



Date: 5th July, 2022

To
The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block,
Bandra- Kurla Complex,
Bandra(E),
Mumbai-400051
NSE Symbol- KRITIKA

Sub: Notice of the 18th Annual General Meeting of the Company along with Annual Report for the Financial Year 2021-2022
Ref: Disclosure under Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

This is to inform you that the 18th Annual General Meeting of the Company is scheduled to be held on Friday, 29th day of July, 2022 at 2:00 p.m. at the Corporate Office of the Company situated at Unit No. 201, 2nd Floor, Bus Terminus & Commercial Complex, Plot-BG-12, AA-I, New Town, Pride Hotel, Building, Kolkata – 700156.

Pursuant to Regulation 34 read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of notice of the 18th Annual General Meeting along with Annual Report of the Company for the Financial Year 2021-2022.

A copy of the aforesaid notice of the 18th Annual General Meeting along with Annual Report is also available on the website of the Company www.kritikawires.com.

Kindly take the same on your record.

Thanking you.

Yours faithfully,

For Kritika Wires Limited

KRITIKA WIRES LTD

Mahesh Kr. Sharma
Company Secretary

Mahesh Kumar Sharma
(Company Secretary and Compliance Officer)
Membership No.: 42926

Encl.: As above

Kritika Wires Limited

Regd Office IA, Bonfield Lane Kolkata 700 00t West Bengal India
t +91 33 40037B17 e sales@kritikawires.com w www.kritikawires.com
Cooperate @fice Unit No. 201 2nd Floor Bus Terminus 8t Commercial Complex Plot-
BG-12. AA-L New Town Pride Hotel Building
t +9133 2986 2140 / 2142
Worlcs Vill Bhagabatipur P.O. Chaturbhujkati Sankrail Howrah 711 313
CIN : L27102WB2004PLC098699 GST : 19AACCK5615NIZ5



KRITIKA WIRES LIMITED

ANNUAL REPORT

2021-22

Contents	Page No.
Management Reports	
Report of Board of Directors.....	3
Annexure to Board Reports.....	15
Financial Statements	
Independent Auditor's Report.....	23
Balance Sheet.....	34
Statement of Profit and Loss.....	35
Statement of Cash Flows.....	36
Statement of Changes in Equity.....	38
Notes.....	39
Annual General Meeting	
Notice.....	90

Corporate Information

Board of Directors

Naresh Kumar Agarwal
Chairman and Executive Director

Hanuman Prasad Agarwal
Managing Director

Ankush Agarwal
Whole Time Director

Sanjeev Binani
Non-Executive Director

Rajesh Kumar Choudhary
Non-Executive Independent Director

Shiv Kumar Saraff
Non-Executive Independent Director

Niraj Jindal
Non-Executive Independent Director

Radhika Vyas
Non-Executive Independent Women Director

Bankers

State Bank of India
SME Camac Street Branch
Santiniketan Building
8 Camac Street, Kolkata-700017

Karnataka Bank
Overseas Branch
Shubham Building, 1 Sarojini Naidu Sarani
Kolkata-700017

Corporate Office

Kritika Wires Ltd.
Unit No, 201, 2nd Floor
Bus Terminus and Commercial Complex
Plot: BG-12, AA-I, Pride Hotel Building, NewTown
Kolkata - 700156, West Bengal
Tel: +91 33 2986 2140/2142
Email: compliance@kritikawires.com
Website: www.kritikawires.com

Key Managerial Personnel

Anand Kumar Sharma
Chief Financial Officer

Mahesh Kumar Sharma
Company Secretary and Compliance Officer

Registered Office

Kritika Wires Ltd.
CIN: L27102WB2004PLC098699
1A, Bonfield Lane, Kolkata - 700001
West Bengal, India
Tel: +91 33 40037817
Email: compliance@kritikawires.com
Website: www.kritikawires.com

Statutory Auditors

G. P. Agrawal & Co.
Chartered Accountants
Unit No: 606, 6th Floor, Diamond Heritage
16, Strand Road, Kolkata-700001

Internal Auditors

M. Kumar Jain & Co.
Chartered Accountants
7A Kiran Shankar Ray Road, Kolkata-700001

Cost Auditors

Sohan Lal Jalan and Associates
Cost Accountants
Samrat Apartment, P-184 Suren Sarkar Road,
Kolkata-700010

Registrar and Transfer Agent

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, LBS Marg,
Vikhroli (West), Mumbai- 400083, Maharashtra, India
Tel No.: +91-22-49186000
Fax No.: +91-22-49186325
Email: kolkata@linkintime.co.in

Investor Helpdesk

Email: kolkata@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Prasanta Sen

REPORT OF BOARD OF DIRECTORS

Dear Members,

Your Directors are pleased to present the 18th (Eighteenth) Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2022.

STATE OF COMPANY'S AFFAIRS

The Financial Year 2021-2022 began with the global challenge of Covid-19 pandemic creating disruption across the world. The unexpected second wave of Covid-19 pandemic hit India in April 2021. However, your Company has continued to operate and provide services to its customers, without any significant disruptions during ongoing COVID-19 crisis.

Financial Highlights

The Financial Statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 read with sub-section (1) of section 210A of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. The Company adopted Ind AS from 1st April, 2020.

Financial highlights of the Company during the year under review are as under:

Particulars	Rs. in Lakhs	
	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Total Income	24,642.91	13,879.92
Total Expenses	24,087.86	13,778.92
Profit before Extraordinary items and Exceptional items	555.05	101.00
Less: Exceptional Items	-	-
Less: Extraordinary Items	-	-
Profit before tax	555.05	101.00
Less: Current tax	163.02	33.89
Less: Deferred tax	(10.59)	(11.22)
Profit after Tax	402.62	78.33
Other Comprehensive Income	12.10	3.57
Total Comprehensive Income for the year	414.72	81.90

During the year under review, the performance of the Company was satisfactory. The total income during the year under review has increased by 77.54% from Rs. 13,879.92 lakhs in the previous to Rs. 24,642.91 lakhs. The Profit Before Tax (PBT) was Rs. 555.05 lakhs against Rs. 101.00 lakhs in the previous year. The Profit After Tax (PAT) was Rs. 402.62 lakhs against Rs. 78.33 lakhs in the previous year.

Your Company is focusing on the strategic pillars of cost efficiency programs, innovation, brand building and distribution in order to sustain growth and profitability. During the challenging times, the Company maintained its liquidity position by minimizing cash outflows. The company plans to grow its national and international footprint in the coming years. The company has continued its effort to deliver a quality product and service to the customers, which helps maintain the leadership position in the market.

Migration to Main Board

During the year under review, the Company had sought approval of members via Postal Ballot for migration of Equity Shares of the Company from SME Portal (Emerge) of National Stock Exchange of India Ltd (NSE) to Main Board of NSE, pursuant to provisions of Regulation 277 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. The members had given their approval by passing a Special Resolution through Postal Ballot which concluded on 7th November, 2021. On receipt of members approval and on completion of requisite formalities with NSE, the equity shares of the Company are successfully listed/admitted on the Main Board of NSE with effect from 4th May, 2022.

Change in nature of business

There was no change in the nature of business of the Company during the year.

Management Discussion and Analysis

The Company's business activity primarily falls within a single business segment i.e., manufacturing, exporting and supplying of industrial steel wires and galvanized wires. The analysis on the performance of the industry, the Company, internal control systems, risk management are presented in the Management Discussion and Analysis Report forming part of this report and are provided in '**Annexure A**'.

DIVIDEND

Appropriations

Your Board of Directors, after taking into consideration the financial position of the Company, had recommended a final dividend of 5% (Re. 0.50 per equity share of Rs. 10 each) for the Financial Year 2021-2022 at their meeting held on 28th May 2022, subject to approval of members at the Annual General Meeting (AGM).

The dividend on equity shares for the financial year 2021-2022 would aggregate to Rs. 88,76,000 (Rupees Eighty Eight Lakh and Seventy Six Thousand only).

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

The Register of Members and Share Transfer Books of the Company will be closed from **Saturday, 23rd July, 2022 to Friday, 29th July, 2022 (both days inclusive)** for annual closing and determining the entitlement of the shareholders to the final dividend for Financial Year 2021-2022, if approved by the members at the forthcoming Annual General Meeting.

Transfer of unpaid & Unclaimed Dividends & Shares to Investor Education and Protection Fund (IEPF)

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), there are no unpaid & unclaimed dividend pending with the Company, hence there is no amount transferred to IEPF.

RESERVES

Your Company does not propose to transfer any amount to the reserves for Financial Year 2021-2022.

ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2022 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 and is available on the website of the Company at www.kritikawires.com.

MATERIAL CHANGES AND COMMITMENT

No material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company.

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

Conservation of Energy:

Considering the nature of business of the Company, energy does not form a significant portion of the cost for the Company yet wherever possible and feasible, continuous efforts are being made for conservation of energy and minimizing power cost.

Technology Absorption:

We are well aware of latest technology being available in our field of operation. Necessary training is imparted to the relevant people from time to time to make them well acquainted with the latest technology.

Foreign Exchange Earning and Outgo:

The Company creating a network across the globe through export of its products.

During the year under review, the details of foreign exchange earnings and outgo are as given below:

(Rs. In lakhs)

Particulars	Financial Year 2021-2022	Financial Year 2020-2021
Earning in Foreign Currencies	533.82	1126.93
Expenditure in Foreign Currencies	4174.84	2042.51

RISK MANAGEMENT

Your Company has a well-defined risk management structure which establishes a disciplined approach to Risk Management. The risks existing in the internal and external environment are periodically identified and reviewed, based on which, the cost of treating risks is assessed and risk treatment plans are devised.

LOANS, GUARANTEES OR INVESTMENTS

Details of loan, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the financial statements.

RELATED PARTIES TRANSACTIONS

All contracts/arrangements/transactions entered into by the Company with its Related Parties are pre-approved by the Audit Committee. All Related Parties Transactions are placed before the Audit Committee for review on a quarterly basis.

All related party contracts/arrangements/transactions as specified under Section 188 (1) of the Act, entered into during the Financial Year 2021-2022 were in the ordinary course of the business of the Company and were on arm's length basis.

Your Company has not entered into any contracts/ arrangements/transactions with related parties which could be considered 'material'. Thus, there are no transactions required to be reported in Form AOC-2. Further, during the year under review, there were no materially significant related party transactions made by your Company with the Promoters, Directors, Key Managerial Personnel or other designated persons, which might have potential conflict with the interest of the Company at large. The Board has taken on record all transaction with related parties.

The policy on Related Party Transactions is uploaded on the Company's website www.kritikawires.com.

BOARD OF DIRECTORS, COMMITTEES AND MANAGEMENT

Composition:

The composition of the Board of Directors and its Committees, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee are in accordance with Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"], wherever applicable.

Induction to Board:

Based on the recommendation of the Nomination and Remuneration Committee, the Board, in accordance with the provisions of Section 149 read with Schedule IV to the Act and applicable SEBI (LODR) Regulations, 2015 had appointed Mr. Shiv Kumar Saraff and Mr. Niraj Jindal as an Additional Non-Executive Independent Director of the Company with effect from 18th February, 2022, not liable to retire by rotation. Subsequently, the appointment of Mr. Shiv Kumar Saraff and Mr. Niraj Jindal was approved by the members of the Company at the Extra-Ordinary General Meeting held on 16th May, 2022. The Independent Directors bring to the Board extensive knowledge and experience in areas of Governance, Risk Management and Finance.

Retirement by Rotation:

Pursuant to Section 152 of the Companies Act, 2013, at least two-third of the total number of Directors (excluding independent directors) shall be liable to retire by rotation.

The Independent Directors hold office for a fixed term of not exceeding five years from the date of their appointment and are not liable to retire by rotation.

Accordingly, Mr. Sanjeev Binani (DIN: 01149866), Non-Executive Director, being the longest in the office among the Directors liable to retire by rotation, retires from the Board this year and, being eligible, has offered himself for re-appointment.

The brief resume and other details relating to Mr. Sanjeev Binani who is proposed to be re-appointed, as required to be disclosed under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is incorporated in the annexure to the notice calling ensuing Annual General Meeting.

Meetings of the Board:

During the year under review, 5 (five) meetings of the Board of Directors of the Company were scheduled on 30th June, 2021, 4th September, 2021, 12th November, 2021, 18th February, 2022 and 25th March, 2022 respectively. The gap between two consecutive meetings of the Board of Directors was less than 120 days.

Meeting of Independent Directors:

To comply with the provisions of Schedule IV of the Companies Act, 2013, the Independent Directors met once during the Financial Year 2021-2022 on 16th March, 2022, without the presence of Non-Independent Directors and members of the management team and inter alia reviewed –

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

Declaration by Independent Directors:

The Company has received declarations from all the Independent Directors that they meet the criteria of independence as laid down under Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure) Regulations, 2015.

Familiarisation Programme for Independent Directors:

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company including Finance, Sales, Marketing of the Company's major business segments, practices relating to Human Resources, global business environment, business strategy and risks involved.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company at www.kritikawires.com.

Board Evaluation:

The Board of Directors of the Company ensures formation and monitoring of robust evaluation framework of the Individual Directors including Chairman of the Board, Board as a whole and various Committees thereof and carries out the evaluation of the Board, the Committees of the Board and Individual Directors, including the Chairman of the Board on annual basis.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Directors being evaluated.

Board Evaluation for the Financial Year ended 31st March, 2022 has been completed by the Company internally which included the evaluation of the performance of the Board as a whole, Board Committees and Directors individually including the Chairman of the Board and results of the same were shared with the Board.

Key Managerial Personnel:

The Key Managerial Personnel of the Company as on 31st March, 2022 are:

S. No.	Name	Designation
1	Mr. Naresh Kumar Agarwal	Chairman and Executive Director
2	Mr. Hanuman Prasad Agarwal	Managing Director
3	Mr. Ankush Agarwal	Wholetime Director
4	Mr. Anand Kumar Sharma	Chief Financial Officer
5	Mr. Mahesh Kumar Sharma	Company Secretary & Compliance Officer

During the year under review, there has been no change in the Key Managerial Personnel.

Board Committees:

There are 4 (four) committees of the Board as on 31st March, 2022:

a) **Audit Committee**

The Board of Directors had constituted Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015, as amended from time to time. The Committee has adopted a Charter for its functioning. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting.

The Board has re-constituted its Audit Committee w.e.f. 18th February, 2022. The composition of Audit Committee as on 31st March, 2022 is as follows:

Name	Category	Designation
Mr. Rajesh Kumar Choudhary	Non-Executive Independent Director	Chairman
Mr. Niraj Jindal	Non-Executive Independent Director	Member
Mr. Shiv Kumar Saraff	Non-Executive Independent Director	Member
Mr. Hanuman Prasad Agarwal	Managing Director	Member

Mr. Mahesh Kumar Sharma, Company Secretary acts as secretary to Committee.

During the year, 3 (three) meetings of Audit Committee were held on 30th June, 2021, 4th September, 2021 and 12th November, 2021 respectively.

b) Nomination and Remuneration Committee

The Board of Directors had constituted Nomination and Remuneration Committee in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. This Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also carries out evaluation of every director's performance.

The Board has re-constituted Nomination and Remuneration Committee w.e.f. 18th February, 2022. The composition of Nomination and Remuneration Committee as on 31st March, 2022 is as follows:

Name	Category	Designation
Mr. Rajesh Kumar Choudhary	Non-Executive Independent Director	Chairman
Mr. Niraj Jindal	Non-Executive Independent Director	Member
Mr. Shiv Kumar Saraff	Non-Executive Independent Director	Member

Mr. Mahesh Kumar Sharma, Company Secretary acts as secretary to Committee.

During the year, 1 (One) meeting of Committee was held on 18th February, 2022.

c) Corporate Social Responsibility (CSR) Committee

Your Company has defined Corporate Social Responsibility (CSR) Committee in compliance with the requirements of Section 135 of the Companies Act, 2013.

