |

- B) Expenses recognized in Profit and Loss

(Amount in Rs.)

| Particulars | Leave Encashment | |
|---|--------------------------|--------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Current Service Cost | 4,73,428 | 4,23,518 |
| Interest Cost | 1,96,542 | 1,53,736 |
| Re-measurements of obligation | 2,48,144 | (2,49,466) |
| Benefit paid | - | (1,59,474) |
| Net Cost recognized in Statement of Profit and Loss | 9,18,114 | 1,68,314 |

- C) Components of actuarial gain/losses on obligation

(Amount in Rs.)

| Particulars | Leave Encashment | |
|--|--------------------------|--------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Components of actuarial gain / losses on obligations: | | |
| Due to change in financial assumptions | 55,748 | (55,154) |
| Due to change in demographic assumptions | - | 1,44,230 |
| Due to experience adjustments | 1,92,396 | (3,38,542) |
| Net actuarial gain/loss | 2,48,466 | (2,49,466) |

D) Assumptions used to determine the Defined Benefit Obligations:

| Particulars | Leave Encashment | |
|---|---|---|
| | As at 31st March 2019 | As at 31st March 2018 |
| Mortality rate | 0.09% to 1.15% | 0.09% to 1.15% |
| Discount rate (per annum) | 7.05% | 7.35% |
| Expected rate of Return on Plan Assets (per annum) | - | - |
| Expected rate of increase in Salary (per annum) | 8.00% | 8.00% |
| Expected Average remaining working lives of Employees (Years) | 5.00% at younger age and 1.00% at older age | 5.00% at younger age and 1.00% at older age |
| Leave Availment Rate | 1.00% | 1.00% |
| Leave Encashment Rate | 1.00% | 1.00% |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market..

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

E) Sensitivity Analysis :

| Particulars | Change in Assumption | Effect on Gratuity obligation |
|------------------------------------|----------------------|-------------------------------|
| For the year ended 31st March 2018 | | (Amount in Rs.) |
| Discount Rate | + 0.5% | 26,08,379 |
| | - 0.5% | 27,43,385 |
| Salary Growth Rate | + 0.5% | 27,42,621 |
| | - 0.5% | 26,08,471 |
| Withdrawal rate | W. R. x 110% | 26,70,873 |
| | W. R. x 90% | 26,77,307 |
| For the year ended 31st March 2019 | | |
| Discount Rate | + 0.5% | 31,52,742 |
| | - 0.5% | 33,42,130 |
| Salary Growth Rate | + 0.5% | 33,40,782 |
| | - 0.5% | 31,53,115 |
| Withdrawal rate | W. R. x 110% | 32,39,585 |
| | W. R. x 90% | 32,49,684 |

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis falls to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognized within the Balance Sheet. The method used does not indicate anything about the likelihood of change if any parameter and the extent of the change if any.

F) History of Experience adjustments is as follows: (Amount in Rs.)

| Particulars | Leave Encashment |
|------------------------------------|------------------|
| For the year ended 31st March 2018 | |
| Plan Liabilities – (loss) / gain | 26,74,045 |
| Plan Assets – (loss) / gain | - |
| For the year ended 31st March 2019 | |
| Plan Liabilities – (loss) / gain | 32,44,557 |
| Plan Assets – (loss) / gain | - |

G) Estimate of Expected Benefit Payments (Amount in Rs.)

| Particulars | Leave Encashment |
|---|------------------|
| 1st April, 2019 to 31st March, 2020 | 6,49,931 |
| 1st April, 2020 to 31st March, 2021 | 4,32,373 |
| 1st April, 2021 to 31st March, 2022 | 3,25,615 |
| 1st April, 2022 to 31st March, 2023 | 2,39,282 |
| 1st April, 2023 to 31st March, 2024 | 3,03,295 |
| 1st April, 2024 to 31st March, 2025 and onwards | 17,95,892 |

H) Statement of Employee Benefit Provision (Amount in Rs.)

| Particulars | Leave Encashment | |
|------------------------------------|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Fair Value of Plan Assets | 32,44,557 | 26,74,045 |
| Present Value of Obligation | - | - |
| Amount recognized in Balance Sheet | 32,44,557 | 26,74,045 |

I) Current and Non - Current provision for Gratuity. (Amount in Rs.)

| Particulars | Leave Encashment | |
|--------------|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Current | 6,49,931 | 6,62,989 |
| Non-Current | 25,94,626 | 20,11,056 |
| Total | 32,44,557 | 26,74,045 |

