



**KRITIKA**  
WIRED DIFFERENTLY

Date: 6<sup>th</sup> September, 2021

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: Submission of 17<sup>th</sup> Annual Report of the Company for the Financial Year 2020-2021**  
**Ref: Disclosure under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of 17<sup>th</sup> Annual Report of the Company for the Financial Year 2020-2021.

A copy of the aforesaid Annual Report is also available on the website of the Company [www.kritikawires.com](http://www.kritikawires.com).

Kindly take the same on your record.

Thanking you.

Yours faithfully,

**For Kritika Wires Limited**

*Mahesh Kr. Sharma*

**Mahesh Kumar Sharma**

*(Company Secretary and Compliance Officer)*

Membership No.: 42926

Encl.: As above

**Kritika Wires Limited**

**Regd Office** 1A, Bonfield Lane Kolkata 700 001 West Bengal India  
t +91 33 40037817 e sales@kritikawires.com w www.kritikawires.com  
**Corporate Office** Unit No. 201 2nd Floor Bus Terminus & Commercial Complex  
Plot-BG-12, AA-I, New Town Pride Hotel Building  
t +91 33 2986 2140 / 2142  
**Works** Vill Bhagabatipur P.O. Chaturbhujkati Sankrail Howrah 711 313  
CIN : L27102WB2004PLC098699 GST : 19AACCK5615N1Z5

**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, 2021, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 42 of the Statement which explains the management's assessment that there is no significant impact of COVID-19 pandemic on the Statement for the year ended 31st March, 2021. Our opinion is not modified in respect of this matter.

**Key Audit Matter**

We have determined that there is no key audit matter to communicate in our report.

**Other Matter**

Due to the COVID-19 pandemic, lockdown and other travel restrictions are imposed by the Government/local administration, hence, the audit processes were carried out electronically by remote access. The necessary records were made available by the management through digital medium and were accepted as audit evidence while reporting for the current period.

Our opinion is not modified in respect of these matter.

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

**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 Boards' Report (but does not include the financial statements and our auditor's report thereon). The Boards' 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.

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

**Responsibilities of Management and Those Charged with Governance 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the AS. 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.

That Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility 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



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

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.
- 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.

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.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
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 the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the AS specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the Directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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.

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

- 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:

According to the information and explanation given to us, the Company has paid for its managerial remuneration during the year out of its past profits in compliance with the requirements of Schedule V of the Act.

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

Sd/-  
(CA. Rakesh Kumar Singh)  
Partner  
Membership No.066421  
UDIN: 21066421AAAAJZ8967

Place: Kolkata  
Dated: The 30th day of June, 2021

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

**"Annexure A" to the Independent Auditors Report**

Statement referred to in paragraph 1 under 'Report on Other Legal & 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, 2021:

- i. (a)The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.  
  
(b)The fixed assets have been physically verified by the management during the year. Based on our review, no material discrepancies were noticed in respect of fixed assets 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)The title deeds of immovable properties are held in the name of the Company.
- ii. The management has conducted physical verification of inventory at reasonable intervals.  
No discrepancies have been noticed on physical verification of the inventory as compared to book records.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. The company has not made any investment or furnished any guarantee or securities within the meaning of section 185 and 186 of the Act. Accordingly, the provisions of clause (iv) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.
- 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 thereunder. The directives issued by the Reserve Bank of India 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 has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Duty of Customs, 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 31<sup>st</sup> March, 2021 for a period of more than six months from the date on when they become payable.

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

**"Annexure A" to the Independent Auditors Report (Contd.)**

- (b) According to the information and explanation given to us and as per records examined by us, there are no dues of income tax, goods and service tax and duty of customs outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan from financial institutions or government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the company has paid managerial remuneration to the members of the Board of Directors during the year out of its past profits in accordance to the provisions of Section 197(16), as amended, read with Schedule V of the said Act.
- xii. The provisions of clause 3(xii) of the Order regarding Nidhi Company are not applicable to the Company and hence not commented upon.
- xiii. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.



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

- xv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

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

Sd/-  
(CA. Rakesh Kumar Singh)  
Partner

Membership No.066421  
UDIN: 21066421AAAAJZ8967

Place: Kolkata  
Dated: The 30th day of June, 2021

**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, 2021 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the 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, 2021, 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

Membership No. 066421  
UDIN: 21066421AAAAJZ8967

Place: Kolkata

Dated: The 30th day of June, 2021

**KRITIKA WIRES LIMITED**  
(FORMERLY KRITIKA WIRES PRIVATE LIMITED)  
CIN: L27102WB2004PLC098699

**BALANCE SHEET AS AT 31ST MARCH, 2021**

	Particulars	Note No.	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
I	<b>EQUITY AND LIABILITIES</b>			
	1. Shareholders' funds			
	(a) Share capital	2	17,75,20,000	17,75,20,000
	(b) Reserves and surplus	3	47,07,78,228	46,22,33,532
			64,82,98,228	63,97,53,532
	2. Non - current liabilities			
	(a) Long-term borrowings	4	5,24,35,684	4,07,890
	(b) Deferred tax liabilities (net)	5	11,34,164	21,67,384
	(c) Long -term provisions	6	57,56,853	53,20,716
			5,93,26,701	78,95,990
	3. Current liabilities			
	(a) Short-term borrowings	7	24,96,77,938	30,13,39,626
	(b) Trade payables	8		
	(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note no. 31)		3,53,501	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		25,43,93,181	27,97,54,093
	(c) Other current liabilities	9	3,65,61,325	2,46,93,409
	(d) Short-term provisions	10	8,61,87,284	8,25,97,712
			62,71,73,229	68,83,84,840
	<b>TOTAL</b>		<b>1,33,47,98,158</b>	<b>1,33,60,34,362</b>
II	<b>ASSETS</b>			
	1. Non current assets			
	(a) Property, plant and equipment	11	15,59,87,698	17,73,34,523
	(b) Capital work-in-progress	12	2,88,08,207	2,61,89,997
	(c) Non-current investments	13	2,37,28,777	2,35,00,177
	(d) Long-term loans and advances	14	1,89,896	1,94,542
	(e) Other non-current assets	15	3,14,05,459	4,07,42,649
			24,01,20,037	26,79,61,888
	2. Current assets			
	(a) Inventories	16	30,58,70,341	30,98,56,669
	(b) Trade receivables	17	58,69,50,546	50,61,77,996
	(c) Cash and bank balances	18	6,04,44,809	5,45,92,123
	(d) Short-term loans and advances	19	14,09,19,645	18,62,83,923
	(e) Other current assets	20	4,92,781	1,11,61,763
			1,09,46,78,122	1,06,80,72,474
	<b>TOTAL</b>		<b>1,33,47,98,158</b>	<b>1,33,60,34,362</b>
	Corporate information and Significant accounting policies	1		
	Other disclosures	30-43		
The accompanying notes 1 to 43 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		For and on behalf of the Board of Directors		
Sd/-		Sd/-	Sd/-	
(CA. Rakesh Kumar Singh) Partner Membership No. 066421		Hanuman Prasad Agarwal (Managing Director) (DIN: 00654218)	Naresh Kumar Agarwal (Director) (DIN: 01020334)	
Place of Signature: Kolkata Date: The 30th day of June, 2021		Sd/- Anand Kumar Sharma (Chief Financial Officer)	Sd/- Mahesh Kumar Sharma (Company Secretary)	