The Board has re-constituted CSR Committee w.e.f. 18th February, 2022. The composition of CSR Committee as on 31st March, 2022 is as follows:

Name	Category	Designation
Mr. Rajesh Kumar Choudhary	Non-Executive Independent Director	Chairman
Mr. Niraj Jindal	Non-Executive Independent Director	Member
Mr. Shiv Kumar Saraff	Non-Executive Independent Director	Member
Mr. Hanuman Prasad Agarwal	Managing Director	Member

Mr. Mahesh Kumar Sharma, Company Secretary acts as secretary to Committee.

During the year, 1 (One) meetings of CSR Committee was held on 18th February, 2022.

d) Stakeholders Relationship Committee

Your Directors have constituted Stakeholders Relationship Committee in compliance with the requirements of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015.

The composition of Stakeholders Relationship Committee as on 31st March, 2022 is as follows:

Name	Category	Designation
Mr. Rajesh Kumar Choudhary	Non-Executive Independent Director	Chairman
Mr. Niraj Jindal	Non-Executive Independent Director	Member
Mr. Shiv Kumar Saraff	Non-Executive Independent Director	Member

Mr. Mahesh Kumar Sharma, Company Secretary acts as secretary to Committee.

During the year, 1 (One) meeting of Committee was held on 25th March, 2022.

Directors' Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit / loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the SEBI (LODR) Regulations, 2015.

The Policy provides adequate protection to the Directors, employees and business associates who report unethical practices and irregularities. Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

Further, the mechanism adopted by the Company encourages a whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimisation of the whistle blower who avails of such mechanism as well as direct access to the Chairman of the Audit Committee. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. None of the whistle blowers have been denied access to the Audit Committee of the Board.

The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at www.kritikawires.com.

NOMINATION AND REMUNERATION POLICY

Pursuant to provisions of Section 178 of the Companies Act, 2013, the Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Nomination and Remuneration Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel including criteria for determining qualifications, positive attributes and independence of Directors. The Nomination and Remuneration Policy is available on the website of the Company at www.kritikawires.com.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, associate or joint venture. There was no Company which has become or ceased to be Company's Subsidiary, Joint Venture or Associate during the Financial Year 2021-2022.

DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has laid down an adequate system of internal controls, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The current system of internal financial control is aligned with the statutory requirements. Effectiveness of internal financial control is ensured through management reviews, controlled self-assessment and independent testing by the Internal Auditor.

AUDIT AND ALLIED MATTERS

Statutory Auditors:

M/s G.P. Agrawal & Co. (FRN: 302082E) Chartered Accountants, have been appointed as Statutory Auditors of the Company for a term of 5 years to hold office from the conclusion of 15th Annual General Meeting till the conclusion of 20th Annual General Meeting to be held in the year 2024.

The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Statutory Auditor Report to the members for the year ended 31st March, 2022 does not contain any qualification, reservation, adverse remark or disclaimer. Also there has been no instance of fraud reported by the statutory auditors for the period under review.

Internal Auditors:

As recommended by the Audit Committee, the Board of Directors in their meeting held on 4th September, 2021 had re-appointed M/s. M. Kumar Jain & Co., Chartered Accountants, as Internal Auditors of the Company for the Financial Year 2021-2022 to conduct internal audit of the Company and their report on findings is submitted to the Audit Committee on periodic basis.

Secretarial Audit:

The Company is not required to get its secretarial records audited as it was listed on SME Platform of National Stock Exchange of India Ltd (NSE) as on 31st March, 2022.

Cost Audit:

The Company has maintained cost records for the products as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. M/s. Sohanlal Jalan and Associates, Cost Accountants, has carried out the cost audit of the Company for the Financial Year 2021-2022.

The Board of Directors of the Company, on the recommendations made by the Audit Committee, have re-appointed M/s. Sohanlal Jalan and Associates, Cost Accountants, as the Cost Auditors of the Company to conduct the audit of cost records for the financial year 2022-2023. M/s Sohanlal Jalan and Associates, being eligible, have consented to act as the Cost Auditors of the Company for the financial year 2022-2023.

CORPORATE GOVERNANCE

The Company was listed on SME platform of National Stock Exchange of India Ltd as on 31st March, 2022, hence, a detailed report on the Corporate Governance is not provided in this Annual Report. However, the Directors are complying with the corporate norms.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year under review impacting the going concern status and the operations of the Company in future.

DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made there under, your Company have constituted Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace.

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

REMUNERATION RATIO TO DIRECTORS/KMP/EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as '**Annexure B**' forming part of this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has undertaken projects/ programs in accordance with the CSR Policy. The details of the CSR projects are given as '**Annexure C**' to this Report.

SHARE CAPITAL

Equity Shares:

The paid-up Equity Share Capital as on 31st March, 2022 was Rs. 17,75,20,000. There was no change in the Share Capital during the year under review.

Sweat Equity Shares:

In terms of Sub-rule (13) of Rule 8 of Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Sweat Equity Shares.

Differential Voting Rights:

In terms of Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any share with Differential Voting Rights.

Employee Stock Options:

In terms of Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any Employee Stock Options.

Sub-division of Equity Shares:

On 28th May, 2022, the Board of Directors of the Company, in order to enhance the liquidity in the capital market, to widen shareholder base and to make the shares more affordable to small investors, considered and approved the proposal for sub-division of 1 (One) equity share of the Company having face value of Rs. 10/- each into 5 (Five) equity shares of the Company having face value of Rs. 2/- each, subject to the approval of the Shareholders of the Company and other necessary approvals.

Further, there will be consequential amendments in the Capital Clause of the Memorandum of Association of the Company, subject to approval of the Shareholders of the Company at the ensuing AGM.

Details on the proposal forms part of the AGM Notice forming part of this Annual Report.

OTHER DISCLOSURES

Secretarial Standards:

The company has complied with the applicable provisions of Secretarial Standards SS-1 and SS-2 with respect to convening of Board Meetings and General Meetings during the period under review.

Proceeding pending under the Insolvency and Bankruptcy Code, 2016:

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

APPRECIATION & ACKNOWLEDGEMENT

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

Sd/-

Naresh Kumar Agarwal
Chairman & Executive Director
(DIN: 01020334)

For and on behalf of the Board

Sd/-

Hanuman Prasad Agarwal
Managing Director
(DIN: 00654218)

Place: Kolkata
Date: 28th May, 2022

Annexure - A

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Industry Structure and Development

Kritika Wires Ltd., a professionally managed company was incorporated in the year 2004. It is engaged in manufacturing of all types of Steel Wire and Galvanized Wire that ultimately cater to the needs of the State Electricity Boards, Power Grid Corporation of India Ltd, etc. The company is run by a group of qualified and highly experienced professionals, equipped with most sophisticated machines backed by well-equipped, testing facilities.

The Company produces wires of high precision to the utmost satisfaction of its National and International Customers. The company's state-of-the-art factory is situated in Sankrail Industrial Park, Howrah, West Bengal and is well connected logistically.

The Company's main business activities are, manufacturing and sales of all types of Winding Wires to industry and trade segment. The Company is an Indian manufacturer and supplier of Winding Wires in organized market. The Company is known for its unique product range with its portfolio of all gauges backed by a widespread distribution network. The Company has a robust business model that has continuously steered its growth over the years. It is one of the most trusted brands providing winding wire solutions to both retail and industrial customers spread across the country.

The pandemic significantly impacted the Company's business.

With the second wave of the pandemic, the Company's business operations weren't affected as the government has not imposed restrictions on manufacturing and trade.

Opportunities and Threats

The COVID-19 pandemic is a global humanitarian and health crisis, which still continues to impact the key geographies, with many countries witnessing the second and third wave of the pandemic. The actions taken by various governments to contain the pandemic, such as closing of borders and lockdown restrictions have resulted in disruption to people and businesses. While vaccines have been made available there was delay in vaccinating larger population, increased instances of variants and infections. India is also experiencing a second wave of infection including new variants of the COVID-19 virus. We have initiated several interventions to help our employees and their families including work from home and alternate working days for our employees.

The COVID-19 pandemic has impacted and may further impact, all of our stakeholders – employees, clients, vendors and community we operate in.

Segments

The Company is dealing in only one segment i.e., manufacturing and trading of wires. The Company is committed to achieve a reputation of market leader for the manufacture and supply of galvanized and non-galvanized wires by introducing the latest technologies, deploying trained personnel who are backed by adequate resources, striving for perfection in everything it does.

Outlook

Our focus remains on a key agenda of localization for some of high cost imports as a key de-risking mechanism against future currency depreciation impact on our business.

Risk and Concerns

Your Company is faced with risks of different types, each of which need varying approaches for mitigation. It has identified each of the risks and implemented measures to mitigate such risks with the help of competent senior management and outside specialist consultants. The Company has been handling the risk of the competitive forces through its organized business approach, by the strength of its reach, superior quality products, safe products and maintaining high standards of service levels to its customers. The Company enjoys the advantages of economies of scale and backward integration.

Internal Control Systems and their Adequacy

The scope and authority of the Internal Audit function is well defined in the organization. To maintain its objectivity and independence, the internal audit function reports to the Chairperson of the Audit Committee of the Board. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of the internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal financial controls as laid down are adequate and were operating effectively during the year.

Discussion on financial performance with respect to operational performance.

The discussion on financial performance with respect to operational performance is given in Boards Report.

Human Resource Development and Industrial Relations

Our people are at the heart of how we do business. It is their talent and skills that will take us to our dream of becoming a \$ 1 billion brand. We continue to invest in building best-in-class teams. Recognizing that the workforce will provide critical competitive edge in its growth endeavor, the Company has laid major emphasis on recruiting, maintaining and developing its human asset base.

The Company sees its relationship with its employees as critical to the future and believes that every employee needs to possess a part from competence, capacity and capabilities, sustainable values, current and contemporary which would make them useful, relevant and competitive in managing the change constructively for overall growth of the organization. To this end, the Company's approach and efforts are directed towards creating a congenial work atmosphere for individual growth, creativity and greater dedicated participation in organizational development. In-house and external training and instructions are also provided to employees at all levels, which help in attaining professional and productive culture by a blend of technology and highly skilled manpower.

Cautionary Statement

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. The actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

For and on behalf of the Board

Sd/-

Naresh Kumar Agarwal
Chairman & Executive Director
(DIN: 01020334)

Sd/-

Hanuman Prasad Agarwal
Managing Director
(DIN: 00654218)

Place: Kolkata
Date: 28th May 2022.

Annexure B

The information required pursuant to Section 197 read with Rule 5 of Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year are given hereunder:

Name	Designation	Remuneration Paid FY 2021-22	Ratio of remuneration to median remuneration of employees (including whole-time Directors)
1. Hanuman Prasad Agarwal	Managing Director	30,00,000	23.76
2. Naresh Kumar Agarwal	Chairman and Executive Director	12,00,000	9.50
3. Ankush Agarwal	Whole-time Director	20,40,000	16.16

- ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year are given hereunder:

Name	Designation	% increase in remuneration in the financial year
1.Hanuman Prasad Agarwal	Managing Director	-
2.Naresh Kumar Agarwal	Chairman and Executive Director	4.35
3. Ankush Agarwal	Whole-time Director	-
4.Anand Kumar Sharma	Chief Financial Officer	19.27
5. Mahesh Kumar Sharma	Company Secretary	28.72

- iii. The percentage of increase in the median remuneration of employees in the financial year: Nil
- iv. The number of permanent employees on the role of company as on 31st March, 2022 is 221.
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the 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:

Average percentage increase in salaries of employees other than managerial personnel during 2021-2022	Not Applicable
The percentage increase in the Managerial Remuneration	Not Applicable

- vi. Affirmation that the remuneration is as per the remuneration policy of the company: The Board of Directors of the Company affirms that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Sd/-

Naresh Kumar Agarwal
Chairman & Executive Director
(DIN: 01020334)

Sd/-

Hanuman Prasad Agarwal
Managing Director
(DIN: 00654218)

Place: Kolkata

Date: 28th May, 2022

Annexure - C

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

1. Brief outline on CSR Policy of the Company:

The Company has set high ethical standards for all its dealings and believes in inspiring trust and confidence. We strongly believe that, we exist not only for doing good business, but equally for the betterment of the Society. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder. The CSR Policy provides for carrying out CSR activities in respect of those areas as provided in Schedule VII of the Companies Act, 2013. The CSR Policy of the Company can be accessed at the website of the Company at www.kritikawires.com.

2. Composition of CSR Committee:

Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Rajesh Kumar Choudhary	Chairman of the Committee (Independent Director)	1	1
Mr. Shiv Kumar Saraff	Member of the Committee (Independent Director)	1	1
Mr. Niraj Jindal	Member of the Committee (Independent Director)	1	1
Mr. Hanuman Prasad Agarwal	Member of the Committee (Managing Director)	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

These details are disclosed on the Company's website at www.kritikawires.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

The Company at present is not required to carry out impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the Company as per section 135(5): Rs. 4,38,57,853.37

7. (a) Two percent of average net profit of the company as per section 135(5):Rs. 8,77,157.00
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year, if any: Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 8,77,157.00
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule-VII as per second proviso to section - 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 9,00,000 (FY 2021-2022)	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

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

© Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR registration number
1.	Health care	Health care Activities	No	Maharashtra	Mumbai	9,00,000	No	Omkar Andh Apang Samajik Sanstha	CSR000 03196

- (d) Amount spent in administrative overheads: Nil
 (e) Amount spent on Impact Assessment, if applicable: Not Applicable
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 9,00,000/-
 (g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs.)
I	Two percent of average net profit of the company as per section 135(5)	8,77,157
ii	Total amount spent for the Financial Year	9,00,000
iii	Excess amount spent for the Financial Year [(ii)-(i)]	22,843
iv	Surplus arising out of the CSR projects or programmes or Activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

(a) Date of creation or acquisition of the capital asset(s): Not Applicable.

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable.

- 11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** The Company has completed spending its CSR obligation in full for the Financial Year 2021-2022.

For and on behalf of the Board

Sd/-

Naresh Kumar Agarwal
Chairman & Executive Director
(DIN: 01020334)

Sd/-

Rajesh Kumar Choudhary
Chairman, CSR Committee
(DIN: 00675074)

Place: Kolkata
Date: 28th May 2022

Independent Auditor's Report

To The Members of **Kritika Wires Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Kritika Wires Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss s (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matter

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.

We have determined that 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 other information. The other information comprises the Board's Report (but does not include the financial statements and our auditor's report thereon). The Board's Report is expected to be made available to us after the date of this auditor's report.

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

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

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 in the audit or otherwise appears to be materially misstated.

When we read the Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibilities for the Financial Statements:

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

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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine that there is no key audit matter to communicate in our report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

2. A. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 33.18 to the financial statements The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

B. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For G. P. Agrawal & Co.
Chartered Accountants
Firm Regn. No. 302082E

Sd/-
(CA. Rakesh Kumar Singh)
Partner
Membership No.066421
UDIN: 22066421AMCFVT7154

Place: Kolkata
Dated: The 28th day of May, 2022

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

"Annexure A" to the Independent Auditor's Report

Statement referred to in paragraph 1 under 'Report on 'Other Legal and Regulatory Requirements' of our report of even date to the members of **Kritika Wires Limited** on the financial statements for the year ended 31st March, 2022:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
(B) The Company does not have any Intangible Asset.
- (b) The Property, Plant and Equipment have been physically verified by the management during the year. Based on our review, no material discrepancies were noticed in respect of Property, Plant and Equipment physically verified during the year and the periodicity of such physical verification is reasonable having regard to the size of the Company and nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals and in our opinion, the coverage and procedure of such verification by the management is appropriate. Based on our review, no discrepancies have been noticed on physical verification of the inventory as compared to book records.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company. The Company has not been sanctioned any working capital limit from financial institution.
- iii. In our opinion and according to the information and explanations given to us and based on our examination of records, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause (iii) (a) to (f) of paragraph 3 of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and as per records examined by us, in our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities granted or investment made in respect of which provisions of Section 185 and 186 of the Act are applicable. Therefore, reporting under clause (iv) of paragraph 3 of the Order are not applicable to the Company.