J) Reconciliation of net defined benefit liability (Amount in Rs.)

| Particulars | Leave Encashment | |
|--|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Opening provision in books of accounts | 26,74,045 | 25,05,731 |
| Employee Benefit Expense – Table B | 5,70,512 | 1,68,314 |
| Re-measurement of opening balance | - | - |
| Closing provision in books of accounts | 32,44,557 | 26,74,045 |

12. Earnings per share (EPS)

| The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share: | | Number of Shares | |
|--|---|-----------------------|-----------------------|
| Sr. No. | Particulars | As at 31st March 2019 | As at 31st March 2018 |
| (i) | Issued Equity Shares | 53,71,245 | 53,71,245 |
| | Weighted Average Shares outstanding – Basic and Diluted | 53,71,245 | 53,71,245 |

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in Rs.)

| Sr. No. | Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---------|---|-----------------------|-----------------------|
| (i) | Profit and Loss after Tax for attributable to Equity Shareholders | 2,65,68,810 | 2,60,95,549 |
| (ii) | Basic Earning per Equity Share | 4.95 | 4.86 |
| (iii) | Face Value per Equity Share | 10.00 | 10.00 |

13. Operating Lease Commitments (Company is a Lessee)

The Company does not have any operating leasing arrangement in respect of vehicles and there are no commitment with respect to lease rental payable.

14. Events Occurring after Balance Sheet

a) The financial statements were approved for issue by the board of directors on May 25, 2019.

b) Dividend proposed to be distributed

(Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|---|----------------------------|----------------------------|
| Dividend proposed for Equity Shareholders @ Rs 1.50 per share | 80,56,868 | 96,68,241 |
| Total | 80,56,868 | 96,68,241 |

15. Value of Imports calculated of C.I.F. basis by the Company the financial year in respect of:

(Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|----------------------------|----------------------------|----------------------------|
| Raw Materials | 9,95,66,751 | 18,79,43,554 |
| Components and Spare Parts | 12,36,525 | 23,33,722 |
| Capital Goods | - | - |
| Total | 10,08,03,276 | 19,02,77,276 |

16. Expenditure in Foreign Currency during the Financial year on account of:

(Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|---------------------------|----------------------------|----------------------------|
| Books & Periodicals | NIL | NIL |
| Membership Fees | NIL | NIL |
| Foreign Travelling | NIL | NIL |
| Fees and Taxes | NIL | NIL |
| Repairs Plant & Machinery | 3,21,567 | NIL |
| Total | 3,21,567 | NIL |

17. The amount remitted during the year in Foreign currency: (Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|-------------------------|-------------------------------|-------------------------------|
| On account of dividends | NIL | NIL |

18. Earning In Foreign Exchange: (Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|-------------------------------|-------------------------------|-------------------------------|
| Exports of Goods on FOB Basis | 17,82,715 | 17,08,870 |
| Interest and Dividends | NIL | NIL |
| Other Income | NIL | NIL |
| Total | 17,82,715 | 17,08,870 |

19. Break up of Consumption: (Amount in Rs.)

| | Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|----|--------------------------|-------------------------------|-------------------------------|
| a) | Raw Materials | | |
| | Indigenous | 19,32,37,260 | 7,88,83,118 |
| | % | 59.39 | 31.68 |
| | Imported | 13,21,06,745 | 17,00,89,340 |
| | % | 40.61 | 68.32 |
| | Total Consumption | 32,53,44,005 | 24,89,72,458 |

(Amount in Rs.)

| | Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|----|--------------------------|-------------------------------|-------------------------------|
| b) | Spare Parts & Components | | |
| | Indigenous | 95,12,074 | 1,43,36,305 |
| | % | 95.73 | 85.57 |
| | Imported | 4,24,200 | 24,16,602 |
| | % | 4.27 | 14.43 |
| | Total Consumption | 99,36,274 | 1,67,52,907 |

20. Consumption of Raw Materials (Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|-------------------------|-------------------------------|-------------------------------|
| Blue Tungsten Oxide | 8,90,04,697 | 127260380 |
| Oxide of Metal | 17,41,63,250 | 72237250 |
| Cobalt | 4,33,21,680 | 35063988 |
| Tungsten Carbide Powder | 55,36,458 | 4440285 |
| Yellow Tungsten Oxide | 39,18,000 | NIL |
| Tanbc | 48,69,725 | 4526479 |
| Tungsten Metal Powder | NIL | NIL |
| Cemented Carbides | NIL | 586705 |
| Crushed TC Fragments | NIL | 1364810 |
| Others | 45,30,195 | 3492561 |
| Total | 32,53,44,005 | 24,89,72,458 |