**KRITIKA WIRES LIMITED**  
(FORMERLY KRITIKA WIRES PRIVATE LIMITED)  
CIN: L27102WB2004PLC098699

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2021**

	Particulars	Note No.	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
I	Revenue from operations	21	1,34,89,71,726	1,71,30,67,693
II	Other income	22	3,92,47,634	6,40,44,713
III	Total Revenue (I+II)		1,38,82,19,359	1,77,71,12,406
IV	Expenses:			
	Cost of material consumed	23	1,12,98,51,478	1,39,33,89,132
	Change in inventory of finished goods and work-in-progress	24	3,06,65,954	7,02,807
	Employee benefits expense	25	4,38,00,295	6,61,46,341
	Finance costs	26	2,69,32,676	5,51,77,504
	Depreciation expense	27	2,54,54,834	3,10,02,843
	Other expenses	28	12,04,75,647	21,16,13,300
			1,37,71,80,883	1,75,80,31,926
V	Profit before exceptional and extraordinary items and tax (III - IV)		1,10,38,476	1,90,80,479
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		1,10,38,476	1,90,80,479
VIII	Extraordinary items		-	-
IX	Profit before tax (VII + VIII)		1,10,38,476	1,90,80,479
X	Tax expense:			
	(i) Current tax		35,27,000	73,24,000
	(ii) Deferred tax		(10,33,220)	(32,82,771)
			24,93,780	40,41,229
XI	Profit for the year (IX - X)		85,44,696	1,50,39,250
	Earnings per equity share	29		
	(a) Basic (equity share face value Rs. 10/- each)		0.48	0.85
	(b) Diluted (equity share face value Rs. 10/- each)		0.48	0.85
	Corporate information and Significant accounting policies	1		
	Other disclosures	30-43		
The accompanying notes 1 to 43 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 30th day of June, 2021

For and on behalf of the Board of Directors

Sd/-

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

Sd/-

Anand Kumar Sharma  
(Chief Financial Officer)

Sd/-

Naresh Kumar Agarwal  
(Director)  
(DIN: 01020334)

Sd/-

Mahesh Kumar Sharma  
(Company Secretary)

KRITIKA WIRES LIMITED  
(FORMERLY KRITIKA WIRES PRIVATE LIMITED)  
CIN: L27102WB2004PLC098699

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2021**

	PARTICULARS	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
I	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net profit/ (loss) before taxation & extraordinary items	1,10,38,476	1,90,80,479
	<u>Adjustments for non-cash and non-operating items:</u>		
	Depreciation	2,54,54,834	3,10,02,843
	Interest income	(16,70,696)	(1,70,12,896)
	Dividend income on non- current investment	(21,461)	-
	Net gain on sale of non- current investment	(10,03,300)	(13,94,850)
	Profit on Sale of Property, plant and equipment	(41,25,636)	-
	Sundry balances written back	-	(53,29,806)
	Bad debt	-	29,90,110
	Interest expense	2,69,32,676	5,51,77,504
	<b>Operating profit before working capital changes</b>	<b>5,66,04,893</b>	<b>8,45,13,383</b>
	<u>Adjustments for (increase) / decrease in operating assets:</u>		
	Inventories	39,86,329	(5,80,03,000)
	Trade receivables	(8,07,72,550)	24,16,57,431
	Current and Non- current loans & advances	5,88,96,134	(7,26,95,690)
	Other current assets	1,06,68,982	(1,11,61,763)
	<u>Adjustments for increase/ (decrease) in operating liabilities:</u>		
	Trade payables	(2,50,07,411)	75,56,828
	Current and Non- current provision	4,98,709	15,25,001
	Other current liabilities	1,18,67,915	(66,14,830)
	<b>Cash generated from operations</b>	<b>3,67,43,000</b>	<b>18,67,77,359</b>
	Less: Income tax paid	(1,35,27,210)	(98,18,168)
	<b>Cash flow before extraordinary items</b>	<b>2,32,15,790</b>	<b>17,69,59,191</b>
	Cash from extraordinary items	-	-
	<b>Net cash generated from operating activities</b>	<b>2,32,15,790</b>	<b>17,69,59,191</b>
II	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchases of property, plant and equipment	(91,48,341)	(1,08,34,644)
	Sale of property, plant and equipment	65,47,758	-
	Sale of investment	7,74,700	88,94,850
	Interest received	16,70,696	1,70,12,896
	Investment in fixed deposits	-	(3,99,17,563)
	Maturity of fixed deposit	1,44,99,668	-
	Dividend received	21,461	-
	<b>Net cash generated from( used in) investing activities</b>	<b>1,43,65,942</b>	<b>(2,48,44,461)</b>
III	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from long term borrowings	5,20,27,794	-
	Repayment of long term borrowings	-	(3,10,50,073)
	Proceeds/ (Repayment) of short term borrowings	(5,16,61,688)	(9,03,17,590)
	Interest paid	(2,69,32,676)	(5,51,77,505)
	<b>Net cash used in financing activities</b>	<b>(2,65,66,571)</b>	<b>(17,65,45,168)</b>
IV	<b>Net increase/(decrease) in cash and cash equivalents (I+II+III)</b>	<b>1,10,15,163</b>	<b>(2,44,30,438)</b>
	Cash and cash equivalents at the beginning of the year	18,09,843	2,62,40,281
	<b>Cash and cash equivalents at the end of the year (refer note no. 18)</b>	<b>1,28,25,005</b>	<b>18,09,843</b>

**KRITIKA WIRES LIMITED**  
**(FORMERLY KRITIKA WIRES PRIVATE LIMITED)**  
CIN: L27102WB2004PLC098699

**Notes to the Cash Flow Statement:**

- (a) The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Accounting Standard - 3 on Cash Flow Statement.
- (b) Additions to Property, Plant and Equipment include movement of Capital work-in-progress during the year.
- (c) Proceeds/(repayment) from Short-term borrowings qualify for disclosure on net basis.
- (d) Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- (e) Figure in brackets represent cash outflow from respective activities.
- (f) As breakup of Cash and cash equivalents is also available in Note No. 18, reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the respective items reported in the Balance Sheet is not required and hence not provided.
- (g) The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

**The accompanying notes 1 to 43 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 30th day of June, 2021**

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

**Sd/-**  
**Hanuman Prasad Agarwal**  
**(Managing Director)**  
**(DIN: 00654218)**

**Sd/-**  
**Anand Kumar Sharma**  
**(Chief Financial Officer)**

**Sd/-**  
**Naresh Kumar Agarwal**  
**(Director)**  
**(DIN: 01020334)**

**Sd/-**  
**Mahesh Kumar Sharma**  
**(Company Secretary)**

**KRITIKA WIRES LIMITED**  
**(Formerly Kritika Wires Private Limited)**

**Notes to the Financial Statements**

**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 10<sup>th</sup> October, 2018 in the National Stock Exchange of India Limited - Emerge.