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

"Annexure A" to the Independent Auditor's Report (Contd.)

- v. The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company. Therefore, reporting under paragraph 3(v) of the said order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products where pursuant to the rules made by the Central Government, the maintenance of cost records has been prescribed under section 148(1) of the Act and are of the opinion that prime facie, the prescribed accounts and records have been made and maintained. We, however, as not required, have not made a detailed examination of such records.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and as per records examined by us, there are no statutory dues referred to in sub clause (a) above which are outstanding on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared will ful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has no subsidiary, associate or joint venture. Hence, reporting under clause (ix)(e) and (f) of paragraph 3 of the Order are not applicable to the Company.

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

"Annexure A" to the Independent Auditor's Report (Contd.)

- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of paragraph 3 of the Order is not applicable to the company.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.
- xi. (a) According to the information and explanations given to us and based on our examination of the records of the Company, no fraud by the Company and on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) According to the information and explanations given to us and based on the examination of the records of the Company as provided to us, the Company has not received any whistle blower complaint during the year.
- xii. The Company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, provisions of section 192 of the Act are not applicable to the Company.
- xvi. (a) According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi) (a) to (c) of paragraph 3 of the Order are not applicable to the Company.

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

"Annexure A" to the Independent Auditor's Report (Contd.)

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.

- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause (xx)(a) of paragraph 3 of the Order is not applicable for the year on the Company.
- (b) There are no ongoing projects under CSR requiring a transfer to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act. Accordingly, reporting under clause (xx)(b) of paragraph 3 of the Order is not applicable for the year on the Company.
- xxi. The company is not required to prepare consolidated financial statements. Therefore, the provision of clause (xxi) of paragraph 3 of the Order is not applicable to the Company.

For G. P. Agrawal & Co.
Chartered Accountants
Firm Regn. No. 302082E

Sd/-
(CA. Rakesh Kumar Singh)
Partner

Place: Kolkata
Dated: The 28th day of May, 2022

Membership No.066421
UDIN: 22066421AMCFVT7154

Independent Auditor's Report (Contd.)
To The Members of **Kritika Wires Limited**

"Annexure B" to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Kritika Wires Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 were 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Independent Auditor's Report (Contd.)
To The Members of Kritika Wires Limited

"Annexure B" to the Independent Auditor's Report (Contd.)

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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 ICAI.

For G. P. Agrawal & Co.
Chartered Accountants
Firm Regn. No. 302082E

Sd/-

(CA. Rakesh Kumar Singh)
Partner

Place: Kolkata
Dated: The 28th day of May, 2022

Membership No. 066421
UDIN: 22066421AMCFVT7154

BALANCE SHEET AS AT 31ST MARCH, 2022

(Rs. in lakh)

	Particulars	Note No.	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
I	ASSETS				
	Non-current assets				
	Property, plant and equipment	2(a)	1,647.38	1,559.88	1,773.35
	Capital work in progress	2(b)	40.86	288.08	261.89
	Investment property	3	133.00	133.00	133.00
	Financial assets				
	(i) other financial assets	4	55.40	314.05	407.43
	Total non-current assets		1,876.64	2,295.01	2,575.67
	Current assets				
	Inventories	5	3,834.77	3,058.70	3,098.56
	Financial assets				
	(i) Investments	6	110.71	103.85	107.16
	(ii) Trade receivables	7	5,098.74	5,869.51	5,061.78
	(iii) Cash and cash equivalents	8(a)	254.70	128.25	18.10
	(iv) Bank balances other than cash and cash equivalents	8(b)	820.35	476.20	527.82
	(v) Other current financial assets	9	45.79	133.78	239.77
	Current tax assets (Net)	10 (a)	8.77	10.33	-
	Other current assets	11	319.34	415.23	1,048.65
	Total Current Assets		10,493.17	10,195.85	10,101.84
	Total assets		12,369.81	12,490.86	12,677.51
II	EQUITY AND LIABILITIES				
	Equity				
	Equity share capital	12	1,775.20	1,775.20	1,775.20
	Other equity	13	5,122.67	4,707.96	4,626.05
	Total equity		6,897.87	6,483.16	6,401.25
	Liabilities				
	Non-current liabilities				
	Financial liabilities				
	(i) Borrowings	14	422.33	524.36	4.08
	Provisions	16	49.93	57.57	53.21
	Deferred tax liabilities (net)	15	7.35	13.27	23.11
	Total non-current liabilities		479.61	595.20	80.40
	Current liabilities				
	Financial liabilities				
	(i) Borrowings	17	1,704.79	2,586.86	3,013.40
	(ii) Trade payables	18			
	-Total outstanding dues of micro enterprises and small enterprises		5.21	3.54	-
	-Total outstanding dues of creditors other than micro enterprises and small enterprises		2,968.25	2,543.93	2,797.54
	(iii) Other financial liabilities	19	145.00	125.48	115.94
	Other current liabilities	20	162.19	150.06	131.00
	Provisions	21	6.89	2.64	2.01
	Income tax liabilities (net)	10(b)	-	-	135.97
	Total current liabilities		4,992.33	5,412.51	6,195.86
	Total liabilities		5,471.94	6,007.71	6,276.26
	Total equity and liabilities		12,369.81	12,490.86	12,677.51
	Corporate information and Significant accounting policies	1			
	Other disclosures and additional regulatory information	33			
	The accompanying notes 1 to 33 are an integral part of the financial statements.				
	<div style="display: flex; justify-content: space-between;"> <div> For G. P. Agrawal & Co. Chartered Accountants Firm's Registration No. - 302082E Sd/- (CA. Rakesh Kumar Singh) Partner Membership No. 066421 Place of Signature: Kolkata Date: The 28th day of May, 2022 </div> <div> For and on behalf of the Board of Directors Sd/- Naresh Kumar Agarwal (Chairman & Executive Director) (DIN: 01020334) Sd/- Anand Kumar Sharma (Chief Financial Officer) </div> <div> Sd/- Hanuman Prasad Agarwal (Managing Director) (DIN: 00654218) Sd/- Mahesh Kumar Sharma (Company Secretary) </div> </div>				

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in lakh)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I. Revenue from operations	22	24,371.80	13,489.72
II. Other income	23	271.11	390.20
III. Total Income (I + II)		24,642.91	13,879.92
IV. Expenses			
Cost of raw material and components consumed	24	21,789.78	11,297.51
(Increase)/ decrease in inventories of finished goods, work-in-progress and stock-in-trade	25	(5.93)	306.66
Employee benefits expense	26	471.24	442.95
Finance costs	27	255.26	269.32
Depreciation and amortization expense	28	225.90	254.55
Other expenses	29	1,351.61	1,207.93
Total Expenses		24,087.86	13,778.92
V. Profit Before Exceptional Items and Tax		555.05	101.00
VI. Exceptional Items		-	-
VII. Profit Before Tax		555.05	101.00
VIII. Tax expense			
Current tax	30	163.02	33.89
Deferred tax		(10.59)	(11.22)
IX. Profit for the year		402.62	78.33
X. Other Comprehensive Income	31		
(i) Items that will not be reclassified to Profit or Loss		16.77	4.95
(ii) Income tax relating to items that will not be reclassified to profit or loss		(4.67)	(1.38)
Total Other Comprehensive Income		12.10	3.57
Total Comprehensive Income for the year (Comprising of profit and other comprehensive income for the year)		414.72	81.90
XI. Earnings per equity share	32		
Basic		2.27	0.44
Diluted		2.27	0.44
Number of shares used in computing earnings per share			
Basic		17,752,000	17,752,000
Diluted		17,752,000	17,752,000
Corporate information and Significant accounting policies	1		
Other disclosure and additional regulatory information	33		
The accompanying notes 1 to 33 are an integral part of the financial statements.			
As per our report of even date attached.			
For G. P. Agrawal & Co. Chartered Accountants Firm's Registration No. - 302082E Sd/- (CA. Rakesh Kumar Singh) Partner Membership No. 066421 Place of Signature: Kolkata Date: The 28th day of May, 2022		For and on behalf of the Board of Directors Sd/- Naresh Kumar Agarwal (Chairman & Executive Director) (DIN: 01020334) Sd/- Anand Kumar Sharma (Chief Financial Officer)	
		Sd/- Hanuman Prasad Agarwal (Managing Director) (DIN: 00654218) Sd/- Mahesh Kumar Sharma (Company Secretary)	

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in lakh)

	PARTICULARS	For the year ended 31s March, 2022	For the year ended 31s March, 2021
I	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before Tax	555.05	101.00
	<u>Adjustments for non-cash and non-operating items:</u>		
	Depreciation	225.90	254.55
	Interest income	(72.30)	(16.71)
	Dividend income on non- current investment	(0.20)	(0.21)
	Net gain on sale of non- current investment	-	(7.75)
	Fair value loss/(gain) on investments	(6.43)	3.18
	Allowance for expected credit losses	12.77	-
	Profit on sale of property, plant and equipment	-	(41.26)
	Interest expense	255.26	269.32
	Operating profit before working capital changes	970.05	562.12
	<u>Adjustments for (increase) / decrease in operating assets:</u>		
	Inventories	(776.06)	39.85
	Trade receivables	758.96	(805.71)
	Current and non- current financial assets	346.65	199.36
	Other current and non current assets	95.90	633.43
	<u>Adjustments for increase/ (decrease) in operating liabilities:</u>		
	Trade payables	425.98	(250.07)
	Current and non- current financial liabilities	19.53	9.54
	Other current and non current liabilities	12.13	19.06
	Current and non-current provisions	13.39	9.93
	Cash generated from operations	1,866.53	416.51
	Less: Income tax paid	(161.45)	(180.20)
	Net cash generated from operating activities	1,705.08	236.31
II	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchases of property, plant and equipment	(66.17)	(91.48)
	Sale of property, plant and equipment	(0.02)	65.47
	Investments in mutual funds	(0.43)	7.88
	Interest received	72.30	16.71
	Investment in fixed deposits	(344.15)	-
	Maturity of fixed deposit	-	51.62
	Dividend received	0.20	0.21
	Net cash generated from/(used in) investing activities	(338.27)	50.41
III	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from long term borrowings	76.43	610.36
	Repayment of long term borrowings	(90.08)	-
	Proceeds/(Repayment) of short term borrowings (net)	(971.45)	(517.61)
	Interest paid	(255.26)	(269.32)
	Net cash used in financing activities	(1,240.36)	(176.57)
IV	Net increase/(decrease) in cash and cash equivalents (I+II+III)	126.45	110.15
	Cash and cash equivalents at the beginning of the year	128.25	18.10
	Cash and cash equivalents at the end of the year [refer note no. 8(a)]	254.70	128.25

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

Notes to the Statement of Cash Flows :

- The above Statement of Cash Flows has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (IND AS) 7 on Statement of Cash Flows.
- Additions to Property, Plant and Equipment include movement of Capital work-in-progress during the year.
- Proceeds/(repayment) from Short-term borrowings qualify for disclosure on net basis.
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- Figure in brackets represent cash outflow from respective activities.
- As breakup of Cash and cash equivalents is also available in Note No. 8 (a), reconciliation of items of Cash and cash equivalents as per Statement of Cash Flow with the respective items reported in the Balance Sheet is not required and hence not provided.

- Change in liabilities arising from financing activities:

Movement in assets and liabilities arising from financing activities during the year ended 31st March, 2022 are as follows:

(Rs. in lakh)

	As at 31st March, 2021	Cash flows#	Other	As at 31st March, 2022
Non-current borrowings [Refer Note no. 14]*	614.44	(13.66)	-	600.78
Short term borrowings [Refer Note No. 17]**	2,496.78	(970.45)	-	1,526.33
Total	3,111.22	(984.11)	-	2,127.11

Movement in assets and liabilities arising from financing activities during the year ended 31st March, 2021 are as follows:

(Rs. in lakh)

	As at 31st March, 2020	Cash flows#	Other	As at 31st March, 2021
Non-current borrowings [Refer Note no. 14]*	4.08	610.36	-	614.44
Short term borrowings [Refer Note No. 17]**	3,013.40	(516.62)	-	2,496.78
Total	3,017.48	93.74	-	3,111.22

* Includes current maturities of long-term borrowings.

** Excludes current maturities of long-term borrowings.

Cash flows represents cash flows on net basis.

- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

The accompanying notes 1 to 33 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.

Chartered Accountants

Firm's Registration No. - 302082E

Sd/-

(CA. Rakesh Kumar Singh)

Partner

Membership No. 066421

Place of Signature: Kolkata

Date: The 28th day of May, 2022

Sd/-

Naresh Kumar Agarwal
(Chairman & Executive Director)
(DIN: 01020334)

Sd/-

Anand Kumar Sharma
(Chief Financial Officer)

Sd/-

Hanuman Prasad Agarwal
(Managing Director)
(DIN: 00654218)

Sd/-

Mahesh Kumar Sharma
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH, 2022

(a) Equity share capital

(i) For the year ended 31st March, 2022

(Rs. in lakh)

Balance as at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31st March, 2022
1,775.20		1,775.20		1,775.20

(ii) For the year ended 31st March, 2021

(Rs. in lakh)

Balance as at 1st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the current year	Balance as at 31st March, 2021
1,775.20		1,775.20		1,775.20

(b) Other equity

(i) For the year ended 31st March, 2022

(Rs. in lakh)

	Reserves and surplus			Other Comprehensive Income	Total
	Capital Reserve	Securities premium	Retained Earnings	Re-measurement of defined	
Balance at 1st April, 2021	15.00	2447.52	2245.43	-	4707.95
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at 1st April, 2021	15.00	2447.52	2245.43	-	4707.95
Total Comprehensive Income for the year	-	-	402.62	12.10	414.72
Transfer to Retained Earnings	-	-	12.10	(12.10)	-
Balance at 31st March, 2022	15.00	2447.52	2260.15	-	5122.67

(ii) For the year ended 31st March, 2021

(Rs. in lakh)

	Reserves and surplus			Other Comprehensive Income	Total
	Capital Reserve	Securities premium	Retained Earnings	Re-measurement of defined	
Balance at 1st April, 2020	15.00	2447.52	2163.53	-	4626.05
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at 1st April, 2020	15.00	2447.52	2163.53	-	4626.05
Total Comprehensive Income for the year	-	-	78.33	3.57	81.90
Transfer to Retained Earnings	-	-	3.57	(3.57)	-
Balance at 31st March, 2021	15.00	2447.52	2245.43	-	4707.95

The accompanying notes 1 to 33 are integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E
Sd/-

(CA. Rakesh Kumar Singh)
Partner
Membership No. 066421
Place of Signature: Kolkata
Date: The 28th day of May, 2022

Sd/-

Naresh Kumar Agarwal
(Chairman & Executive Director)
(DIN: 01020334)

Sd/-

Anand Kumar Sharma
(Chief Financial Officer)

Sd/-

Hanuman Prasad Agarwal
(Managing Director)
(DIN: 00654218)

Sd/-

Mahesh Kumar Sharma
(Company Secretary)

Notes forming part of financial statements (contd.)

Note No. 1: Corporate information and Significant Accounting Policies

1.1 Corporate information

Kritika Wires Limited ("the Company") an existing Company, under the Companies Act, 2013 having Corporate Identity Number ("CIN") L27102WB2004PLCO98699 is a public limited company incorporated and domiciled in India and has its registered office situated at 1A, Bonfield Lane, Mezanine Floor, Kolkata – 700001, West Bengal, India.

The Company's shares are listed on 10th October, 2018 in the National Stock Exchange of India Limited – Emerge. Also, the Company's shares which were in the process of being listed on Main Board of National Stock Exchange of India Limited as on the Balance Sheet date have since been listed.