21. Opening / Closing Stock of Raw Material

(Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|-------------------------|-------------------------------|-------------------------------|
| Blue Tungsten Oxide | 71,59,274 | 3,40,72,506 |
| Oxide of Metal | 1,75,80,000 | 1,79,22,000 |
| Cobalt | 78,27,801 | 60,46,139 |
| Tungsten Carbide Powder | 9,82,039 | 1,73,746 |
| Tanbc | 44,56,770 | 39,95,004 |
| Others | 60,63,381 | 20,89,467 |
| Total | 4,40,69,285 | 6,42,98,862 |

22. Turnover

Tungsten & Tungsten Carbide Products

(Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|---------------------------|-------------------------------|-------------------------------|
| a) Manufactured | | |
| i) Sintered | 35,08,36,151 | 29,91,72,204 |
| ii) Intermediary Products | 10,88,16,572 | 11,51,71,524 |
| b) Purchased | | |
| i) Resale of Raw Material | 28,19,850 | 1,10,07,618 |
| Total | 46,24,72,573 | 42,53,51,346 |

23. Opening / Closing Stock – Finished Goods

Tungsten & Tungsten Carbide Product

(Amount in Rs.)

| Particulars | Year Ended 31st March 2019 | Year Ended 31st March 2018 |
|-----------------|-------------------------------|-------------------------------|
| a) Manufactured | 3,29,21,115 | 3,07,86,882 |
| b) Purchased | NIL | NIL |
| Total | 3,29,21,115 | 3,07,86,882 |

24. Financial Instruments

i) Fair value measurement hierarchy:

(Rs. In Lakhs)

| Particulars | As at 31st March, 2019 | | | |
|---------------------------------------|------------------------|------------------------|-------------|---------|
| | Carrying amount | Level of input used in | | |
| | | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | |
| At Fair Value through Profit and Loss | | | | |
| Mutual Funds | | | | |
| At FVTOCI | | | | |
| Investment in Equity instruments | 5.27 | | 5.27 | |
| Investment in Debt instruments | | | | |
| At Amortised cost | | | | |
| Trade Receivables | 890.68 | | | |
| Cash and cash equivalents | 44.54 | | | |
| Bank balances other than above | 0.53 | | | |
| Other asset | 40.91 | | | |
| Total | 976.66 | | 5.27 | |

(Rs. In Lakhs)

| Particulars | As at 31st March, 2019 | | | |
|------------------------------|------------------------|------------------------|---------|---------|
| | Carrying amount | Level of input used in | | |
| | | Level 1 | Level 2 | Level 3 |
| Financial liabilities | | | | |
| Trade Payables | 425.42 | | | |
| Borrowings | 334.37 | | | |
| Other Financial liabilities | 34.36 | | | |
| Total | 794.15 | | | |

(Rs. In Lakhs)

| Particulars | As at 31st March, 2018 | | | |
|---------------------------------------|------------------------|------------------------|---------|---------|
| | Carrying amount | Level of input used in | | |
| | | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | |
| At Fair Value through Profit and Loss | | | | |
| Mutual Funds | | | | |
| At FVTOCI | | | | |
| Investment in Equity instruments | 4.23 | | 4.23 | |
| Investment in Debt instruments | | | | |
| At Amortised cost | | | | |
| Trade Receivables | 683.50 | | | |
| Cash and cash equivalents | 59.75 | | | |
| Bank balances other than above | 40.76 | | | |
| Other assets | 41.53 | | | |
| Total | 829.77 | | 4.23 | |
| Financial liabilities | | | | |
| Trade Payables | 539.90 | | | |
| Borrowings | 113.53 | | | |
| Other Financial liabilities | 59.55 | | | |
| Total | 712.98 | | | |

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

i) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of the remaining financial instruments is determined using NAV.
- Valuation of unquoted equity shares is done by external valuation agency.
- Changes in Level 2 fair value are analysed at the end of each reporting period.