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 31<sup>st</sup> March, 2021 were approved for issue by the Board of Directors of the Company on 30<sup>th</sup> June, 2021 and are subject to the approval by the shareholders in the ensuing Annual General Meeting.

**1.2 Significant accounting policies**

**1.2.1 Basis of preparation**

The Financial Statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis unless specifically stated to be otherwise.

GAAP comprises applicable Accounting Standards specified under section 133 of the companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India, relevant applicable provisions of the Companies Act, 1956 and Companies Act, 2013 to the extent applicable.



**KRITIKA WIRES LIMITED**  
**(Formerly Kritika Wires Private Limited)**

**Notes to the Financial Statements (contd.)**

**Note No. 1: Corporate information and Significant Accounting Policies (Contd.)**

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

All Assets and Liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies' Act, 2013. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The items included in the financial statements (including notes thereon) are measured using the currency of the primary economic environment in which the Company operates ("the functional currency") and are presented in Indian Rupees ("INR" or "Rupees" or "Rs." or "₹"),

which is the Company's functional as well as presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest Rupee as per the requirement of Schedule III to the Act, unless stated otherwise.

**1.2.2 Use of Estimates**

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

**1.2.3 Revenue recognition**

a) Sales comprise invoice value of Goods, net of Goods and Service Tax and are recognized when significant risks and rewards of ownership are transferred to the buyer which is normally on delivery as per terms of sale.

b) Export Transactions are recorded at prevailing exchange rates and Import transactions are recorded at exchange rates as specified by the Custom Authorities.

c) The difference between the specified rate and actual rate of settlement is dealt with the statement of profit and loss.

**KRITIKA WIRES LIMITED**  
**(Formerly Kritika Wires Private Limited)**

**Notes to the Financial Statements (contd.)**

**Note No. 1: Corporate information and Significant Accounting Policies (Contd.)**

- d) Any income or expenses on account of foreign exchange difference either on settlement or on translation is recognized in the statement of profit and loss.
- d) Gain on sale of MEIS Licenses are recognized when there is a reasonable certainty that such amount shall be realised by the company.
- e) All expenses and income to the extent considered payable and receivable respectively unless specifically stated to be otherwise are accounted for on Mercantile Basis.

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

- a) Property, plant and equipment are measured at cost less depreciation and impairment losses, if any.

For this purpose, Cost, net of input credit, includes acquisition price, import duties, other non- refundable taxes and levies, directly attributable expenses and pre-operational expenses including finance costs, wherever applicable for bringing the asset to its working condition for the intended use. However, the initial estimates of the dismantling costs of the assets could not be ascertained by the company and hence, have not been included in the costs of the fixed assets.

Assets identified and technically evaluated as obsolete and retired from active use and held for disposal are stated at the lower of their net book value and estimated realisable value.

- b) **Depreciation methods, estimated useful lives and residual value**

Depreciation is provided on the Property, plant and equipment on Written Down Value (WDV) Method based on the useful life of assets as prescribed in Part C of Schedule II of the Companies Act, 2013. The useful lives of the assets are arrived at by retaining 5% of the cost of assets as residual value.

- c) **Expenditure during construction period**

Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under Capital Work in Progress ('CWIP'). CWIP is stated at the

**KRITIKA WIRES LIMITED**  
**(Formerly Kritika Wires Private Limited)**

**Notes to the Financial Statements (contd.)**

**Note No. 1: Corporate information and Significant Accounting Policies (Contd.)**

amount expended upto balance sheet date that is not yet ready for their intended use.

**1.2.5 Investments**

Investments are either classified as current or long-term based on the Management's intention at the time of acquisition.

Current investments are carried at lower of cost and fair value, category wise.

Non-current investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of the non-current investments.

**1.2.6 Inventories**

- a) Inventories (other than scrap) are valued at lower of cost or net realisable value. The cost of finished goods is computed on a yearly weighted average basis. The cost of raw materials and stores and spares are computed on FIFO basis. The cost of finished goods and work-in-progress includes cost of conversion and other cost incurred in bringing the inventories to their respective present location and condition.
- b) Scrap is valued at net realizable value
- c) Custom duty on bonded materials on raw material purchased are accounted for and included in cost of inventory.

**1.2.7 Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset is capitalized 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 Statement of Profit and Loss in the period in which they are incurred.

**KRITIKA WIRES LIMITED**

**(Formerly Kritika Wires Private Limited)**

**Notes to the Financial Statements (contd.)**

**Note No. 1: Corporate information and Significant Accounting Policies (Contd.)**

**1.2.8 Expenses**

All expenses are accounted for on accrual basis.

**1.2.9 Provisions, contingent liabilities and contingent assets**

Provisions are recognised where reliable estimate can be made for probable outflow of resources to settle the present obligation as a result of past event and the same is reviewed at each Balance Sheet date. Contingent Liabilities are generally not provided for in the accounts and are shown separately in Notes to the Financial Statements. Contingent Assets are neither recognised or nor disclosed in financial statements

**1.2.10 Foreign currency transactions and translations**

**Transactions and balances**

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 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 rates at the dates of the initial transaction.

**1.2.11 Employee benefits**

- a) Short-term employee benefits in respect of recognised provident fund, pension fund and employees linked insurance scheme are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- b) Post employment benefits in the form of Gratuity is accounted for on the basis of actuarial valuation.



**KRITIKA WIRES LIMITED**  
**(Formerly Kritika Wires Private Limited)**

**Notes to the Financial Statements (contd.)**

**Note No. 1: Corporate information and Significant Accounting Policies (Contd.)**

**1.2.12 Government Grants**

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.

**Impairment of Assets**

**1.2.13**

Impairment loss, if any, is recognised to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amount of assets to the extent that it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

After impairment, depreciation or amortisation on assets is provided on the revised carrying amount of the respective asset over its remaining useful life.

**1.2.14 Taxes**

- a) Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income-tax Act, 1961.
- b) Deferred tax is provided and recognised on timing difference between taxable income and accounting income subject to prudential consideration. Deferred tax assets on carry forward of losses are not recognised unless there is virtual certainty about availability of future taxable income to realise such assets.
- c) Minimum Alternate Tax Credit Entitlement is recognized in the books of accounts when there is convincing evidence that the company will pay the normal Income tax during the specified period. The entitlement is reviewed at each balance sheet date with regard to the correctness of the carrying amount.

**KRITIKA WIRES LIMITED**  
**(Formerly Kritika Wires Private Limited)**

**Notes to the Financial Statements (contd.)**

**Note No. 1: Corporate information and Significant Accounting Policies (Contd.)**

**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 which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the 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 on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry 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 (if any), 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 non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**KRITIKA WIRES LIMITED**  
(FORMERLY KRITIKA WIRES PRIVATE LIMITED)  
CIN: L27102WB2004PLC098699

Notes forming part of the financial statements (Contd.)

Note No. : 2 Share capital

(Amount in Rs.)

	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		No. of shares	Amount	No. of shares	Amount
(a)	Authorised Equity shares of par value Rs. 10/- each	1,85,00,000	18,50,00,000	1,85,00,000	18,50,00,000
(b)	Issued, subscribed and fully paid up Equity shares of par value Rs. 10/- each	1,77,52,000	17,75,20,000	1,77,52,000	17,75,20,000
			17,75,20,000		17,75,20,000

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

(Amount in Rs.)