The principal activity of the Company is manufacturing, exporting and supplying a wide range of Industrial Steel Wire and Galvanized Wire.

The Financial Statements for the year ended 31st March, 2022 were approved for issue by the board of directors of the company on 28th May, 2022 and are subject to the approval by the shareholders in the ensuing annual general meeting.

1.2 Significant accounting policies

1.2.1 Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2020 with restatement of previous year figures presented in this financial statement. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Act, and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) ("Previous GAAP").

These financial statements for the year ended 31st March, 2022 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2020. Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 33.15.

All the Ind ASs issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors (subject to the approval by the shareholders) have been considered in preparing these financial statements.

1.2.1 Basis of preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Act (Ind AS compliant Schedule III).

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

All the assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the Act. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Company has ascertained its operating cycle as 12 months for current and non-current classification of assets and liabilities.

Notes forming part of financial statements (contd.)

The items included in the financial statements (including notes thereon) are measured using the currency of the primary economic environment in which Company operates ("the functional currency") and are, therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs."). All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest Lakh upto two decimals thereof, as per the requirement of Schedule III to the Act, unless stated otherwise.

1.2.2 Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

1.2.3 Revenue recognition

Contract with a customer is accounted for only when it has commercial substance and all of the following criteria are met:

- (i) Parties to the contract have approved the contract and are committed to performing their respective obligations;
- (ii) Each party's rights regarding the goods or services to be transferred and payment terms there against can be identified;
- (iii) Consideration in exchange for the goods or service to be transferred is collectible and determinable.

Revenue From Operations

Revenue is recognized to the extent it is probable that economic benefits would flow to the Company and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers.

Revenue is measured at fair value of the consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to customers in accordance with Ind AS 115.

The Company recognizes revenue to depict the transfer of promised goods or services to customers in amounts that reflect the payment to which the Company expects to be entitled in exchange for those goods or services by applying the following steps:

- Step -1- Identify the contract with a customer;
- Step -2- Identify the performance obligations in the contract;
- Step -3- Determine the transaction price;
- Step -4- Allocate the transaction price to the performance obligations in the contract;
- Step -5- Recognize the revenue when (or as) the Company satisfies a performance obligation.

(b) Other income

(i) Interest income

For all debt instruments measured at amortised cost, interest income is recognised using the Effective Interest Rate ("EIR"). Interest income is included in "Other Income" in the statement of profit and loss.

(ii) Dividend income

Dividend income is recognised when Company's right to receive the dividend is established i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Notes forming part of financial statements (contd.)

(iii) Insurance claims

Insurance claims are accounted for based on claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

All other income are accounted for on accrual basis.

1.2.4 Property, plant and equipment (PPE) and Capital work-in-progress

a) Transition to Ind AS

The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2020

Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation and impairment)

b) Property, plant and equipment are measured at cost, less accumulated depreciation and impairment, if any.

For this purpose, cost includes deemed cost on the date of transition or the purchase cost of assets, including non-recoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

Costs incurred subsequent to initial capitalization are included in the asset's carrying amount only when it is probable that future economic benefits associated therewith will flow to the Company and it can be measured reliably.

The carrying amount of the replaced part is derecognized. The costs of regular servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for provisions are met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components; otherwise, these are added to and depreciated over the useful life of the main asset.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or when no future economic benefits are expected to arise from the use of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

c) Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated.

Depreciation on items of property, plant and equipment commences when the assets are available for their intended use. It is provided on a written down value (WDV) basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company has adopted the useful life as specified in Schedule II to the Act, except where specified.

Notes forming part of financial statements (contd.)

The estimated useful lives estimated by the management are as follows:

Category	Useful life
Buildings	03 - 60 years
Plant and equipment	05 - 25 years
Furniture and fixtures	10 years
Vehicles	05- 10 years
Computers	03 - 06 years

The residual value of an item of PPE is not more than 5% of the original cost of the respective asset.

The estimated useful lives, residual values and depreciation method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

Expenditure during the construction period

Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under Capital work-in-progress. Capital work-in-progress is stated at the amount incurred up to the balance sheet date on assets or property, plant and equipment that are not yet ready for their intended

1.2.5 Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial assets and financial liabilities are recognized in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

Initial Measurement of Financial Instruments:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement:

(i) Financial assets

Financial Assets carried at Amortised Cost (AC):

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes forming part of financial statements (contd.)

Investment in equity instruments that are not held for trading are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On de-recognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):

A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses is recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:

- a) for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.
- b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Notes forming part of financial statements (contd.)

(ii) Financial Liabilities and Equity Instruments:
Classification as debt or equity:

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

Equity Instruments

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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 de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
 - b) In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes forming part of financial statements (contd.)

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss

Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

1.2.6 Inventories

Inventories are measured at the lower of cost and net realizable value. Inventory of scrap is valued at estimated realizable value. The cost of inventories is determined using the weighted average cost method. Cost includes direct materials, labour, other direct cost and manufacturing overheads. Inventories of finished goods also includes applicable taxes. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

1.2.7 Borrowing costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include 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 in the period in which they are incurred.

1.2.8 Expenses

All expenses are accounted for on accrual basis. Expenses under primary heads such as salary, wages, consumption of stores etc., are being shown under respective heads and have not been functionally reclassified.

1.2.9 Provisions, contingent liabilities and contingent assets

(a) A provision is recognised if, as a result of a past event, 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 not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset. The expense relating to the provision is presented in the statement of profit and loss, net of any reimbursement.

(b) Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made

Notes forming part of financial statements (contd.)

(c) A contingent asset is not recognised in the financial statements, however, it is disclosed, where an inflow of economic benefits is probable.

(d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

1.2.10 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding on the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the statement of profit and loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

1.2.11 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits, are recognised as an expense at the undiscounted amount in the statement of profit and loss in the year in which the related service is rendered.

(b) Defined contribution plans

The Company pays provident and other fund contributions to publicly administered fund as per related Government regulations. The Company has no further obligation, other than the contributions payable to the respective funds. The Company recognizes contribution payable to such funds as an expense when an employee renders the related service.

© Defined benefit plans

The Company operates a defined benefit gratuity plan.

The liability or asset recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated by external actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in other comprehensive income in the period in which they occur and are included in retained earnings in the statement of changes in equity and in the balance sheet.

1.2.12 Government Grants

Government grants are recognised when there is reasonable assurance that the grant would be received and the Company would comply with all the conditions attached to them.

Government grants related to property, plant and equipment, including non-monetary grants, are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

Government grants of revenue in nature are recognised on a systematic basis in the statement of profit and loss over the period necessary to match them with the related costs and are adjusted with the related expenditure. If not related to a specific expenditure, it is considered as income and included under "Other Operating Revenue" or "Other Income".

Notes forming part of financial statements (contd.)

The benefit of a government loan at a below-market rate of interest or loan with interest subvention and effect of this favourable interest is treated as a government grant. The loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised on a systematic basis in the statement of profit and loss. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

1.2.13 Impairment of Non financial Assets

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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 risks specific to the asset.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognised is reversed so that the asset is recognised at its recoverable amount but not exceeding the value which would have been reported in this respect if the impairment loss had not been recognised.

1.2.14 Taxes

Income tax expense comprises current tax and deferred tax and is recognised in the statement of profit and loss except to the extent it relates to items directly recognised in Equity or other comprehensive income (OCI).

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognised in OCI and Equity respectively.

Management periodically evaluates positions taken in the tax returns to situations in which applicable tax regulations are subject to interpretation and full provisions are made where appropriate based on the amount expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

b) Deferred income tax

Deferred income tax assets and liabilities are recognised for the deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in the standalone financial statements.

Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that the same will be reversed or sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Notes forming part of financial statements (contd.)

Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

1.2.15 Earnings per Share

(a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

(b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined at the end of each period presented.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected before the approval of the standalone financial statements by the Board of Directors.

1.2.16 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, cheques on hand, balance with banks, and short term liquid investments with an original maturity of three months or less and which carry an insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

1.2.17 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a noncash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.2.18 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Notes forming part of financial statements (contd.)

(a) Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets.

(b) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Useful lives of property, plant and equipment:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(ii) Fair value measurements and valuation processes:

Some of the Company's assets are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

(iii) Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

(iv) Provisions and Contingent Liabilities:

Any litigation where amount of flow of funds is believed to be probable and are liable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

(v) Impairment of Financial Assets:

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated.

Notes forming part of financial statements (contd.)**1.2.19 Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its financial statements.

Notes forming part of financial statements (contd.)
Notes forming part of the financial statements (Contd.)

Note No. : 2(a) Property, plant and equipment								(Rs. in lakh)	
Particulars	Land (Free hold)	Buildings	Plant and Machinery	Furniture and fittings	Motor Vehicles	Computer	Total		
<u>Gross block</u>									
Gross carrying amount as at 1st April, 2021	249.18	527.01	1,019.67	5.28	11.78	1.51	1,814.43		
Additions during the year	-	120.97	95.85	50.67	44.06	1.85	313.40		
Disposals/ deductions during the year	-	-	-	-	-	-	-		
Gross carrying amount as at 31st March, 2022	249.18	647.98	1,115.52	55.95	55.84	3.36	2,127.83		
<u>Depreciation/amortisation/ impairment</u>									
Accumulated depreciation / amortisation / impairment as at 1st April, 2021	-	47.13	202.11	1.28	3.35	0.68	254.55		
Depreciation/ amortisation for the year	-	43.37	168.65	2.05	11.63	0.20	225.90		
Disposals/ deductions during the year	-	-	-	-	-	-	-		
Accumulated depreciation / amortisation / impairment as at 31st March, 2022	-	90.50	370.76	3.33	14.98	0.88	480.45		
Net carrying amount as at 31st March, 2022	249.18	557.48	744.76	52.62	40.86	2.48	1,647.38		
<u>Gross block</u>									
Gross carrying amount as at 1st April, 2020	246.26	527.01	981.51	5.28	11.78	1.51	1,773.35		
Additions during the year	2.92	-	62.38	-	-	-	65.30		
Disposals/ deductions during the year	-	-	24.22	-	-	-	24.22		
Gross carrying amount as at 31st March, 2021	249.18	527.01	1,019.67	5.28	11.78	1.51	1,814.43		
<u>Depreciation/amortisation/ impairment</u>									
Accumulated depreciation / amortisation / impairment as at 1st April, 2020	-	-	-	-	-	-	-		
Depreciation/ amortisation for the year	-	47.13	202.11	1.28	3.35	0.68	254.55		
Disposals/ deductions during the year	-	-	-	-	-	-	-		
Accumulated depreciation / amortisation / impairment as at 31st March, 2021	-	47.13	202.11	1.28	3.35	0.68	254.55		
Net carrying amount as at 31st March, 2021	249.18	479.88	817.56	4.00	8.43	0.83	1,559.88		
Net carrying amount as at 1st April, 2020	246.26	527.01	981.51	5.28	11.78	1.51	1,773.35		

Notes :

- (a) The finance costs not capitalised during the year is nil (previous year nil).
 (b) The Company has availed loans from banks against security of the aforesaid assets (Refer Note No. 14 and 17 for detailed security terms).

Notes forming part of financial statements (contd.)

Note No. : 2(b) Capital work-in-progress

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
<u>Plant and equipments / Civil work-in-progress</u>			
Balance brought forward	288.08	261.90	295.54
Additions during the year	44.38	46.18	97.34
Gross amount before capitalisation (A)	332.46	308.08	392.88
Capitalised during the year (B)	291.60	20.00	130.99
Capital work-in-progress at the end of the year (A-B) (C)	40.86	288.08	261.89

Note No. : 3 Investment Property

(Rs. in lakh)

Particulars	As at 31st March 2022	As at 31st March 2021	As at 1st April, 2020
Carried at cost:			
Art & Painting	1.70	1.70	1.70
Flat	70.47	70.47	70.47
Office Premises	60.83	60.83	60.83
	133.00	133.00	133.00
Fair value (see note 1 below)			
Flat	130.30	126.66	123.24
Office Premises	71.88	68.08	64.79
	202.18	194.74	188.03

Note:

- (1) Fair value of immovable investment property based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- (2) Flat is mortgaged against Working Capital loan from State Bank of India (Refer note no.17).
- (3) Office Premises is mortgaged against Working Capital loan from Karnataka Bank (Refer note no.17).

Note No. : 4 Other non-current Financial assets

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Carried at amortized cost			
Others			
Fixed deposits with banks *	55.40	314.05	407.43
(Non current portion with original maturity period of more than 12 months)	55.40	314.05	407.43
* Cash margin deposits against Letters of Credit and Bank Guarantees.			

Notes forming part of financial statements (contd.)

Note No. : 5 Inventories

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
(Valued at lower of cost and net realisable value)			
Raw materials	2,196.75	1,593.76	1,735.32
Add: Goods in transit	627.20	433.28	-
	2,823.95	2,027.04	1,735.32
Work in progress	699.04	720.46	689.04
Finished goods	275.10	247.76	585.84
Stores & spares	36.68	63.44	88.36
	3,834.77	3,058.70	3,098.56
Refer note no.17 for inventories charged as security.			

Note No. : 6 Non-current investments

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1st, 2020	
	No. of Units	Amount (Rs. in lakh)	No. of Units	Amount (Rs. in lakh)	No. of Units	Amount (Rs. in lakh)
Quoted, Fully paid						
Carried at fair value through profit or loss						
Investments in mutual funds*						
Baroda Pioneer ELSS' 96	8,254.23	3.16	8,254.23	1.56	8,254.23	1.69
SBI Dual Advance Fund - series XXIII (G)	-	-	-	-	1,000,000.00	-
SBI Mutual Fund	261,112.18	107.55	261,112.18	102.29		105.47
Aggregate book value of Quoted Investments		110.71		103.85		107.16
Aggregate market value of Quoted Investments		110.71		103.85		107.16
Aggregate amount of impairment in value of investments		-		-		-
* Pledged with banks against Letters of Credit and Bank Guarantees.						

Note No. : 7 Trade receivables

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Trade Receivable considered good - Unsecured	5,111.51	5,869.51	5,061.78
Less: Allowance for expected credit loss	12.77	-	-
	5,098.74	5,869.51	5,061.78
Includes dues from company where directors are director/member	323.60	-	12.79

Notes forming part of financial statements (contd.)

Trade receivables ageing schedule as at 31st March, 2022:

(Rs. in lakh)

Particulars	Outstanding for following periods from due date					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than-3 Years	Total
(i) Undisputed Trade receivables- considered good	4,278.97	496.35	244.61	50.70	17.23	5,087.86
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables- Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	23.65	23.65
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables- Credit Impaired	-	-	-	-	-	-
TOTAL	4,278.97	496.35	244.61	50.70	40.88	5,111.51

Trade receivables ageing schedule as at 31st March, 2021:

(Rs. in lakh)

Particulars	Outstanding for following periods from due date					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than-3 Years	Total
(i) Undisputed Trade receivables- considered good	4,542.75	167.28	539.23	507.33	89.27	5,845.86
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables- Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	23.65	23.65
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables- Credit Impaired	-	-	-	-	-	-
TOTAL	4,542.75	167.28	539.23	507.33	112.92	5,869.51

Trade receivables ageing schedule as at 01st April, 2020:

(Rs. in lakh)

Particulars	Outstanding for following periods from due date					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than-3 Years	Total
(i) Undisputed Trade receivables- considered good	3961.49	382.59	535.14	100.55	58.37	5,038.13
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables- Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	23.65	-	23.65
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables- Credit Impaired	-	-	-	-	-	-
TOTAL	3961.49	382.59	535.14	124.20	58.37	5,061.78

Notes forming part of financial statements (contd.)