25. Financial Risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk.
- Liquidity risk, and
- Market risk

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposit and other receivables. Credit risk is managed through continuous monitoring of receivables and follow up of overdues.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter parties, and does not have any significant concentration of exposures to specific industry sector or specific country risks.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customer, default risk of the industry and country in which the customer operates, Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

(Rs. In Lakhs)

| | Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---|--------------------------------------|------------------------|------------------------|
| A | Balance at the beginning of the year | 890.68 | 683.50 |
| b | Provision made during the year | - | - |
| c | Provision reversed during the year | - | - |
| d | Balance at the end of the year | 890.68 | 683.50 |

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they fall due. The Company ensures that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition.

Maturities of Financial Liabilities

The table herewith analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for:

The amount disclosed in the table are the contractual undiscounted cash flow, Balance dues within the 12 months equal there carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

(Rs. In Lakhs)

| Particulars | Less than 1 year | More than 1 year | Total |
|----------------------------------|------------------|------------------|--------|
| As at 31st March, 2019 | | | |
| Non-derivatives | | | |
| Other Financial Liabilities | 7.93 | 26.43 | 34.36 |
| Borrowings | 323.22 | 11.15 | 334.37 |
| Trade payables | 425.10 | 0.32 | 425.42 |
| Total Non-derivative liabilities | 756.25 | 37.90 | 794.15 |

| Particulars | Less than 1 year | More than 1 year | Total |
|----------------------------------|------------------|------------------|--------|
| As at 31st March, 2018 | | | |
| Non-derivatives | | | |
| Other Financial Liabilities | 31.05 | 28.50 | 59.55 |
| Borrowings | 106.12 | 7.41 | 113.53 |
| Trade payables | 539.86 | 0.03 | 539.89 |
| Total Non-derivative liabilities | 677.03 | 35.94 | 712.97 |

iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and other price risk such as commodity risk, Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

Price Risk

The Company is mainly exposed to the price risk due its investment in equity instruments and equity & debt mutual fund. The price risk arises due to unascertainty about the future market value of these investments.

Management Policy

The Company maintains its portfolio in accordance with framework set by risk management policies duly monitored by competent professionals.

26. Capital management

The Company's capital management objectives are:

- To ensure the Company's ability to continue as going concern; and
- To provide an adequate return to shareholders through optimization of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

(Amount in Rs.)

| For the year ended | 31st March, 2019 | 31st March, 2018 |
|--|------------------|------------------|
| Debt (includes non-current, current borrowings and current maturities of long term debt) | 3,36,81,944 | 1,38,49,456 |
| Less : Cash and cash equivalents | 44,53,757 | 59,75,077 |
| Net Debt | 2,92,28,187 | 78,74,379 |
| Total Equity | 25,51,05,983 | 24,29,29,910 |
| Net debt to total equity ratio | 0.115 | 0.030 |

27. Use of Estimates and Judgments

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in these notes.

28. Details of Hypothecation of Assets

Inventory and Debtors are Hypothecated as security for working capital borrowings.

29. Commission to Non-Executive Director

Remuneration of Rs 4.05 Lacs to the Non-Executive Director is subject to approval of shareholders in the ensuing Annual General Meeting.

30. Figures of the previous year have been re-grouped/re-arranged wherever necessary to conform to this year's classification as per Schedule III of the companies Act, 2013.

Auditor's Report signed in terms of our separate report of even date

FOR, Maloo Bhatt & Co.
Chartered Accountants

Yash Bhatt
Partner
M.No.117745
FR.No. 1259572W

Date : 25th May, 2019
Place : Mumbai

A. R. Master
Chief Finance Officer

K. M. Shinde
Company Secretary
Membership No. 35836

For and on behalf of the Board Rapicut Carbides Ltd.

J. C. Bhatia **Managing Director**
Din No. 00250737

C. G. Cholera **Non - Executive Director**
Din No. 00131143

B. V. Dholakia **Independent Director**
Din No. 01871816

Gayatri Parikh **Independent Director**
Din No. 00045529

D. D. Kanitkar **Independent Director**
Din No. 03523774



RAPICUT CARBIDES LTD.

Registered Office : Plot No.119, GIDC Industrial Area, Ankleshwar - 393 002 (Gujarat).
CIN : L28910GJ1977PLC002998 Phone No: +91-2646-251118, Fax: +91-2646-251019
Email: investors@rapicutcarbides.com, Website: www.rapicutcarbides.com

**FORM NO. 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]**

Name of the Member(s):

Registered address:

E-mail ID:

Folio No. / *DP ID No.....and *Client ID:

(*applicable for investors holding shares in electronic form.)