	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		No. of shares	Amount	No. of shares	Amount
	At the beginning of the year	1,77,52,000	17,75,20,000	1,77,52,000	17,75,20,000
	Add: Issued during the year	-	-	-	-
	At the end of the year	1,77,52,000	17,75,20,000	1,77,52,000	17,75,20,000

(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.

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

Sl. No.	Name of shareholders	As at 31st March, 2021		As at 31st March, 2020	
		No. of shares	% of holding	No. of shares	% of holding
1	Gunnayak Commercial Pvt. Ltd.	34,50,000	19.43%	34,50,000	19.43%
2	Panchshul Merchants Pvt. Ltd.	20,00,000	11.27%	20,00,000	11.27%
3	Hanuman Prasad Agarwal	12,20,000	6.87%	12,20,000	6.87%
4	Sushil Agarwal	12,20,000	6.87%	12,20,000	6.87%
5	R. A. Computech Investment & Consultants (P) Ltd.	9,70,000	5.46%	9,70,000	5.46%
6	Alltime Suppliers Private Limited	9,80,000	5.52%	9,40,000	5.30%
7	Naresh Kumar Agarwal	9,20,000	5.18%	9,20,000	5.18%
8	Mohta Agencies Pvt. Ltd.	7,60,000	4.28%	7,60,000	4.28%
		1,15,20,000	64.89%	1,14,80,000	64.67%

(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, 2021 was 64,70,000 Equity Shares (previous year 64,70,000 Equity Shares).

Notes forming part of financial statements (contd.)

**Note No. : 3 Reserves and surplus**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
a) <u>Capital reserves</u> Balance as per last account Add/(less): Addition/(deduction) during the year	15,00,000 15,00,000	15,00,000 15,00,000
b) <u>Securities premium</u> Balance as per last account Add/(less): Addition/(deduction) during the year	24,47,52,090 24,47,52,090	24,47,52,090 24,47,52,090
c) <u>Surplus i.e. balance in the statement of profit and loss</u> Balance as per last account Add: Profit for the year	21,59,81,442 85,44,696 22,45,26,138	20,09,42,194 1,50,39,248 21,59,81,442
<b>TOTAL (a+b+c)</b>	<b>47,07,78,228</b>	<b>46,22,33,532</b>
d) <u>Nature and Purpose of Reserves</u> (i) Capital reserves: Capital Reserve represents the Capital Gains of the company which includes profit out of revaluation of capital assets. (ii) Securities premium: Securities premium is used to record the premium on issue of shares. The reserve may be utilized in accordance with the provisions of the Companies Act, 2013. (iii) Surplus Surplus represents the undistributed profit/amount of accumulated earnings of the Company.		

**Note No. : 4 Long-term borrowings**

Note No. : 4 Long-term borrowings

Particulars		As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)																																																			
a)	<u>Secured Loans</u> Term loans from bank State Bank of India - Gauranteed Emergency Credit Line State Bank of India - Common Covid 19 (CCECL)	4,10,00,000 1,09,91,670	- -																																																			
b)	<u>Unsecured Loans</u> From related parties(refer note no.32) From othesr -bodies corporate	3,57,247 86,767 5,24,35,684	3,29,792 78,098 4,07,890																																																			
c)	<u>Nature of Security:</u> (i) Term loan from State Bank of India as Gauranteed Emergency Credit Line is secured by the Primary Security/ Collateral Security as Land and Building and Personal Guarantee of directors and Corporate Guarantee of R A Comptech Investment & Consultant Pvt. Ltd. (ii) Term loan from State Bank of India as Common COVID-19 Emergency Credit Line (CCECL) is secured by Primary Security/ Collateral Security as Land and Building and Personal Guarantee of directors and Corporate Guarantee of R A Comptech Investment & Consultant Pvt. Ltd.																																																					
d)	<u>Rate of interest and Terms of repayment:</u>																																																					
	<table><tr><th rowspan="2">Name of the banks / entities</th><th rowspan="2">Rate of interest</th><th colspan="2">Amount outstanding as on 31/03/2021</th><th rowspan="2">Period of maturity w.r.t. the Balance Sheet date</th><th rowspan="2">Number of installments outstanding as on 31/03/2021</th><th rowspan="2">Amount of each instalment</th></tr><tr><th>Current*</th><th>Non current</th></tr><tr><th></th><th></th><th>Rs.</th><th>Rs.</th><th></th><th></th><th></th></tr><tr><td>State Bank of India - GECL</td><td>7.40%</td><td>- (-)</td><td>4,10,00,000 (-)</td><td>4 Years (-)</td><td>36</td><td>11,40,798 (-)</td></tr><tr><td>State Bank of India - CCECL</td><td>6.95%</td><td>90,08,330 (-)</td><td>1,09,91,670 (-)</td><td>2 years (-)</td><td>18</td><td>22,81,596 (-)</td></tr><tr><td>Panchschul Merchants Pvt. Ltd.</td><td>@ 12% p.a.</td><td>- (-)</td><td>3,57,247 (3,29,792)</td><td>(4 years) (5 years)</td><td>1 (Bullet Payment)</td><td>3,57,247 (3,29,792)</td></tr><tr><td>Shreyash Aluminium &amp; Alloy Pvt. Ltd.</td><td>@ 12% p.a.</td><td>- (-)</td><td>86,767 (78,098)</td><td>(4 years) (5 years)</td><td>1 (Bullet Payment)</td><td>86,767 (78,098)</td></tr><tr><td></td><td></td><td>90,08,330 (-)</td><td>5,24,35,684 (4,07,890)</td><td></td><td></td><td></td></tr></table>	Name of the banks / entities	Rate of interest	Amount outstanding as on 31/03/2021		Period of maturity w.r.t. the Balance Sheet date	Number of installments outstanding as on 31/03/2021	Amount of each instalment	Current*	Non current			Rs.	Rs.				State Bank of India - GECL	7.40%	- (-)	4,10,00,000 (-)	4 Years (-)	36	11,40,798 (-)	State Bank of India - CCECL	6.95%	90,08,330 (-)	1,09,91,670 (-)	2 years (-)	18	22,81,596 (-)	Panchschul Merchants Pvt. Ltd.	@ 12% p.a.	- (-)	3,57,247 (3,29,792)	(4 years) (5 years)	1 (Bullet Payment)	3,57,247 (3,29,792)	Shreyash Aluminium & Alloy Pvt. Ltd.	@ 12% p.a.	- (-)	86,767 (78,098)	(4 years) (5 years)	1 (Bullet Payment)	86,767 (78,098)			90,08,330 (-)	5,24,35,684 (4,07,890)					
Name of the banks / entities	Rate of interest			Amount outstanding as on 31/03/2021					Period of maturity w.r.t. the Balance Sheet date	Number of installments outstanding as on 31/03/2021	Amount of each instalment																																											
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		90,08,330 (-)	5,24,35,684 (4,07,890)																																																			
Note: Figure in brackets pertain to previous year. *Represents Current maturities of long term loan debts shown under 'Other Current liabilities' (Note no.9).																																																						
e)	There is no default in repayments of the principal amount of loans and interest amounts thereon.																																																					

**Note No. : 5 Deferred tax liabilities (net)**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
<u>Deferred tax liability</u> Depreciation	28,09,106	37,03,585
<u>Deferred tax asset</u> Expenses allowable for tax purposes when paid	16,74,942	15,36,201
<b>Deferred tax liabilities (net)</b>	<b>11,34,164</b>	<b>21,67,384</b>



Notes forming part of financial statements (contd.)