Note No. : 8 Cash and bank balances

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
(a) Cash and cash equivalents:			
Balance with schedule bank in current account	-	-	0.16
Balance with schedule bank in Cash Credit account	254.34	121.29	-
Cash on hand (as certified by the management)	0.36	6.96	17.94
	254.70	128.25	18.10
(b) Other bank balances:			
Fixed deposits with banks*			
-Original maturity more than 12 months**	820.35	476.20	289.95
-Original maturity upto 12 months	-	-	237.87
	820.35	476.20	527.82
	1,075.05	604.45	545.92

* Margin money deposits against Letters of Credit and Bank Guarantees.

** Current portion of original maturity of more than 12 months.

Note No. : 9 Other Current Financial Assets

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Carried at amortized cost (Unsecured, considered good)			
Security deposits	45.79	128.85	128.15
Other receivables	-	4.93	111.62
	45.79	133.78	239.77

Note No. : 10(a) Current Tax (Net)

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Advance income tax	331.66	867.17	-
Less: Provision for income tax	322.89	856.84	-
	8.77	10.33	-

Note No. : 10 (b) Income tax liabilities (net)

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Provision for income tax	-	-	823.96
Less: Advance income tax	-	-	687.99
Provision for income tax (net)	-	-	135.97

Notes forming part of financial statements (contd.)

Note No. : 11 Other Current Assets

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Advances to suppliers	162.49	123.81	259.83
Advances to others	3.41	28.42	172.86
Advances goods and services tax etc.	128.34	224.52	608.76
Prepaid expenses	25.10	38.48	7.20
	319.34	415.23	1,048.65

Note No. : 12 Equity Share capital

(Rs. in lakh)

Particulars	As at 31st March, 2022		As at 31st March, 2021		As at 01st April, 2020	
	No. of shares	Amount (Rs. in lakh)	No. of shares	Amount (Rs. in lakh)	No. of shares	Amount (Rs. in lakh)
(a) Authorised Equity shares of par value Rs. 10/- each	18,500,000	1,850.00	18,500,000	1,850.00	18,500,000	1,850.00
(b) Issued, subscribed and fully paid up Equity shares of par value Rs. 10/- each	17,752,000	1,775.20	17,752,000	1,775.20	17,752,000	1,775.20
		1,775.20		1,775.20		1,775.20

(c) Reconciliation of number and amount of equity shares outstanding at the beginning and end of the reporting period :

(Rs. in lakh)

Particulars	As at 31st March, 2022		As at 31st March, 2021		As at 01st April, 2020	
	No. of shares	Amount (Rs. in lakh)	No. of shares	Amount (Rs. in lakh)	No. of shares	Amount (Rs. in lakh)
At the beginning of the year	17,752,000	1775.20	17,752,000	1775.20	17,752,000	1775.20
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	17,752,000	1775.20	17,752,000	1775.20	17,752,000	1775.20

(d) Terms / Rights attached to Equity shares :

The Company has a single class of equity shares having a par value of Rs. 10/- each. The holders of these shares are entitled to receive dividend as declared from time to time and entitled to one vote per share.

(e) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of financial statements (contd.)

(f) Shareholders holding more than 5 % of the equity shares in the Company : (Rs. in lakh)

Sl. No.	Name of shareholders	As at 31st March, 2022		As at 31st March, 2021		As at 01st April, 2020	
		No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
1	Gunnayak Commercial Pvt. Ltd.	3,450,000	19.43%	3,450,000	19.43%	3,450,000	19.43%
2	Panchshul Merchants Pvt. Ltd.	2,000,000	11.27%	2,000,000	11.27%	2,000,000	11.27%
3	Hanuman Prasad Agarwal	1,220,000	6.87%	1,220,000	6.87%	1,220,000	6.87%
4	Sushil Agarwal	1,220,000	6.87%	1,220,000	6.87%	1,220,000	6.87%
5	R. A. Computech Investment & Consultants (P) Ltd.	970,000	5.46%	970,000	5.46%	970,000	5.46%
6	Alltime Suppliers Pvt. Ltd.	980,000	5.52%	980,000	5.52%	980,000	5.52%
		9,840,000	55.43%	9,840,000	55.43%	9,840,000	55.43%

(g) The aggregate number of equity shares issued pursuant to contract without payment being received in cash in immediately preceding last five years ended 31st March, 2022 was 64,70,000 Equity Shares (previous year 64,70,000 Equity Shares, 1st April, 2020 64,70,000 Equity Shares).

(h) Shares held by promoters at the end of the year

As at 31st March, 2022

Sl. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Hanuman Prasad Agarwal	1,220,000	6.87	-
2	Sushil Kumar Agarwal	1,220,000	6.87	-
3	Naresh Kumar Agarwal	840,000	4.73	-
4	Santosh Agarwal	320,000	1.80	-
5	Naresh Kumar Agarwal	80,000	0.45	-
6	Sanjeev Binani	10,000	0.06	-
7	Anil Kumar Mittal	10,000	0.06	-
	Total	3,700,000	20.84	-

As at 31st March, 2021

Sl. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Hanuman Prasad Agarwal	1,220,000	6.87	-
2	Sushil Kumar Agarwal	1,220,000	6.87	-
3	Naresh Kumar Agarwal	840,000	4.73	-
4	Santosh Agarwal	320,000	1.80	-
5	Naresh Kumar Agarwal	80,000	0.45	-
6	Sanjeev Binani	10,000	0.06	-
7	Anil Kumar Mittal	10,000	0.06	-
	Total	3,700,000	20.84	-

As at 1st April, 2020

Sl. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Hanuman Prasad Agarwal	1,220,000	6.87	-
2	Sushil Kumar Agarwal	1,220,000	6.87	-
3	Naresh Kumar Agarwal	840,000	4.73	-
4	Santosh Agarwal	320,000	1.80	-
5	Naresh Kumar Agarwal	80,000	0.45	-
6	Sanjeev Binani	10,000	0.06	-
7	Anil Kumar Mittal	10,000	0.06	-
	Total	3,700,000	20.84	-

Notes forming part of financial statements (contd.)

Note No. : 13 Other equity

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
a) Capital reserves			
Balance as per last account	15.00	15.00	
Add/(less): Addition/(deduction) during the year	-	-	
	15.00	15.00	15.00
b) Securities premium			
Balance as per last account	2,447.52	2,447.52	
Add/(less): Addition/(deduction) during the year	-	-	
	2,447.52	2,447.52	2,447.52
c) Retained earnings			
Balance as per last account	2,245.43	2,163.53	
Add/(less): Addition/(deduction) during the year	402.62	78.33	
Add: Transferred from Re-measurement of defined benefit plan	12.10	3.57	
	2,660.15	2,245.43	2,163.53
d) Re-measurement of defined benefit plan through Other Comprehensive Income			
Balance as per last account	-	-	
Add: Profit for the year	12.10	3.57	
Less: Transferred to retained earnings	(12.10)	(3.57)	
	-	-	-
TOTAL (a+b+c+d)	5,122.67	4,707.96	4,626.05

e) **Nature and Purpose of Reserves:**

- Capital Reserve represents the Capital Gains of the company which includes profit out of revaluation of capital assets.
- The amount received in excess of the par value of equity shares has been classified as securities premium. The reserve may be utilized in accordance with the provisions of the Companies Act, 2013.
- Retained earnings represent the amount of accumulated earnings of the Company.
- Re-measurement of defined benefit plan through Other Comprehensive Income represents the actuarial gain on employees' benefit which has been, transferred to retained earnings.

Note No. : 14 Non-current borrowings

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
a) Secured Loans			
Term loans from bank			
State Bank of India - Gauranteed Emergency Credit Line	417.51	410.00	-
State Bank of India - Common Covid 19 (CCECL)	-	109.92	-
b) Unsecured Loans			
From related parties(refer note no.33.3)	3.86	3.57	3.30
From others -bodies corporate	0.96	0.87	0.78
	422.33	524.36	4.08

c) **Nature of Security:**

- Term loan from State Bank of India as Gauranteed Emergency Credit Line is secured by the Primary Security/ Collateral Security of Land and Building and Personal Guarantee of directors and Corporate Guarantee of R A Comptech Investment & Consultant Pvt. Ltd.
- Term loan from State Bank of India as Common COVID-19 Emergency Credit Line (CCECL) is secured by Primary Security/ Collateral Security of Land and Building and Personal Guarantee of directors and Corporate Guarantee of R A Comptech Investment & Consultant Pvt. Ltd.

Notes forming part of financial statements (contd.)

d) Rate of interest and Terms of repayment:

Name of the banks / entities	Rate of interest	Amount outstanding as on 31/03/2022		Period of maturity w.r.t. the Balance Sheet date	Number of installments outstanding as on 31/03/2022	Amount of each installment (Rs. in lakh)
		Current* (Rs. in lakh)	Non current (Rs. in lakh)			
State Bank of India - GECL	7.4% p.a.	140.95 (-) (1st April'20: nil)	217.76 (410.00) (1st April'20: nil)	2.5 Years (4 Years) (1st April'20: nil)	29 (36)	13.65 \$
State Bank of India - CCECL	7.4% p.a.	0.12 (-) (1st April'20: nil)	199.75 (-) (1st April'20: nil)	3 years (-) (1st April'20: nil)	36 (-)	5.56
State Bank of India - CCECL	6.95% p.a.	37.39 (90.08) (1st April'20: nil)	- (109.92) (1st April'20: nil)	3 months (2 years) (1st April'20: nil)	3 (18)	12.5 \$
Panchschul Merchants Pvt. Ltd.	12% p.a.	- (-) (1st April'20: nil)	3.86 (3.57) (1st April'20: 3.30)	(3 years) (4 years) (1st April'20: 5 years)	1 (Bullet Payment)	3.86
Shreyash Aluminium & Alloy Pvt. Ltd.	12% p.a.	- (-) (1st April'20: nil)	0.96 (0.87) (1st April'20: 0.78)	(3 years) (4 years) (1st April'20: 5 years)	1 (Bullet Payment)	0.96
		178.46 (90.08) (1st April'20: nil)	422.33 (524.36) (1st April'20: 4.08)			

Note: Figure in brackets pertain to previous year.

* Represents Current maturities of long term loan debts shown under 'Current borrowings' (Note no.17).

\$ Instalment inclusive of interest.

e) There is no default in repayments of the principal amount of loans and interest thereon.

Note No. : 15 Deferred tax liabilities (net)

As at 31st March, 2022

(Rs. in lakh)

Particulars	Opening Balance	Recognized in profit or loss	Reclassified from equity to profit or loss	Recognized in other comprehensive	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	28.10	(11.95)	-	-	16.15
Fair value of investments	0.55	1.79	-	-	2.34
Tax effect of items constituting deferred tax assets					
Expenses allowable on payment basis	15.38	0.43	-	(4.67)	11.14
Net deferred tax liabilities / expense	13.27	(10.59)	-	4.67	7.35

Notes forming part of financial statements (contd.)

As at 31st March, 2021

(Rs. in lakh)

Particulars	Opening Balance	Recognized in profit or loss	Reclassified from equity to profit or loss	Recognized in other comprehensive	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	37.04	(8.93)	-	-	28.10
Fair value of investments	1.43	0.88	-	-	0.55
Tax effect of items constituting deferred tax assets					
Expenses allowable on payment basis	15.36	1.40	-	(1.38)	15.38
Net deferred tax liabilities / expense	23.11	(11.22)		1.38	13.27

As at 01st April, 2020

(Rs. in lakh)

Particulars	Closing Balance
Tax effect of items constituting deferred tax liabilities	
Property, plant and equipment	37.04
Fair value of investments	1.43
Tax effect of items constituting deferred tax assets	
Expenses allowable on payment basis	15.36
Other	-
Net deferred tax liabilities / expense	23.11

Note No. : 16 Non- current provisions

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Provision for employee benefits - Gratuity (Refer Note No. 33.7)	49.93	57.57	53.21
	49.93	57.57	53.21

Note No. : 17 Current borrowings

(Rs. in lakh)

Particulars	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)	As at 1st April, 2020 (Rs.)
a) <u>Loans repayable on demand- Secured Loan</u>			
<u>From Banks</u>			
State Bank of India - Working Capital Loan	-	-	1,673.91
Karnataka Bank - Working Capital Loan	1.78	723.12	1,147.49
Karnataka Bank - Packing Credit Loan	-	-	192.00
State Bank of India - FCNRB	1,524.55	1,773.66	-
	1,526.33	2,496.78	3,013.40
b) Current maturities of long - term borrowings *	178.46	90.08	-
	1,704.79	2,586.86	3,013.40

*Refer note no. 14 (c) & (d) for nature of securities and terms of repayment respectively.

Notes forming part of financial statements (contd.)

Nature of security

- i) Working Capital loan from Karnataka Bank is secured by hypothecation of stocks of raw materials, work-in-progress, finished goods, spares and book debts of the Company and personal guarantee of directors.
- ii) Working Capital loan from State Bank of India is secured by hypothecation of stocks of raw materials, work-in-progress, finished goods, spares and book debts of the Company and personal guarantee of directors.
- iii) Packing Credit loan from State Bank of India is secured by hypothecation of stocks of raw materials, work-in-progress, finished goods, spares and book debts of the Company and personal guarantee of directors.
- iv) Working Capital loan from State Bank of India - FCNRB is secured by hypothecation of stocks of raw materials, work-in-progress, finished goods, spares and book debts of the Company and personal guarantee of directors.

Note No. : 18 Trade payables

(Rs. in lakh)

Particulars	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)	As at 1st April, 2020 (Rs.)
Total outstanding dues of micro enterprises and small enterprises (Refer note no. 33.2)	5.21	3.54	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,968.25	2,543.93	2,797.54
	2,973.45	2,547.47	2,797.54

As at 31st March, 2022

(Rs. in lakh)

Particulars	Unbilled	Not Due	Outstanding for following periods from the date of transactions				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	-	-	5.21	-	-	-	5.21
(ii) Others	-	-	2,956.29	9.97	0.94	1.12	2,968.32
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-

As at 31st March, 2021

(Rs. in lakh)

Particulars	Unbilled	Not Due	Outstanding for following periods from the date of transactions				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	-	-	3.54	-	-	-	3.54
(ii) Others	-	-	2,543.73	0.20	-	-	2,543.93
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-

As at 31st March, 2020

(Rs. in lakh)

Particulars	Unbilled	Not Due	Outstanding for following periods from the date of transactions				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	2,797.54	-	-	-	2,797.54
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-

Notes forming part of financial statements (contd.)

Note No. : 19 Other current financial liabilities

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Interest accrued but not due on borrowings	-	3.76	-
Liability against Capital Purchase	-	1.50	5.97
Liability against Expenses (Refer note no. 33.2)	104.69	84.12	72.11
Accrued Expenses	1.75	2.05	1.25
Unpaid salaries and other payroll dues	38.56	34.05	36.61
	145.00	125.48	115.94

Note No. : 20 Other current liabilities

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Statutory liabilities	3.92	8.60	11.01
Security deposits	1.00	1.00	1.00
Advance from customers and others	157.27	140.46	118.99
	162.19	150.06	131.00

Note No. : 21 Current provisions

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Provision for employee benefits - Gratuity (Refer Note no. 33.7)	6.89	2.64	2.01
	6.89	2.64	2.01

Note No. 22 : Revenue from operations

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of products		
Manufactured goods		
Industrial steel wires and galvanized wires	23,958.04	13489.72
Other operating revenue	413.76	-
Total	24,371.80	13,489.72

Notes forming part of financial statements (contd.)
Note No. 23 : Other Income

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest income on		
-Fixed deposits	14.01	15.44
-Others	58.29	1.27
[tax deducted at source Rs. 8.88 lakh (previous year Rs. 5.90 lakh)]		
Dividend income on non- current investment	0.20	0.21
Net gain on sale of non- current investment	-	7.75
Fair value gain on investments	6.43	-
Other non-operating income		
Export incentive	3.09	16.33
Exchange fluctuation gain	4.18	29.05
Income from MEIS license	18.39	4.93
Insurance claim	-	33.44
Freight charges received	52.71	42.64
Profit on Sale of Property, plant and equipment	-	41.26
Labour charges	48.77	141.28
[tax deducted at source Rs. 0.97 lakh- (Previous year Rs. 0.84 lakh)]		
Rebates	59.59	38.89
Miscellaneous income	5.45	17.71
	271.11	390.20

Note No. 24 : Cost of material consumed

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw material consumed		
Opening stock	2,027.04	1,735.32
Add: Purchases	22,586.69	11,590.23
	24,613.73	13,325.55
Less : Closing stock	2,823.95	2,027.04
		-
	21,789.78	11,297.51

Note No. 25: Changes in inventory of finished goods and work-in-progress

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening stock		
- Finished goods	247.76	585.84
- Work in progress	720.46	689.04
	968.22	1,274.88
Less: Closing stock		
- Finished goods	275.10	247.76
- Work in progress	699.04	720.46
	674.15	968.22
	(5.93)	306.66

Notes forming part of financial statements (contd.)