I/We, being the Member(s) of shares of the above named Company, hereby appoint

1. Name: E-mail ID:

Address

Signature, or failing him/her

2. Name: E-mail ID:

Address

Signature, or failing him/her

3. Name: E-mail ID:

Address

Signature, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual General Meeting, to be held on Saturday, September 28, 2019 at 12.00 Noon. at Hotel Sadanand, Rajpipla Road, Ankleshwar - 393 002, (Gujarat) and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

*I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

| Resolution No. | Description | For | Against |
|----------------|---|-----|---------|
| | Ordinary Business | | |
| 1 | To receive, consider and adopt the Audited Financial Statements comprising the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date, the Reports of the Board and Auditors thereon. | | |
| 2 | To declare a dividend for the financial year ended 31st March, 2019. | | |
| 3 | To appoint a Director in place of Shri. Lalit Mohan Bijlani (DIN: 01382116) who retires by rotation and being eligible, offers himself for re-appointment. | | |

Signed this day of 2019.



Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

- Please put a (✓) in the appropriate column against the resolutions indicated in the Box. Alternatively you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

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.
3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number 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. Further, 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 Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. Those members who have multiple folios with different joint holders may use copies of this Proxy form.

Form No. SH-13-Nomination Form
[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies
(Share Capital and Debentures) Rules 2014]

To,
 (Name of the Company) _____
 (Address of the Company) _____
 _____ Pin code _____

I/ We _____
 residing at _____
 _____ the holder(s) of the securities particulars
 of which are given hereunder wish to make nomination and do hereby nominate the following person in
 whom shall vest, all the rights in respect of such securities in the event of my/our death.

1) Particulars of the Securities (in respect of which nomination is being made)

| Nature of securities | Folio No. | No. of securities | Certificate No. | Distinctive No. | |
|----------------------|-----------|-------------------|-----------------|-----------------|----|
| | | | | From | To |
| | | | | | |
| | | | | | |

2) Particulars of Nominee

| | | | | |
|---|---|----------------------------|--------------------|---|
| Name: _____ | | Date of Birth: ___/___/___ | | Please affix recent passport size photograph of the Nominee signed across |
| Father's/ Mother's/ Spouse's name: _____ | | Occupation: _____ | Nationality: _____ | |
| E-mail id: _____ | | | | |
| Phone No : _____ | Relationship with the security holder: _____ | | | |
| Address: _____ _____ _____ Pin code _____ | | | | |
| | | | | Signature of the Nominee |

3) In case Nominee is a Minor

| | | |
|--|---|-------------------------|
| Date of birth: ___/___/___ | Date of attaining Majority ___/___/___ | Name of guardian: _____ |
| Address of guardian: _____ _____ Pin code _____ | | |