**Note No. : 6 Long term provisions**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
Provision for employee benefits - Gratuity (Refer Note No. 34)	57,56,853	53,20,716
	<b>57,56,853</b>	<b>53,20,716</b>

**Note No. : 7 Short-term borrowings**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
a) <u>Loans repayable on demand- Secured Loan</u> <u>From Banks</u>		
State Bank of India - Working Capital Loan	-	16,73,90,692
Karnataka Bank - Working Capital Loan	7,23,12,238	11,47,49,268
Karnataka Bank - Packing Credit Loan		1,91,99,666
State Bank of India - FCNRB	17,73,65,700	-
	<b>24,96,77,938</b>	<b>30,13,39,626</b>
b) <u>Nature of security</u>		
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. : 8 Trade payables**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
Total outstanding dues of micro enterprises and small enterprises (Refer note no. 31)	3,53,501	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,43,93,181	27,97,54,093
	<b>25,47,46,682</b>	<b>27,97,54,093</b>

**Note No. : 9 Other current liabilities**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
Current maturities of long - term debt *	90,08,330	-
Interest accrued but not due on borrowings	3,75,736	-
Other liabilities		
Statutory liabilities	8,60,086	11,01,285
Security deposits	1,00,000	1,00,000
Advance from customers and others	1,40,46,172	1,18,99,173
Payable to suppliers of capital goods		
Total outstanding dues of micro enterprises and small enterprises (Refer Note no. 31)	-	-
Total outstanding dues of other than micro and small enterprises	1,49,837	5,96,643
Creditors for expenses		
Total outstanding dues of micro enterprises and small enterprises (Refer Note no. 31)	-	8,19,320
Total outstanding dues of other than micro and small enterprises	84,11,642	63,91,316
Accrued expenses	2,04,868	1,25,000
Unpaid salaries and other payroll dues	34,04,653	36,60,672
	<b>3,65,61,325</b>	<b>2,46,93,409</b>

\*Refer note no. 4 (c) & (d) for terms of repayment and nature of securities respectively.



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Notes forming part of financial statements (contd.)

**Note No. : 10 Short-term provisions**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
Provision for income tax	8,59,23,498	8,23,96,498
Provision for employee benefits - Gratuity (Refer Note no. 33)	2,63,786	2,01,214
	<b>8,61,87,284</b>	<b>8,25,97,712</b>

**Note No. : 14 Long-term loans and advances**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
(Unsecured, considered good) Security deposits	1,89,896	1,94,542
	<b>1,89,896</b>	<b>1,94,542</b>

**Note No. : 15 Other non-current assets**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
Others Fixed deposits with banks * (Non current portion with original maturity period of more than 12 months)	3,14,05,459	4,07,42,649
	<b>3,14,05,459</b>	<b>4,07,42,649</b>
* Pledged with bank against margin money		

**Note No. : 16 Inventories**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
(Valued at lower of cost and net realisable value)		
Raw materials	15,93,76,169	17,35,32,307
Goods in transit of raw materials	4,33,27,735	
Work in progress	7,20,45,584	6,89,04,418
Finished goods	2,47,76,385	5,85,83,504
Stores & spares	63,44,469	88,36,441
	<b>30,58,70,342</b>	<b>30,98,56,669</b>

**Note No. : 17 Trade receivables**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
( Unsecured, considered good )		
Outstanding for a period exceeding six months from due date	15,07,72,891	12,46,45,776
Others	43,61,77,655	38,15,32,220
	<b>58,69,50,546</b>	<b>50,61,77,996</b>

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Notes forming part of the financial statements as at 31st March, 2021 (Contd.)

Note No. : 11 Property, plant and equipment

Particulars	Free Hold Land	Factory Shed & Building	Furniture & Fixture	Plant & Machinery	Electrical Installations	Laboratory Equipments	Air Conditioner	Computer	Mobile	Motor Car	Motor-cycle	Fire Fighting	Pollution Control Eq.	Tools & Tackles	CCTV	Labour Rest Room	Office Building	Total
<b>GROSS BLOCK</b>																		
As at 1/04/2019	2,46,26,265	8,97,65,770	18,25,685	23,14,96,379	2,33,11,319	31,27,760	14,19,036	15,47,747	3,07,063	67,73,024	67,000	15,395	1,06,55,615	10,55,048	3,54,331	36,13,484	55,11,608	40,54,72,529
Additions	-	45,40,591	-	90,83,556	4,30,910	-	-	1,20,554	-	-	-	-	-	-	23,445	-	-	1,41,99,057
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/03/2020	2,46,26,265	9,43,06,361	18,25,685	24,05,79,935	2,37,42,229	31,27,760	14,19,036	16,68,301	3,07,063	67,73,024	67,000	15,395	1,06,55,615	10,55,048	3,77,776	36,13,484	55,11,608	41,96,71,585
Additions	2,91,804	-	-	26,84,000	33,79,359	-	-	-	-	-	-	-	-	-	1,74,970	-	-	65,30,132
Disposals	-	-	-	24,22,124	-	-	-	-	-	-	-	-	-	-	-	-	-	24,22,124
As at 31/03/2021	2,49,17,869	9,43,06,361	18,25,685	24,08,41,811	2,71,21,787	31,27,760	14,19,036	16,68,301	3,07,063	67,73,024	67,000	15,395	1,06,55,615	10,55,048	5,52,746	36,13,484	55,11,608	42,37,79,593
<b>DEPRECIATION</b>																		
As at 1/04/2019	-	4,24,54,484	11,24,657	12,42,82,657	2,11,00,203	19,01,299	11,37,968	14,01,069	2,17,378	51,19,347	63,063	14,625	83,47,319	8,23,805	2,68,456	10,83,306	19,94,581	21,13,34,218
Charge for the year	-	49,09,700	1,72,743	2,32,92,490	7,16,829	3,25,207	1,12,503	1,16,164	57,357	4,78,763	1,027	-	4,42,637	42,480	47,022	1,23,113	1,64,808	3,10,02,843
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/03/2020	-	4,73,64,184	12,97,400	14,75,75,147	2,18,17,032	22,26,506	12,50,471	15,17,233	2,74,735	55,98,110	64,090	14,625	87,89,956	8,66,285	3,15,478	12,06,419	21,59,389	24,23,37,061
Charge for the year	-	44,38,957	1,27,913	1,85,95,721	8,74,530	2,38,751	61,616	67,805	20,720	3,35,278	-	-	3,57,906	34,681	26,736	1,17,129	1,57,093	2,54,54,834
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/03/2021	-	5,18,03,141	14,25,313	16,61,70,868	2,26,91,562	24,65,257	13,12,087	15,85,036	2,95,455	59,33,388	64,090	14,625	91,47,862	9,00,966	3,42,214	13,23,548	23,16,482	26,77,91,895
<b>NET BLOCK</b>																		
As at 31/03/2020	2,46,26,265	4,69,42,177	5,28,285	9,30,04,788	19,25,196	9,01,254	1,68,565	1,51,068	32,328	11,74,914	2,910	770	18,65,659	1,88,763	62,298	24,07,065	33,52,219	17,73,34,523
As at 31/03/2021	2,49,17,869	4,25,03,220	4,00,372	7,46,70,943	44,30,225	6,62,503	1,06,949	83,265	11,608	8,39,636	2,910	770	15,07,753	1,54,082	2,10,532	22,89,936	31,95,126	15,59,87,698

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Notes forming part of the financial statements (Contd.)