Note No. 26 : Employee benefits expense

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salary and wages*	432.86	411.77
Contribution to provident fund and other funds	36.31	28.06
Staff welfare expense	2.07	3.12
	471.24	442.95
*Includes Director's Remuneration Rs. 62.40 lakh (Previous year Rs. 62.40 lakh).		

Note No. 27 : Finance costs

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest expense		
on Term loan	-	0.39
on Working capital loan	103.63	159.18
on Packing credit	0.36	3.63
on Others*	100.87	27.27
Other borrowing cost	50.40	78.85
	255.26	269.32
* Includes Interest on statutory dues		
	1.91	1.24

Note No. 28 : Depreciation expense

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on property, plant and equipment [Refer Note no. 2(a)]	225.90	254.55
	225.90	254.55

Notes forming part of financial statements (contd.)

Note No. 29 : Other expense

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Consumption of stores	341.30	222.92
Power and fuel	340.83	324.89
Rent	14.74	11.56
Repairs & maintenance		
- Building	2.22	6.73
- Others	59.93	75.22
Insurance charges	56.70	43.34
Rates and taxes	41.47	34.65
Clearing and forwarding charges	14.89	8.30
Carriage inward	83.77	125.00
Bank charges and commission	22.52	32.50
Legal and professional expenses	19.27	13.67
Payments to the auditor		
- Statutory audit	0.95	0.95
- Tax audit	0.30	0.30
- GST Audit	-	0.50
Membership and subscription	2.41	2.31
Carriage outward	186.98	178.15
Discounts and rebates	-	36.28
Corporate Social Responsibility (refer note no. 33.8)	9.00	27.55
Loss on Commodity MCX Zinc	67.18	-
Fair value loss on investments	-	3.18
Allowance for expected credit losses	12.77	-
Miscellaneous expenses	74.38	59.93
	1,351.61	1,207.93

Note No. 30 : Tax expense

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amount recognized in statement of profit and loss		
Current tax	163.02	33.89
Deferred tax	(10.59)	11.22
	152.43	45.11
Reconciliation of tax expenses		
Profit before tax	555.05	101.00
Applicable tax rate (%)	27.82	27.82
Computed tax expense	154.41	28.10
Adjustments for:		
Expenses not allowed for tax purpose	12.93	-
Changes in recognized deductible temporary differences	(10.59)	11.22
Other effects	(4.32)	5.79
	152.43	45.11

Notes forming part of financial statements (contd.)

Note No. : 31 Other comprehensive income

(Rs. in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Items that will not be reclassified to profit or loss		
Re-measurements of defined benefit plans	16.77	4.95
Less: Income tax relating to items that will not be reclassified to profit or loss	(4.67)	(1.38)
	12.10	3.57

Note No. 32 : Earnings per share

(Rs. in lakh)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a)	Amount used as the numerator: Profit for the year (A) (Rs. in lakh)	402.62	78.33
(b)	Weighted average number of equity shares outstanding used as denominator for computing basic earnings per share - (B)	1,77,52,000	1,77,52,000
(c)	Weighted average number of equity shares outstanding used as	1,77,52,000	1,77,52,000
(d)	Nominal value of equity shares (Rs.)	10.00	10.00
(e)	Basic earnings per share (Rs.) (A/B)	2.27	0.44
(f)	Diluted earnings per share (Rs.) (A/C)	2.27	0.44

Notes forming part of financial statements (contd.)

33 Other disclosures and additional regulatory informations:

33.1 Contingent liabilities and commitments (to the extent not provided for)

(Rs. in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
(a) Contingent liabilities : Claims against the company not acknowledged as debts : Guarantee given by bank on behalf of company	952.40	180.86	1,487.03

The amounts shown in (a) above represent the best possible estimates arrived at on the basis of available information.

The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

33.2 **Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:**

Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables, suppliers of capital goods and creditors for expenses are as follows:

As at 31st March, 2022 :

(Rs. in lakh)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Payable to creditors For Expense	Total
(a)	The principal amount remaining unpaid to suppliers as at the end of accounting year	-	-	-	-
(b)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	5.21	-	-	5.21
(c)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-	-	-
(d)	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 Micro,	-	-	-	-

	Small and Medium Enterprises Development Act, 2006				
(e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	-	-	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-

As at 31st March, 2021 :

(Rs. in lakh)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Payable to creditors For Expense	Total
(a)	The principal amount remaining unpaid to suppliers as at the end of accounting year	3.54	-	-	3.54
(b)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-	-
(c)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-	-	-
(d)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
(e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	-	-	-	-
(f)	The amount of further interest remaining due and payable even in	-	-	-	-

	the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006				
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As at 31st March, 2020 :

(Rs. in lakh)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Payable to creditors For Expense	Total
(a)	The principal amount remaining unpaid to suppliers as at the end of accounting year	-	-	8.16	8.16
(b)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	0.03	0.03
(c)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-	-	-
(d)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
(e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	-	-	-	-
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and	-	-	-	-

	Medium Enterprises Development Act, 2006				
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33.3 Related party disclosures in accordance with Indian Accounting Standard - 19 are given below :

I. List of the Related Party where control exists and related parties with whom transaction have taken place and relationship:

- (a) Key Managerial Personnel (KMP)
 1) Sri Naresh Kumar Agarwal
 2) Sri Sanjeev Kumar Binani
 3) Sri Hanuman Prasad Agarwal
 4) Sri Ankush Agarwal
 5) Sri Mahesh Kumar Sharma
- (b) Enterprises owned or significantly influenced by KMP and their Relatives
 Gunnayak Commercial Pvt. Ltd.
 Alltime Suppliers Pvt. Ltd.
 Classic Electrodes (I) Ltd.
 Jai Hanuman Industrial Corporation
 Mohta Agencies Pvt. Ltd.
 Panchshul Merchants Pvt. Ltd.
 R A Computech Investment & Consultant Pvt. Ltd.

Note: Related Party transaction is as identified by the company and relied upon by the auditor

II. Transaction with related parties during the year: (Rs. in lakh)

Nature of Transaction	Investor having significantly influenced	KMP	Enterprises owned or significantly influenced by KMP and their Relatives
Sales			
Classic Electrodes (I) Ltd.	- (-)	- (-)	913.43 (244.23)
Purchases			
Classic Electrodes (I) Ltd.	- (-)	- (-)	52.30 (97.00)
Jai Hanuman Industrial Corporation	- (-)	- (-)	1,262.02 (1,125.74)
Electricity charges paid			
Classic Electrodes (I) Ltd.	- (-)	- (-)	1.35 (2.54)
Labour charges received			
Classic Electrodes (I) Ltd.	- (-)	- (-)	48.77 (141.28)
Interest paid			
Panchshul Merchants Pvt. Ltd.			

	- (-)	- (-)	0.32 (0.03)
Repairs and maintenance expenses Classic Electrodes (I) Ltd.	- (-)	- (-)	0.40 (0.03)
Rent paid Classic Electrodes (I) Ltd.	- (-)	- (-)	10.20 (9.18)
Sale of Fixed Asset Classic Electrodes (I) Ltd.	- (-)	- (-)	- (1.57)
Directors' remuneration Ankush Agarwal	- (-)	20.40 (20.40)	- (-)
Hanuman Prasad Agarwal	- (-)	30.00 (30.00)	- (-)
Naresh Agarwal	- (-)	12.00 (11.50)	- (-)

III. Balances with related parties at the end of the year: (Rs. in lakh)

Name of related party	Associates	KMP	Enterprises owned or significantly influenced by KMP and their Relatives
Trade receivables Classic Electrodes (I) Ltd.	- (-) (1st April'20 : nil)	- (-) (1st April'20 : nil)	323.60 (-) (1st April'20 : 12.79)
Trade Payables Classic Electrodes (I) Ltd.	- (-) (1st April'20 : nil)	- (-) (1st April'20 : nil)	2.75 (3.60) (1st April'20 : 12.79)
Jai Hanuman Industrial Corporation	- (-) (1st April'20 : nil)	- (-) (1st April'20 : nil)	537.02 (440.56) (1st April'20 : 603.41)
Unsecured Loan Panchshul Merchants Pvt. Ltd.	- (-) (1st April'20 : nil)	- (-) (1st April'20 : nil)	3.86 (3.57) (1st April'20 : 3.30)

- a) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

- b) No amount has been written back/written off during the year in respect of due to/from related parties.
- c) The amounts due from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.
- d) The remuneration of directors is determined by the nomination and remuneration committee of the Board of Directors considering the performance of individuals and market trends.
- e) Figures in the bracket relate to the previous year.

33.4 Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2022

(Rs. in lakh)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	Financial assets						
(a)	Other non current financial assets	4	55.40	55.40	-	-	55.40
(b)	Investments	6	110.71	-	-	110.71	110.71
(c)	Trade receivables	7	5,098.74	5,098.74	-	-	5,098.74
(d)	Cash and cash equivalents	8	254.70	254.70	-	-	254.70
(e)	Bank balances other than cash and cash equivalents	8	820.35	820.35	-	-	820.35
(f)	Other current financial assets	9	45.79	45.79	-	-	45.79
	Total		6,330.29	6,219.58	-	110.71	6,330.29
(2)	Financial liabilities						
(a)	Borrowings	14 & 17	2,127.11	2,127.11	-	-	2,127.11
(b)	Trade and other payables	18	2,973.45	2,973.45	-	-	2,973.45
(c)	Other financial liabilities	19	145.00	145.00	-	-	145.00
	Total		5,245.56	5,245.56	-	-	5,245.56

As at 31st March, 2021

(Rs. in lakh)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	Financial assets						
(a)	Other non current financial assets	4	314.05	314.05	-	-	314.05
(b)	Investments	6	103.85	-	-	103.85	103.85
(c)	Trade receivables	7	5,869.51	5,869.51	-	-	5,869.51
(d)	Cash and cash equivalents	8	128.25	128.25	-	-	128.25
(e)	Bank balances other than cash and cash equivalents	8	476.20	476.20	-	-	476.20
(f)	Other current financial assets	9	133.78	133.78	-	-	133.78
	Total		7,025.64	6,921.80	-	103.85	7,025.64
(2)	Financial liabilities						
(a)	Borrowings	14	3,111.22	3,111.22	-	-	3,111.22
(b)	Trade and other payables	18	2,547.47	2,547.47	-	-	2,547.47
(c)	Other financial liabilities	19	125.48	125.48	-	-	125.48
	Total		5,784.17	5,784.17	-	-	5,784.17

As at 1st April, 2020

(Rs. in lakh)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	Financial assets						
(a)	Other non current financial assets	4	407.43	407.43	-	-	407.43
(b)	Investments	6	107.16	-	-	107.16	107.16
(c)	Trade receivables	7	5,061.78	5,061.78	-	-	5,061.78
(d)	Cash and cash equivalents	8	18.10	18.10	-	-	18.10
(e)	Bank balances other than cash and cash equivalents	8	527.82	527.82	-	-	527.82
(f)	Other current financial assets	9	239.77	239.77	-	-	239.77
	Total		6,362.06	6,254.89	-	107.16	6,362.06
(2)	Financial liabilities						
(a)	Borrowings	14	3,017.48	3,017.48	-	-	3,017.48
(b)	Trade and other payables	18	2,797.54	2,797.54	-	-	2,797.54
(c)	Other financial liabilities	19	115.93	115.93	-	-	115.93
	Total		5,930.95	5,930.95	-	-	5,930.95

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

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

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of cash and cash equivalents, trade receivables, and other current financial assets, and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using adjusted net asset value method. Similarly, unquoted equity instruments where most

recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

The fair value of investment in mutual funds has been determined based on quotes from mutual funds/ Asset management companies during the year.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2.

The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:

- (i) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2022

(Rs. in lakh)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets Investments	6	110.71	-	-	110.71
	Total financial assets		110.71	-	-	110.71

- (ii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2021:

(Rs. in lakh)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets Investments	6	103.85	-	-	103.85
	Total financial assets		103.85	-	-	103.85

- (iii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 1st April, 2020:

(Rs. in lakh)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets Investments	6	107.16	-	-	107.16
	Total financial assets		107.16	-	-	107.16

There have been no transfers between Level 1 and Level 2 either during the year ended 31st March, 2022 or during the year ended 31st March, 2021.

Reconciliation of opening and closing balances for Level 3 fair value:

Particulars	Investments in mutual funds
Balance as at 1st April, 2020	107.16
Net re-measurement gain recognised during the year	(3.31)
Sold during the year	-
Balance as at 31st March, 2021	103.85
Net re-measurement loss recognised during the year	6.86
Sold during the year	-
Balance as at 31st March, 2022	110.71

33.5 Financial risk management objectives and policies

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under financial instrument or a customer contract leading to a financial loss. The Company's exposure to credit risk from its operating activities is primarily trade receivable and security deposit. Credit risk from balances with bank and other financial instrument is managed in accordance with Company's policies. Surplus funds are parked only in approved investment categories with well defined limits. Investment category is periodically reviewed by the Board of Directors of the Company.

Credit risk arising from short term liquid funds, and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by credit rating agencies.

Other financial assets measured at amortized cost includes loans to employees, security deposits and others. Credit risk related to these financial assets are managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system is in place to ensure that the amounts are within defined limits.

Customer credit risk is managed as per Company's established policy, procedure and control related to credit risk management. Credit quality of the a customer is assessed based on his previous track record and individual credit limit are defined according to this assessment. Outstanding customer receivables are regularly monitored. Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

The ageing analysis of the receivables are given note no. 7.

(ii) The change in the loss allowances measured using life time expected credit loss model is nil. Also, no significant changes in estimation were made during the reported period.

(iii) Balances with banks

Credit risk from balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 1st April, 2020, 31st March, 2021 and 31st March, 2022 is the carrying amounts as stated under note no. 8 (a) & (b).

(b) Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligation on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

The tables below summarises the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(Rs. in lakh)

Particulars	Less than 1 year	1-5 years	More than 5 years
31st March, 2022			
Other financial liabilities	145.00	-	-
Total	145.00	-	-
31st March, 2021			
Other financial liabilities	125.48	-	-
Total	125.48	-	-
1st April, 2020			
Other financial liabilities	115.94	-	-
Total	115.94	-	-

(c) Market risk

The Company has no international transactions and is not exposed to foreign exchange risk.

Interest rate risk

The Company has no variable rate borrowings, therefore the Company is not exposed to interest rate risk.

(d) Lien

The fair values of the fixed deposits under lien aggregated to Rs. 875.75 lakh (Rs. 790.25 lakh on 31st March, 2021, Rs. 935.25 lakh on 1st April, 2020) which was held as Margin Money against Bank Guarantee/Letter of credit.