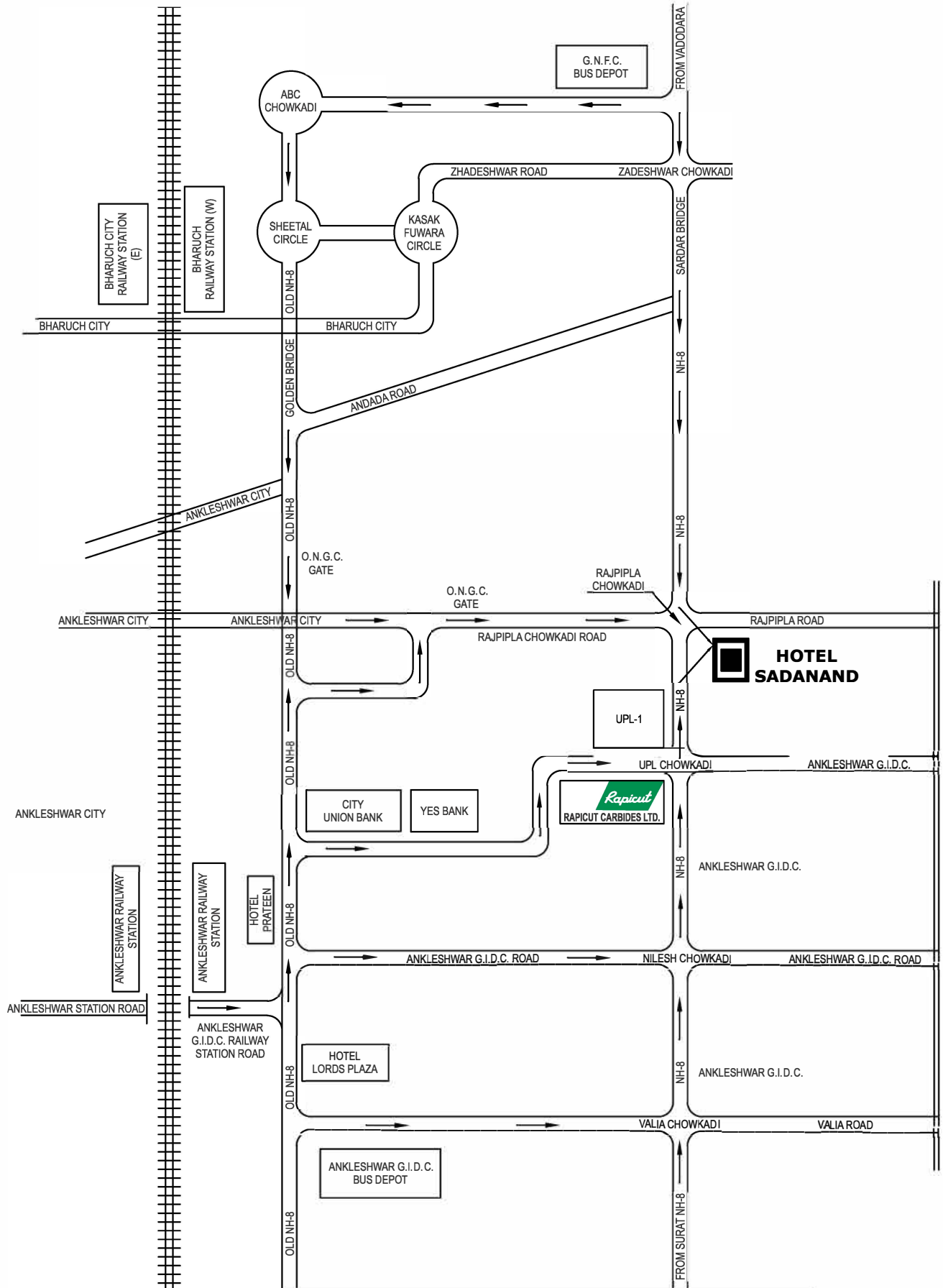
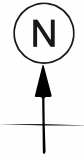
| Name of the Security Holder(s) | Signature |
|--|---------------------------------------|
| 1. _____ | |
| 2. _____ | |
| 3. _____ | |
| Name of witness | Signature of Witness with date |
| Address of witness: _____ _____ _____ Pin code _____ | |
| Place: _____ | Date: ___/___/___ |

Please fill this Nomination form in Duplicate after carefully reading the instruction given below:

1. The Nomination can be made by individual's only holdings shares singly or jointly. Non individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
3. The shareholder [s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
4. As per section 72 of Companies Act 2013, if the shares are held by more than one person jointly, then the joint holders may together nominate a person to whom all the rights in the shares of the Company shall vest, in the event of death of all the joint holders.
5. If the shares are held jointly, subsequent to the death of anyone of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving shareholders.
6. The nomination form filled in "duplicate" should be lodged with the Registrar and Share transfer Agent of the Company i.e. M/s. SHAREX DYNAMIC (INDIA) PVT. LTD., C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083. The Registrar will return one copy of the nomination form to the shareholder after registering the nomination. The registration number allotted will be furnished in the said form.
7. The shareholder[s] can delete or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form)
8. Nomination stands cancelled whenever the shares in the given folio are transferred/ dematerialized. Also in case of change in folio due to consolidation/ transmission a new nomination has to be filed.
9. The nomination made through Form No. SH-13 will be considered valid if the nomination made by the holder[s] of the shares is registered with the company before the death of the registered holder[s] of the shares.
10. Kindly note that the nomination being a legal document should be dated by the nominator and the witness should certify that the nominator has signed the form in their presence. Furthermore the date of execution on the Nomination Form should match with the date of witness, witnessing the document.
11. Affixing photograph of the Nominee is not mandatory and if affixed the nominee should sign across the photograph.

| FOR OFFICE USE ONLY | | |
|------------------------------------|-----------------------------|--|
| Nomination Registration No. | Date of Registration | Signature of Employee with Code No. |
| | | |

ROUTE MAP TO THE VENUE OF THE AGM .



From :



If undelivered please return to :
RAPICUT CARBIDES LIMITED
Registered Office :
Plot No. 119, GIDC,
Ankleshwar - 393 002.