Note No. : 12 Capital work-in-progress

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
<u>Plant and equipments / Civil work-in-progress</u>		
Balance brought forward	2,61,89,997	2,95,54,407
Additions during the year	26,18,209	97,34,257
Gross amount before capitalisation (A)	2,88,08,207	3,92,88,664
Capitalised during the year (B)	-	1,30,98,667
Capital work-in-progress at the end of the year (A-B) (C)	2,88,08,207	2,61,89,997

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Notes forming part of financial statements (contd.)

**Note No. : 13 Non-current investments**

Particulars	Face Value per unit	As at March 31, 2021		As at March 31, 2020	
		No. of Units	Amount (Rs.)	No. of Units	Amount (Rs.)
<b><u>Investment property (A)</u></b>					
Art & Painting			1,70,000		1,70,000
Flat			70,47,445		70,47,445
Office			60,82,732		60,82,732
			<b>1,33,00,177</b>		<b>1,33,00,177</b>
<b><u>Investments in mutual funds (B)</u></b>					
(Value at cost)					
Quoted, fully paid up					
Baroda Pioneer ELSS' 96	24.23	8,254	2,00,000	8,254	2,00,000
SBI Dual Advance Fund - series XXIII (G)	-	-	-	10,00,000	1,00,00,000
SBI Mutual Fund	39.17	2,61,112	1,02,28,600	-	-
			<b>1,04,28,600</b>		<b>1,02,00,000</b>
Aggregate market value of Quoted Investments			1,03,97,564		1,07,15,564
Aggregate amount of impairment in value of investments			-		-
<b>TOTAL (A+B)</b>			<b>2,37,28,777</b>		<b>2,35,00,177</b>

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Notes forming part of financial statements (contd.)

**Note No. : 18 Cash and bank balances**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
<b>Cash and cash equivalents:</b>		
Cash on hand (as certified by the management)	6,95,559	17,94,045
Balance with schedule bank in current account	1,21,29,452	15,798
Balance with schedule bank in Cash Credit account		
	1,28,25,006	18,09,843
<b>Other bank balances:</b>		
Fixed deposits with banks*		
-Original maturity more than 12 months**	4,76,19,803	2,89,95,018
-Original maturity upto 12 months		2,37,87,262
	4,76,19,803	5,27,82,280
	6,04,44,809	5,45,92,123
*Pledged with banks against Letters of Credit and Bank Guarantees.		
** Fixed deposits with original maturity more than 12 months are redeemable within one year from the date of the financial statements.		

**Note No. : 19 Short- term loans and advances**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
<b>(Unsecured, considered good)</b>		
Security deposits	1,26,95,079	1,26,20,420
<b>Other loans and advances</b>		
Advance tax and duties	10,91,69,289	12,96,74,341
Advances to suppliers	1,23,80,893	2,59,83,206
Advances to others	28,26,213	1,72,85,541
Prepaid expenses	38,48,170	7,20,415
	14,09,19,645	18,62,83,923

**Note No. : 20 Other current assets**

Particulars	As at 31st March, 2021 (Rs.)	As at 31st March, 2020 (Rs.)
<b>(Unsecured, considered good)</b>		
Others		
Other receivables	4,92,781	1,11,61,763
	4,92,781	1,11,61,763

**Note No. 21 : Revenue from operations**

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
<b>Sale of products</b>		
Manufactured goods		
Industrial steel wires and galvanized wires	1,34,89,71,726	1,71,30,67,693
<b>Total</b>	1,34,89,71,726	1,71,30,67,693

**Note No. 22 : Other income**

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
<b>Interest income on</b>		
-Fixed deposits	15,44,111	64,08,397
-Others	1,26,585	1,06,04,499
[tax deducted at source Rs 5,90,194/- (previous year Rs.14,71,947/-)]		
<b>Dividend income on non-current investment</b>	21,461	-
<b>Net gain on sale of non-current investment</b>	10,03,300	13,94,850
<b>Other non-operating income</b>		
Export incentive	16,32,846	53,34,609
Exchange fluctuation profit	29,04,531	-
Income from MEIS license	4,92,781	1,11,61,762
Insurance claim	33,43,860	-
Freight charges	42,64,002	94,55,532
Profit on Sale of Property, plant and equipment	41,25,636	-
Labour charges	1,41,28,112	52,63,800
[tax deducted at source Rs 84,322/- (Previous year Rs 1,05,276/-)]		
Discounts and rebates	38,89,038	88,64,957
Sundry balances written back	-	53,29,806
Miscellaneous income	17,71,371	2,26,500
	3,92,47,634	6,40,44,713



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Notes forming part of financial statements (contd.)

Note No. 23: Cost of material consumed

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
<u>Raw material consumed</u>		
Opening stock	17,35,32,307	10,36,83,705
Add: Purchases	1,15,90,23,076	1,46,32,37,734
	1,33,25,55,383	1,56,69,21,438
Less: Closing stock	20,27,03,904	17,35,32,307
	1,12,98,51,478	1,39,33,89,132

Note No. 24: Changes in inventory of finished goods and work-in-progress

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
<u>Opening stock</u>		
- Finished goods	5,85,83,504	8,32,90,433
- Work in progress	6,89,04,418	4,49,00,296
	12,74,87,922	12,81,90,729
<u>Less: Closing stock</u>		
- Finished goods	2,47,76,385	5,85,83,504
- Work in progress	7,20,45,584	6,89,04,418
	9,68,21,969	12,74,87,922
	3,06,65,954	7,02,807

Note No. 25: Employee benefits expense

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
Salary and wages*	4,06,82,808	5,96,67,202
Contribution to provident fund and other funds	28,05,966	45,25,519
Staff welfare expense	3,11,521	19,53,620
	4,38,00,295	6,61,46,341
*Includes Director's Remuneration Rs. 6,190,000/- (Previous year Rs. 5,640,000/-).		

Note No. 26: Finance costs

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
Interest expense		
on Term loan	39,053	26,73,558
on Working capital loan	1,59,17,929	2,83,68,979
on Packing credit	3,63,006	7,24,804
on Others*	27,27,418	29,777
Other borrowing costs**	78,85,269	2,33,80,387
	2,69,32,676	5,51,77,504
*Interest on statutory dues		
** Includes bill discounting charges Rs. 237,757/- (previous year-nil) related to earlier year.		