33.6 Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity share-holders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

33.7 Employee benefits in accordance with Indian Accounting Standard - 19 " Employee Benefits:

a) Defined Contribution Plan :

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under :

(Rs. in lakh)

Defined Contribution Plan	Year ended 31st March, 2022	Year ended 31st March, 2021
Employers' Contribution to Provident Fund	22.11	28.06
Employers' Contribution to Employee State Insurance Scheme	8.35	7.49

b) Defined Benefit Plans:

Description of Plans

i) The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity Plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age etc. The scheme is unfunded.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the unfunded status and amounts recognised in the Balance Sheet for the said plan:

ii) Details of unfunded post retirement plans are as follows :

(Rs. in lakh)

Particulars		Gratuity	
		As at 31st March, 2022	As at 31st March, 2021
I.	Components of Employer Expense		
I.1	Expenses recognised in the Statement of Profit and Loss:		
	Current service cost	10.02	11.39
	Past service cost	-	-
	Interest cost	4.18	3.50
	Curtailement	-	-
	Settlement	-	-
	Expense recognised in the Statement of Profit and Loss	14.20	14.89
I.2	Remeasurements recognised in Other comprehensive income		
	Actuarial gain / (loss) arising from:		
	- change in demographic assumptions	-	-
	- change in financial assumptions	-	-
	- changes in experience adjustments	(16.77)	(4.95)
	- changes in asset ceiling (excluding interest income)	-	-
	(Returns)/loss on plan assets excluding amounts included in Net interest cost	-	-
	Components of defined benefit costs recognised in Other comprehensive income	(16.77)	(4.95)
	Total defined benefit cost recognised in Profit and Loss and Other comprehensive income	(2.57)	9.94
II.	Change in present value of defined benefit obligation :		
	Present value of defined benefit obligation at the beginning of the year	60.21	55.22
	Interest expense	4.18	3.50
	Past service cost	-	-
	Current service cost	10.02	11.39
	Benefits paid	(0.82)	(4.95)
	Actuarial gain / (loss) arising from:		
	- change in financial assumptions	-	-
	- changes in experience adjustments	(16.77)	(4.95)
	Present value of Defined Benefit Obligation at the end of the year	56.82	60.21

III	Change in fair value of plan assets during the year :	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
	Plan assets at the beginning of the year	-	-	-
	Interest income	-	-	-
	Employers' contributions	0.82	5.13	2.55
	Benefits paid	(0.82)	(5.13)	(2.55)
	Re-measurement (Returns on plan assets excluding amounts included in interest income)	-	-	-
	Fair Value of Plan Assets at the end of the year	-	-	-

IV.	Net Asset / (Liability) recognised in the Balance Sheet as at the year end:			
	Present value of Defined Benefit Obligation	56.82	60.21	55.22
	Fair value of Plan Assets	-	-	-
	Funded Status [Surplus/(Deficit)]	56.82	60.21	55.22
	Net Asset / (Liability) recognised in Balance Sheet			
	Current liability	(6.89)	(2.64)	(2.01)
	Non-current liability	(49.93)	(57.57)	(53.21)
V.	Actuarial Assumptions :			
	Discount Rate (per annum) %	7.30%	6.95%	6.65%
	Expected Rate of Salary increase (per annum)%	5.00%	5.00%	5.00%
	Retirement/Superannuation Age (Year)	58	58	58
	Mortality Rates	IALM 2012-2014	IALM 2012-2014	IALM 2012-2014
VI.	Maturity Profile of Defined Benefit Obligation			
	Expected cash flows (valued on undiscounted basis):			
	1 Year	6.89	2.64	2.01
	2 to 5 years	5.95	8.27	8.81
	6 to 10 years	20.77	22.41	18.23
	More than 10 years	132.46	156.31	147.74
	Total expected payment	166.07	189.62	176.79
	The weighted average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	13 years	14 years	15 years
VII.	Sensitivity analysis on Present value of Defined Benefit Obligations:			
	Discount rates			
	1% Increase	(50.71)	(52.87)	(48.03)
	1% Decrease	64.14	69.07	63.99
	Expected rates of salary increases			
	1% Increase	64.37	69.32	64.19
	1% Decrease	(50.43)	(52.57)	(47.76)
	The sensitivity analyses above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date. All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.			
VIII.	Experience adjustments on Present value of Defined Benefit Obligation and Plan Assets are as follows :			

Present value of Defined Benefit Obligation	56.82	60.21	55.22
Fair value of Plan Assets	-	-	-
(Deficit)/Surplus	56.82	60.21	55.22
Experience adjustment of Plan Assets [Gain/ (Loss)]	-	-	-
Experience adjustment of Obligations [(Gain)/Loss]	(16.77)	(4.95)	1.69

iii) Risks related to defined benefit plans:

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

- i. **Interest Rate risk :** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- ii. **Liquidity Risk :** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- iii. **Salary Escalation Risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- iv. **Demographic Risk :** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- v. **Regulatory Risk :** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20.00 lakh).

i) The following are the assumptions used to determine the benefit obligation

- a) **Discount rate:** The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.
- b) **Rate of escalation in salary :** The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

- c) Attrition rate : Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

- ii) The Gratuity and Provident Fund expenses have been recognised under " Contribution to Provident and Other Funds" under " Salaries and Wages" under Note No. 26.

Expenditure on Corporate Social Responsibilities (CSR) activities in accordance with Section 135 of The Companies Act, 2013:

As per Section 135 of Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding 3 financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(Rs. in lakh)

Particulars	31st March, 2022	31st March, 2021
(i) Amount required to be spent by the company during the year	8.77	13.28
(ii) Amount of expenditure incurred	9.00	27.55
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	14.27
(v) Reason for shortfall	-	Due to Covid

- (vi) Nature of CSR activities:

(Rs. in lakh)

Activity	Sector in which the Project is covered	31st March, 2022	31st March, 2021	Name of implementing agency/Fund
Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation.	Clause (i) of Schedule VII of the Act.	9.00	-	Omkar Andh Apang Samajik Sanstha
The Government of India has set up the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' (PM CARES Fund) with the primary objective of dealing with any kind of emergency or distress situation such as that posed by COVID 19 pandemic.	Item no. (viii) of the Schedule VII of the Act.	-	14.30	PM Cares fund
Promoting health care including preventive health care and sanitation	Clause (i) of Schedule VII of the Act.	-	13.25	Heritage Institute of Medical
Total		9.00	27.55	

- (vii) There is no contribution to a trust controlled by the company in relation to CSR expenditure.

(viii) There is no contractual obligation hence, provision is not required.

33.9 Segment information as per Ind AS 108 – Operating Segments:

The Board of Directors has been identified as the Company's chief operating decision-maker (CODM) as defined by Ind AS 108 – Operating Segments. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by Business segments. The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed.

The Company has identified a single reportable business segment i.e. manufacturing, exporting and supplying of Industrial steel wires and galvanized wires.

33.10 Balance confirmations:

Trade Receivables/Advances / Deposits/ Trade Payable are subject to confirmation.

33.11 Impairment of Assets in accordance with Indian Accounting Standard-36:

The Company has identified two manufacturing facilities at Sankrail Industrial Park, Jangalpur, PO. Kanduah, Howrah - 711302 as its cash generating units and carried out test for impairment of Assets on the basis of indications set out in Indian Accounting Standard - 36 " Impairment of Assets" at the balance sheet date. The company did not find any Impairment in its Assets as at 31st March, 2022, 31st March, 2021 and 1st April, 2020.

33.12 Details of Loans given, investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013:

- (a) The particulars of investments made are given under Note No. 6
- (b) The Company has not given any loan during the year.
- (c) The Company has not given any guarantee and has not provided any security.

33.13 Government grants as per Indian Accounting Standard-20:

Government Grants are recognized at fair value when there is reasonable assurance that the grant would be received and the company would comply with all the conditions attached with them.

The following are the government grants received during the financial year ended 31st March, 2022:

(Rs. in lakh)

Sl. No.	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
I.	Duty drawbacks received: Export incentives under Chapter 73 of the Customs Tariff Act, 1975	3.09	16.33

The company has complied with all the conditions for availment of the government grants during the year. No contingencies have been recongnized in relation to the government grants received during the year.

33.14 Additional Regulatory Information

(a) Capital work-in-progress ageing schedule:

As at 31st March, 2022

(Rs. in lakh)

CWIP	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant and Machinery	40.86	-	-	-	40.86
Building	-	-	-	-	-
					40.86

As at 31st March, 2021

(Rs. in lakh)

CWIP	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant and Machinery	11.85	8.05	45.06	10.62	75.58
Building	34.33	73.43	104.74	-	212.50
					288.08

As at 31st March, 2020

(Rs. in lakh)

CWIP	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Plant and Machinery	8.04	45.06	30.62	-	83.72
Building	73.43	104.74	-	-	178.17
					261.89

Note:

- (i) There is no time and cost overrun in comparison to its original plan.
- (ii) There is no project temporarily suspended.

(b) The following are analytical Ratios for the year ended 31st March, 2022 and 31st March, 2021

Sl.	Ratio	Numerator	Denominator	31-03-22	31-03-21	Variance
1	Current Ratio	Current Assets	Current Liabilities	2.10	1.88	11.58%
2	Debt-Equity Ratio	Total debt	Shareholder's equity	0.31	0.48	-35.74%
3	Debt Service Coverage Ratio	Earning for Debt Service#	Debt service = Interest and Principal repayments	2.60	2.24	16.10%
4	Return on Equity Ratio (%)	Net profit after tax	Average shareholder's equity	1.50%	0.30%	1.20%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	1.77	1.10	61.37%
6	Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivable	1.11	0.62	80.06%
7	Trade Payables Turnover Ratio	Purchases of goods	Average Trade Payable	2.05	1.08	88.67%
8	Net Capital Turnover Ratio	Revenue from operations	Working Capital	4.43	2.82	57.10%
9	Net Profit Ratio(%)	Net Profit	Total Income	1.68%	0.59%	1.09%
10	Return on Capital Employed (%)	Profit before interest and taxes	Capital employed*	11.73%	5.70%	6.03%
11	Return on Investment	Income from investment	Average investment	1.55%	1.89%	-0.34%

#Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments

* Capital employed = Net worth + Deferred tax liabilities.

Explanation for change in the ratio by more than 25% as compared to the preceding year:

- (i) Debt-Equity Ratio: Due to repayment of debt and increased in profit as compared to the preceding year.
- (ii) Inventory Turnover Ratio: Inventory of raw materials increased due as compared to the preceding year.
- (iii) Trade Receivables Turnover Ratio: Since our Net Sales has increase by 78%. Hence, our trade receivable ratio has also increased by 77%. This is as per industry standard.
- (iv) Trade Payables Turnover Ratio: High purchase of raw material in end of the year.
- (v) Net Capital Turnover Ratio: Since our Net Sales has increase by 78%. Hence, our net capital turnover ratio has also increased by 67%. This is as per industry standard.

(c) The quarterly returns and stock statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(d) Disclosures required under Additional regulatory information as prescribed under paragraph 6L to general instructions for preparation of Balance Sheet under Schedule III to the Companies Act, 2013 are not applicable to the Company except as disclosed in Para (a) to (c) above.

33.15 Explanation of transition to Ind AS

These financial statements, for the year ended 31st March, 2022, are the first financial statements, the Company has prepared in accordance with Ind AS.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended 31st March, 2022, together with the comparative figures for the year ended 31st March, 2021, as described in the summary of significant accounting policies [Refer Note No.1].

In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2020, i.e. the date of transition to Ind AS.

This note explains the principal adjustments made by the Company and an explanation on how the transition from the previous GAAP to Ind AS has affected its financial statements, including the Balance Sheet as at 1st April, 2020 and the financial statements for the year ended 31st March, 2021.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP to Ind AS:

- a. The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2020. Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation, amortization and impairment).
- b. The Company has elected to continue with the carrying value of Capital work in progress as recognized under the previous GAAP as deemed cost as at the transition date.
- c. Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.
- d. The estimates as at 1st April, 2020 and as at 31st March 2021 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies, if any).
- e. Ind AS 101 requires the de-recognition requirements of Ind AS 109 to be applied prospectively to transactions occurring on or after the date of transition. Therefore, the Company has not

recognized financial assets and liabilities under Ind AS which were derecognized under the previous GAAP as a result of a transaction that occurred before the date of transition.

33.16 Disclosures as required by Ind AS - 101 - First Time Adoption of Indian Accounting Standards - Reconciliation between Previous GAAP and Ind AS :

(a) Reconciliation of financial results as previously reported (referred to as "Previous GAAP") and Ind AS for year ended presented are as under:

(Rs. In Lakh)	
Particulars	Year ended 31st March, 2021
Net Profit as per Previous GAAP (after tax)	85.45
Add/ (Less) - Effect of transition to Ind AS	
(i) Impact due to change in employee benefit expenses	(4.95)
(ii) Fair value on investments	(3.20)
Net impact of Ind AS adjustments	(7.11)
Net Profit as reported under Ind AS	78.33
Other Comprehensive Income (net of tax)	3.57
Total Comprehensive Income as reported under Ind AS	81.90

(b) Reconciliation of equity as reported under previous GAAP is summarised as follows:

Particulars	As at 1st April, 2020	As at 31st March, 2021
Equity as reported under previous GAAP	6,397.54	6,482.98
Add/ (Less) - Effect of transition to Ind AS		
Measurement of financial assets at fair value (net of tax)	3.72	0.17
Equity as reported under Ind AS	6,401.25	6,483.16

(c) **Reconciliation of Cash Flows for the year ended 31st March, 2021;**

Ind AS does not have material impact on cash flows of the company.

(d) **Notes to the reconciliation of equity as at 1st April, 2020 and 31st March, 2021 and Statement of Profit and Loss for the year ended 31st March, 2021:**

I. **Property, plant and equipment**

Under Ind AS, the Company has elected to opt for cost model with respect to property, plant and equipments, capital work in progress.

II. **Investments in mutual funds**

Under the previous GAAP, investment in mutual funds were classified as long term investments or current investment based on the intended holding period and realisability. The Company accounted for long term investments in mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments, if any.

Under Ind AS, the Company has classified and measured as FVTPL investments.

III. Defined benefit liabilities

As under the previous GAAP, under Ind AS also, the Company continues to recognize costs related to its post-employment defined benefit plan on an actuarial basis. The entire cost, including actuarial gains and losses, was charged to the Statement of Profit and Loss Under Ind AS, re-measurements of defined benefit plan are recognized in the Balance Sheet with a corresponding debit or credit to equity through Other Comprehensive Income (OCI). Thus, the employee benefit cost is reduced and re-measurement losses on defined benefit plans has been recognized in the OCI, net of tax as at the transition date.

IV. Retained earnings

Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

V. Total comprehensive income and other comprehensive income

Under the previous GAAP, the Company did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

33.17 The company has received approval from National Stock Exchange of India Limited ["NSE"] vide letter bearing reference no. NSE/LIST/178 dated April 29, 2022 that the trading in the Equity Shares of the Company has been migrated from the SME Emerge platform of NSE to the main board of NSE w.e.f. May 04, 2022 and the new designated security codes and lot size has been allotted.

33.18 The Board of Directors have recommended a dividend of Re. 0.50 (Fifty Paise Only) per fully paid-up Equity Share of Rs. 10/- each (5%) to the shareholders of the Company for the Financial Year ended 31st March, 2022. The dividend recommended by the Board of Directors of the Company is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company.

33.19 The Board on 28th May, 2022 had considered the proposal for sub-division of 1 equity share of the Company having face value of Rs. 10/- each into 5 (Five) equity shares having face value of Rs. 2/- each, subject to regulatory/statutory approvals as may be required and the approval of the shareholders of the Company.

33.20 The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

The accompanying notes 1 to 33 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.

For and on behalf of the Board of
Directors

Chartered Accountants

Firm's Registration No. - 302082E

Sd/-

(CA. Rakesh Kumar Singh)

Partner

Membership No. 066421

Sd/-

Hanuman Prasad Agarwal
(Managing Director)
(DIN: 00654218)

Sd/-

Anand Kumar Sharma
(Chief Financial Officer)

Sd/-

Naresh Kumar Agarwal
(Chairman and Executive Director)
(DIN: 01020334)

Sd/-

Mahesh Kumar Sharma
(Company Secretary)

Place of Signature: Kolkata

Date: The 28th day of May, 2022

NOTICE

Notice is hereby given that the 18th(Eighteenth) Annual General Meeting of the members of M/s. Kritika Wires Limited ("the Company") will be held on Friday, 29th July, 2022 at 02.00 p.m. at its Corporate office at Unit No. 201, 2nd Floor, Bus Terminus & Commercial Complex, Plot-BG-12, AA-I, New Town, Pride Hotel Building, Kolkata – 700156 to transact following business:

ORDINARY BUSINESS:

Item No. 1. Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company including Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

Item No. 2. Declaration of Dividend

To declare a dividend of Rs. 0.50p (Fifty Paise) per fully paid-up equity share of face value of Rs. 10/- each for the Financial Year 2021-2022.

Item No. 3. Re-appointment of a Director

To appoint a director in place of Mr. Sanjeev Binani (DIN:01149866), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4. Ratification of Remuneration of Cost Auditors

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Company hereby ratifies the remuneration of Rs. 35,000 p.a. (Rupees Thirty Five Thousand) plus applicable taxes and reimbursement of out-of-pocket expenses, as payable to M/s. Sohan Lal Jalan & Associates, Cost Accountants, who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending 31st March, 2023.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to

Item No. 5. Sub-division of Equity Shares of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to the provisions of the Memorandum and Articles of Association of the Company and such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate statutory authority(ies), the approval of the Members of the Company be and is hereby accorded for sub-division of 1 (One) fully paid-up Equity Share having face value of Rs. 10/- (Rupees Ten) each, into 5 (Five) fully paid-up Equity Shares having face value of Rs. 2/- (Rupees Two) each, with effect from the 'Record Date' to be determined by the Board of Directors for this purpose.

RESOLVED FURTHER THAT the sub-divided Equity Shares having face value Rs. 2/- (Rupees Two) each, shall rank pari passu in all respects with each other and carry the same rights as to the existing fully paid-up Equity Shares of face value ₹10/- (Rupees Ten) each of the Company.

RESOLVED FURTHER THAT upon sub-division of the Equity Shares as aforesaid and with effect from the Record Date, for the Equity Shares held in dematerialized form, the sub-divided Equity Shares shall be credited proportionately into the respective beneficiary demat accounts of the Members held with Depository Participants, in lieu of the existing credits present in their respective beneficiary demat accounts.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things including to fix and announce the Record Date, to make appropriate adjustments on account of sub-division of Equity Shares, to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the sub-division of Equity Shares, in accordance with the statutory requirements as well as to delegate all or any of its/their powers herein conferred to any other Officer(s)/ Authorised Representative(s) of the Company, to give such directions as may be necessary or desirable, to apply for necessary approvals, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation or consequential to the sub-division of Equity Shares including execution and filing of all the relevant documents with the Registrar of Companies, Stock Exchange, Depositories and other appropriate authorities, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Item No. 6. Alteration of Memorandum of Association of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 13 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V with the following new Clause V:

“V. The present authorized share capital of the Company is Rs. 18,50,00,000 divided into 9,25,00,000 Equity Shares of Rs. 2 each.”

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the Board, be and is hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

For Kritika Wires Limited

Sd/-

Mahesh Kumar Sharma
Company Secretary

Date: 25th June, 2022
Place: Kolkata

NOTES:

- **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 18TH ANNUAL GENERAL MEETING (“MEETING” OR “AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however, be submitted at the corporate office of the company not less than forty-eight hours before the commencement of the meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the AGM is annexed hereto.
- Additional information, pursuant to Regulation 36(3) and 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting is furnished as an Annexure to the Notice.
- Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP - ID and Client - ID/ Folio No.
- Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act and other relevant documents referred to in the accompanying Notice are open for inspection by the members at the Corporate Office of the Company on all working days, during business hours up to the date of the meeting.

- The Company has appointed M/s. Link Intime India Pvt. Ltd, as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, change of address intimation and other communication in relation thereto with respect to shares in electronic form should be addressed to the Registrars directly quoting Folio No., full name, and name of the Company as KRITIKA WIRES LIMITED.
- Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository participants with whom they are maintaining their demat accounts.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
- Notice of the AGM along with attendance slip and proxy form is being sent to all the members whose name appears in the Register of Members as on 24th June, 2022 at the e-mail ids registered with the Company/ Depository Participant(s). For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. The Members may note that the Notice of AGM will also be available on the Company's website www.kritikawires.com, website of the National Stock Exchange of India Limited at www.nseindia.com and on the website of Link Intime India Private Limited at instavote.linkintime.co.in.
- To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in electronic mode respectively.
- The Chairman shall, at the meeting, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Polling Paper for all the members.
- The Board of Directors of the Company has appointed Mr. Rajesh Ghorawat, Practicing Company Secretary as a Scrutinizer, for conducting poll during the Annual General Meeting and to oversee voting process.
- The Voting Results declared along with the Scrutinizer's Report shall be placed on the website of the Company at www.kritikawires.com and on the website of Link Intime India Private Limited at instavote.linkintime.co.in immediately after the declaration of Result by the Chairman or any person authorized by him in writing.
- The route map showing directions to reach the venue of the Annual General Meeting is annexed.

Book Closure and Dividend:

- a) The Register of Members and Share Transfer Books of the Company will be closed from **Saturday, 23rd July, 2022 to Friday, 29th July, 2022 (both days inclusive)** to determine the shareholders entitled to the Dividend as recommended by the Board of Directors for the Financial Year 2021-2022.
- b) If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made to all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 22nd July, 2022.

- c) Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to share holders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Depositories.

In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential status, PAN, Category with their Depository Participants ('DPs') on or before Friday, 15th July, 2022. For detailed instructions, please refer website of the Company www.kritikawires.com.

- d) Shareholders holding shares in Electronic Form may note that their bank account details as furnished by their depositories to the Company will be used by the Company for payment of Dividend. Members who are holding shares in electronic mode are requested to make sure, that they have updated details of Bank Account Number, Name of Bank, Branch address, MICR Code, IFSC Code with their respective Depository Participant. The Company will not entertain any direct request from such share holders for deletion of / change in such bank details. Shareholders who wish to change such bank account details are, therefore, requested to advise their Depository Participants about such change, with complete details of bank account. Incase the Company is unable to pay the dividend to any Shareholders by the electronic mode, due to non-availability of the complete details of the Bank account, the Company shall dispatch the dividend warrants to such Shareholders by post.

Voting Through Electronic Means:

- a) Pursuant to Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management of Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with Link Intime India Private Limited ("LI IPL") for facilitating voting through electronic means, as the authorized agency. The manner of voting remotely is provided in the instructions for e-voting section which forms part of this Notice.
- b) A person whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on 22nd July, 2022 being the cut-off date shall be entitled to avail the facility of remote e-voting or voting during the AGM. Persons who are not Members as on the cut-off date, but have received this notice, should treat receipt of this Notice for information purpose only.
- c) The Members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again. During the voting period, Members can login to LI IPL's e-voting platform any number of times till they have voted on the resolution. Once the vote on a resolution is casted by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
- d) The Members whose names appear in the Register of Members / List of Beneficial Owners as on 22nd July, 2022 are entitled to vote on resolutions set forth in the Notice. Eligible Members who have acquired shares after sending the Notice and holding shares as on the cut-off date may approach the Company for issuance of the User Id and Password for exercising their right to vote by electronic means.

- e) The remote e-voting period begins on Tuesday, 26th July, 2022 at 9.00 A.M. (IST) and ends on Thursday, 28th July, 2022 at 5.00 P.M. (IST). The remote e-voting module shall be disabled by Link In time India Private Limited for voting thereafter. A person who is not a Member as on the cut-off date shall treat this notice for information purpose only.
- f) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date 22nd July, 2022. A person whose name is recorded in the Register of Members maintained by Registrar and Share Transfer Agent or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of e-voting.
- g) Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated 9th December, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL

- a) Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e., LINKINTIME and you will be re-directed to "Insta Vote" website for casting your vote during the remote e-Voting period.
- b) If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- c) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

- a) Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New

- b) After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
- c) If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
- d) Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e., LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under '**SHARE HOLDER**' tab and register with your following details:-
 - A. User ID:** Share holders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders/ members holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

Click “confirm” (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e., Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution / authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian/ Mutual Fund/ Corporate Body**' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

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

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'SHAREHOLDER' tab and further Click 'forgot password'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e., Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participant's website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No.4**

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to undertake the audit of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014, by a Cost Accountant in Practice.

In compliance with the above, the Board on the recommendation of the Audit Committee had approved the appointed M/s Sohan Lal Jalan & Associates, Cost Accountants, (FRN: 000521) as the Cost Auditor of the Company for the Financial Year ended 31st March, 2023. At the said meeting, the Audit Committee also considered the remuneration of Rs. 35,000 p.a. (Rupees Thirty Five Thousand only.) (plus applicable taxes and reimbursement of out-of-pocket expenses) payable to the Cost Auditors for Financial Year 2022-2023.

In making the decision on the appointment and remuneration of the Cost Auditors, the Audit Committee considered, the Cost Auditors' performance during the previous year(s) in examining and verifying

the accuracy of the cost accounting records maintained by the Company. Accordingly, the Audit Committee recommended to the Board, the appointment of M/s Sohan Lal Jalan & Associates, Cost Accountants (FRN: 000521) as the Cost Auditors of the Company for Financial Year ending 31st March 2023 at a remuneration of Rs. 35,000 p.a. (Rupees Thirty Five Thousand only) (plus applicable taxes and reimbursement of out-of-pocket expenses).

The Board, on the recommendation of the Audit Committee approved the appointment and remuneration of M/s Sohan Lal Jalan & Associates, Cost Accountants, (FRN: 000521) as the Cost Auditors of the Company for the Financial Year ending 31st March 2023.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditors require ratification by the shareholders of the company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 4 of the notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March 2023.

None of the Directors/Managers/Key Managerial Personnel or relatives of any of the Directors/Managers/Key Managerial Personnel of your Company are in any way concerned or interested in this resolution.

The Board recommends the resolution set forth in item no. 4 for the approval of the Company.

Item No. 5 and 6

As the members are aware, the equity shares of your company are listed on the National Stock Exchange and are also regularly traded on the said Exchange.

The Company's strong performance and faith of the investors has led to significant increase in the market price of its Equity Shares. With a view to broaden the investor base by encouraging the participation of the retail investors and also with a view to increase the liquidity of the Company's Shares, it is proposed to sub-divide the 1 (One) fully paid-up Equity Share of the Company having face value of Rs. 10/- each into 5 (five) fully paid-up Equity Share having face value of Rs. 2/- each, pursuant to the provisions of Section 61(1)(d) of the Act, the rules made thereunder and other applicable provisions.

The Record Date for the aforesaid sub-division of Equity Shares shall be fixed by the Board (including any Committee thereof) after the approval of the Members is obtained for the proposed sub-division.

In the opinion of the Board, proposed sub-division of the Equity Shares is in the best interest of the Company and the investors and therefore the Board at its meeting held on 28th May, 2022, approved the aforesaid sub-division subject to requisite approval of the shareholders. The proposed sub-division of fully paid-up Equity Shares will not result in any change in the amount of Authorized, Issued, Subscribed and Paid-up Equity Share Capital of the Company.

The Pre and Post Equity Share Capital of the Company will be as under:

Particulars	Pre-sub division of Equity Shares			Post-sub division of Equity Shares		
	No. of shares	Face Value (Rs.)	Total Share Capital (Rs.)	No. of Share	Face Value	Total Share Capital (Rs.)
Authorised Share Capital	1,85,00,000	10	18,50,00,000	9,25,00,000	2	18,50,00,000
Issued, Subscribed and Paid-up share capital	1,77,52,000	10	17,75,20,000	8,87,60,000	2	17,75,20,000

The aforesaid sub-division of equity shares of Rs. 10/- each into equity shares of Rs. 2/ each would require amendment to existing Capital Clause of the Memorandum of Association.

Accordingly, the consent of the Members is sought for passing of:

- (a) Ordinary Resolution for sub-division of Ordinary (equity) Shares as mentioned at Item No. 5;
- (b) Special Resolution for carrying out amendments to the Memorandum of Association of the Company as mentioned at Item No. 6.

A draft copy of the modified Memorandum of Association and Articles of Association is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.

The Board recommends the Resolutions set forth in Item Nos. 5 and 6 for the approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolutions, except to the extent of equity shares held by them in the Company.

For Kritika Wires Limited

Sd/-

Mahesh Kumar Sharma
Company Secretary

Date: 25th June, 2022
Place: Kolkata

ANNEXURE TO THE NOTICE

Name of Director	Sanjeev Binani
Date of birth	22nd July, 1967
Nationality	Indian
Date of first appointment on the board	31st May, 2004
Qualification	B. Com
Experience in functional area	25 yrs. (Approx)
Relationship with other Directors	N.A
Shareholding in the Company	10,000 Shares
List of directorship held in other listed companies	N.A
Committee membership in other listed companies	N.A

Attendance Slip

(Please fill in attendance slip and hand it over at the entrance of the meeting Hall.)

I hereby record my presence at the 18th Annual General Meeting of the Company being held on Friday, 29th July, 2022 at 02.00 p.m. at the Corporate Office of the Company at Unit No. 201, 2nd Floor, Bus Terminus & Commercial Complex, Plot-BG-12, AA-I, New Town, Pride Hotel Building, Kolkata – 700156 and at any adjournment thereof.

DP-ID*	
No. of shares held	Client ID*
Member / Proxy Name <i>(Please mention in block letters)</i>	

* Applicable for Members holding Shares in electronic form.

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			
Registered Folio No.			
DP-ID		Client ID*	

I/We, being the member(s) holding _____ equity shares of Kritika Wires Limited hereby appoint: Mr. _____ residing at _____ having email-id _____ as my/our proxy to vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Friday, 29th July, 2022 at 02.00 p.m. at the Corporate office of the Company at Unit No. 201, 2nd Floor, Bus Terminus & Commercial Complex, Plot-BG-12, AA-I, New Town, Pride Hotel Building, Kolkata – 700156 and any adjournment thereof, in respect of such resolutions as are indicated below:

Item No.	Resolutions
1.	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 st March 2022.
2.	To declare a dividend of Re. 0.50 (Fifty Paise) per fully paid-up equity share of face value of Rs. 10/- each for the Financial Year 2021-2022.
3.	To appoint a director in place of Mr. Sanjeev Binani (DIN: 01149866), who retires by rotation and being eligible, offers himself for re-appointment.
4.	To ratify the remuneration of M/s. Sohan Lal Jalan & Associates, Cost Auditors of the Company.
5.	To approve the sub-division of 1 (One) Equity Share of the Company having face value of Rs. 10/- each into 5 (Five) Equity Shares having face value of Rs. 2/- each.
6.	To alter the Memorandum of Association of the company.

Signature of Shareholder

Signature of proxyholder(s)

Date: _____, 2022

Revenue Stamp of Re. 1/-

Notes:

- The Proxy form duly completed must be deposited at the Corporate Office of the Company not less than 48 hours before the commencement of the meeting.
- This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- Undated proxy form will not be considered valid.
- If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes. When a member appoints a Proxy and both the member and Proxy attend the Meeting, the Proxy will stand automatically revoked.
- In the case of joint-holders, the signature of any one holder will be sufficient, but names of all the joint-holders should be stated.
- This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body registered, be under its seal or be signed by an officer or an attorney duly authorized by it.
- A proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.

ROAD MAP TO VENUE