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**Note No. 27: Depreciation expense**

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
Depreciation on property, plant and equipment [ Refer Note no. 11 ]	2,54,54,834	3,10,02,843
	2,54,54,834	3,10,02,843

**Note No. 28: Other expense**

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
Consumption of stores	2,13,85,854	5,24,96,086
Power and fuel	3,24,89,033	5,60,29,056
Rent	11,55,979	12,23,027
Repairs & maintenance		
- Building	6,73,164	2,12,830
- Others	75,21,945	1,36,92,787
Insurance charges	43,33,831	59,19,989
Rates and taxes	34,65,139	27,44,332
Cleaning & forwarding charges	8,30,110	19,94,413
Carriage inward	1,24,99,659	2,27,37,950
Conversion charges	-	14,45,151
Exchange fluctuation loss	-	6,78,559
Security charges	7,72,891	5,95,711
Advertisement expense	-	3,22,702
Maintenance charges	3,97,993	11,39,235
Travelling & conveyance	2,04,118	14,20,994
Bank charges and commission	32,50,232	23,68,663
Car expense	5,11,183	11,57,598
Legal & professional expenses	13,67,297	28,92,703
Payments to the auditor		
- Statutory audit	95,000	95,000
- Tax audit	30,000	30,000
- GST Audit	50,000	-
Printing, stationery & postage	1,41,552	2,91,784
Membership & subscription	2,31,094	2,03,580
Computer expenses	58,873	1,03,570
Telephone expense	1,86,363	1,75,266
Laboratory testing charges	1,10,745	2,80,909
Filing Fees	5,000	12,100
Carriage outward	1,78,14,938	3,15,50,907
Sales promotion expenses	36,666	11,539
Brokerage & commission	3,71,364	1,67,354
Packing Material	9,06,360	-
Discounts and rebates	36,27,836	49,34,803
Corporate Social Responsibility (refer note no. 34)	27,55,000	-
Bad debt	-	29,90,110
Miscellaneous expenses	31,96,427	16,94,593
	12,04,75,647	21,16,13,300

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Note No. 29: Earnings per share

	Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
(a)	Amount used as the numerator: Profit for the year (A) (Rs.)	85,44,696	1,50,39,250
(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 denominator for computing diluted earnings per share - (C)	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)	0.48	0.85
(f)	Diluted earnings per share (Rs.) (A/C)	0.48	0.85

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Notes forming part of financial statements (contd.)

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

Particulars	For the year ended 31st March, 2021 (Rs.)	For the year ended 31st March, 2020 (Rs.)
a) Contingent liabilities : Claims against the company not acknowledged as debts : Guarantee given by bank on behalf of company	1,80,85,657	14,87,03,081
b) Commitments : Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Advance paid against above	-	-

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.

31) 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:

(Amount in Rs.)					
As at 31st March, 2021 :					
Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Payable to creditors for expenses	Total
a)	The principal amount remaining unpaid to suppliers as at the end of accounting year	3,53,501	-	-	3,53,501
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	-	-	-	-

(Amount in Rs.)					
As at 31st March, 2020 :					
Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Payable to creditors for expenses	Total
a)	The principal amount remaining unpaid to suppliers as at the end of accounting year	-	-	8,16,154	8,16,154
b)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	3,167	3,167
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	-	-	-	-

32) Related party disclosures as per Accounting Standard - 18 are given below :

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

a) Investor having significantly influenced  
Gunnayak Commercial Pvt. Ltd.

b) Key Managerial Personnel  
1) Sri Naresh Kumar Agarwal  
2) Sri Sanjeev Kumar Binani  
3) Sri Hanuman Prasad Agarwal  
4) Sri Ankush Agarwal  
5) Sri Mahesh Kumar Sharma

c) Enterprises owned or significantly influenced by Key Managerial Person and their Relative (others)  
Alltime Suppliers Pvt. Ltd.  
Classic Electrodes (I) Ltd.  
Jai Hanuman Industrial Corporation  
Mohita 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

KRITIKA WIRES LIMITED  
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Notes forming part of financial statements (contd.)

II. Transaction with related parties during the year:

(Amount Rs.)

Nature of Transaction	Investor having significantly influenced	Key Managerial Personnel	Enterprises owned or significantly influenced by Key Managerial Person and their Relative
<b>Sales</b>			
Classic Electrodes (I) Ltd.	- (-)	- (-)	2,44,22,854 (5,00,70,188)
<b>Purchases</b>			
Classic Electrodes (I) Ltd.	- (-)	- (-)	96,99,837.00 (8,54,65,061)
Jai Hanuman Industrial Corporation	- (-)	- (-)	11,25,73,949 (27,89,75,624)
<b>Electricity charges paid</b>			
Classic Electrodes (I) Ltd.	- (-)	- (-)	2,54,216 (1,55,471)
<b>Labour charges received</b>			
Classic Electrodes (I) Ltd.	- (-)	- (-)	1,41,28,112 (52,63,800)
<b>Interest paid</b>			
Alltime Suppliers Pvt. Ltd.	- (-)	- (-)	- (8,29,827)
Mohla Agencies Pvt. Ltd.	- (-)	- (-)	- (7,26,139)
Panchshul Merchants Pvt. Ltd.	- (-)	- (-)	29,681 (35,718)
<b>Repairs and maintainance expenses</b>			
Classic Electrodes (I) Ltd.	- (-)	- (-)	29,700 (88,040)
<b>Rent paid</b>			
Classic Electrodes (I) Ltd.	- (-)	- (-)	9,18,000 (12,03,600)
<b>Sale of Fixed Asset</b>			
Classic Electrodes (I) Ltd.	- (-)	- (-)	1,57,000 (-)
<b>Directors' remuneration</b>			
Ankush Agarwal	- (-)	20,40,000 (20,40,000)	- (-)
Hanuman Prasad Agarwal	- (-)	30,00,000 (30,00,000)	- (-)
Naresh Agarwal	- (-)	11,50,000 (6,00,000)	- (-)
<b>Unsecured loan taken</b>			
Alltime Suppliers Pvt. Ltd.	- (-)	- (-)	- (1,50,00,000)
Gunnayak Commercial Pvt Ltd.	- (-)	- (-)	- (1,50,00,000)
Panchshul Merchants Pvt. Ltd.	- (-)	- (-)	- (-)
<b>Unsecured loan repayment</b>			
Alltime Suppliers Pvt. Ltd.	- (-)	- (-)	- (3,18,22,489)
Mohla Agencies Pvt. Ltd.	- (-)	- (-)	- (1,17,46,889)
Gunnayak Commercial Pvt. Ltd.	- (-)	- (-)	- (1,50,00,000)



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Notes forming part of financial statements (contd.)

III. Balances with related parties at the end of the year:

(Amount in Rs.)

Name of related party	Associates	Key Managerial Personnel	Enterprises owned or significantly influenced by Key Managerial Person and their Relative
<b>Trade receivables</b>			
Classic Electrodes (I) Ltd.	-	-	-
	(-)	(-)	(12,78,721)
Jai Hanuman Industrial Corporation	-	-	-
	(-)	(-)	(6,03,40,740)
<b>Trade Payables</b>			
Classic Electrodes (I) Ltd.	-	-	3,59,874
	(-)	(-)	(12,78,721)
Jai Hanuman Industrial Corporation	-	-	4,40,56,025
	(-)	(-)	(6,03,40,740)
<b>Unsecured Loan</b>			
Alltime Suppliers Pvt. Ltd.	-	-	-
	(-)	(-)	(-)
Mohta Agencies Pvt. Ltd.	-	-	-
	(-)	(-)	(-)
Panchshul Merchants Pvt. Ltd.	-	-	3,57,247
	(-)	(-)	(3,29,792)

Note: Figures in the bracket relate to the previous year.

33) Employee benefits in accordance with Accounting Standard-15:

As per Accounting Standard - 15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard are as follows:

a) **Defined Contribution Plan:**

Employee benefits in the form of Provident Fund are considered as defined contribution plan. The contributions to the 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 is as under:

Defined Contribution Plan	Year ended 31st March, 2021	Year ended 31st March, 2020
	(Rs.)	(Rs.)
Employers' Contribution to Provident Fund	28,05,966	26,04,971

b) **Defined Benefit Plan:**

Long-term employee benefits in the form of gratuity are considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognised in the Balance Sheet represents the present value of the obligation as adjusted for unrecognised past service cost and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to the discounted value of any economic benefit available in the form of refunds from the plan or reduction in future contribution to the plan. The amount recognised in the Accounts in respect of Employees Benefit Schemes based on actuarial reports are as follows:

c) **Details of unfunded post retirement plans are as follows:**

Sl. No.	Particulars	Gratuity	
		2020-21 Rs.	2019-20 Rs.
1.	Components of Employer Expense:		
1	Current Service Cost	11,38,885	13,00,433
2	Past Service Cost	-	-
3	Interest Cost	3,50,156	2,96,416
4	Expected Return on Plan Asset	-	-
5	Actuarial gain/(loss) recognized in the year	(4,77,467)	1,82,684
6	Net Expense Recognized in Statement of Profit and Loss	10,11,574	17,79,533

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Notes forming part of financial statements (contd.)

Sl. No.	Particulars	Gratuity	
		2020-21 Rs.	2019-20 Rs.
<b>II.</b>	<b>Change in Present Value of Defined Benefit Obligation:</b>		
1	Present Value of Defined Benefit Obligation at the Beginning of the year		
2	Interest Cost	55,21,930	39,96,929
3	Past Service Cost	3,50,156	2,96,416
4	Current Service Cost	-	-
5	Employees Contribution	11,38,885	13,00,433
7	Benefits Paid	-	-
8	Actuarial (Gain) / Loss	(5,12,865)	(2,54,532)
9	Present Value of Obligation at the End of the year	(4,77,467)	1,82,684
		60,20,639	55,21,930
<b>III.</b>	<b>Change in Fair Value of Plan Assets during the year :</b>		
1	Plan Assets at the beginning of the year	-	-
2	Actual Company Contribution	-	-
3	Expected return on Plan Assets	5,12,865	2,54,532
4	Contributions paid	-	-
5	Benefit Paid	-	-
6	Actuarial Gain/(Loss)	(5,12,865)	(2,54,532)
7	Plan Assets at the end of the Year	-	-
<b>IV.</b>	<b>Net Assets/(Liability) recognised in the Balance Sheet as at the year end:</b>		
1	Present value of Defined benefit Obligation	60,20,639	55,21,930
2	Fair Value of Plan Asset	-	-
3	Funded Status [Surplus/(Deficit)]	(60,20,639)	(55,21,930)
4	Net Asset / (Liability) recognised in Balance Sheet	(60,20,639)	(55,21,930)
<b>V</b>	<b>Actuarial Assumptions:</b>		
1	Discount Rate (per annum) %	6.65%	6.65%
2	Expected return on Plan Assets (per annum) %	6.65%	6.65%
3	Expected Rate of Salary increase %	5.00%	5.00%
4	Retirement/ Superannuation Age (No. of years)	58	58
<b>VI</b>	<b>Expected Employer's Contribution for the next year :</b>		
	Expected Employer's Contribution for the next year	N.A.	N.A.
<b>VII</b>	<b>The history of experience adjustments for unfunded post retirement plans are as follows</b>		
1	Present value of defined benefit obligation	60,20,639	55,21,930
2	Fair value of plan assets	-	-
3	(Deficit)/Surplus	(60,20,639)	(55,21,930)
4	Experience adjustments of plan assets Gain/(Loss)	-	-
5	Experience adjustments on plan liabilities (Gain)/ Loss	(2,30,204)	(5,35,645)
6	Experience adjustments on plan liabilities due to change in assumption (Gain)/ Loss	(2,47,263)	7,18,319

**d) History of experience adjustments for unfunded post retirement plans for the year 2018-19 is as follows:**

Sl. No.	Particulars	Gratuity 2018-19 (Rs.)
1	Present value of defined benefit obligation	39,96,929
2	Fair value of plan assets	-
3	(Deficit)/Surplus	(39,96,929)
4	Experience adjustments of plan assets Gain/(Loss)	-
5	Experience adjustments on plan liabilities (Gain)/ Loss	(39,96,929)
6	Experience adjustments on plan liabilities due to change in assumption (Gain)/ Loss	22,414

Note: The history of experience adjustments for years 2016-17 and 2017-18 of unfunded post retirement plans is not available and therefore, not disclosed.

**e) Basis of estimates of rate of escalation in salary:**

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

**34) 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 atleast 2% of its average net profit for the immediately preceding 3 financial years on corporate social responsibility (CSR) activities.

- (i) Gross amount required to be spent by the Company during the year is Rs. 13,27,746/- (P.Y. Rs 14,27,423/-)  
(ii) Amount spent during the year: Rs. 27,55,000/- (Previous year NIL).

**35) Segment information as per Accounting Standard - 17 on 'Segment Reporting':**

Since 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 disclosure requirement of Accounting Standard (AS 17) 'segment reporting' is not applicable to the Company.

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Notes forming part of financial statements (contd.)

36) **Balance confirmations:**  
Trade Receivables/ Advances / Deposits/ Trade Payable are subject to confirmation.

37) **Impairment of Assets in accordance with Accounting Standard-28:**  
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 Accounting Standard - 28 "Accounting for " Impairment of Assets" at the balance sheet date. The company did not find any impairment in its Assets as at 31st March 2021.

38) **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. 13  
(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.

39) **Government grants as per Accounting Standard-12:**  
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, 2021:

SL. No.	Particulars	Amount in Rs.	
		2020-21	2019-20
I.	Duty drawbacks received: Export incentives under Chapter 73 of the Customs Tariff Act, 1975	16,32,846	53,34,609

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

40) **Foreign currency transactions:**  
The following are the details of the foreign currency transactions that were entered into by the company during the relevant period:

SL. No.	Particulars	Amount in Rs.	
		2020-21	2019-20
I.	<u>CIF value of imports in respect of:</u> - Raw material - Components and spare parts - Capital goods	20,42,50,780	26,33,73,042
II.	<u>Receipts in foreign currency:</u> - Export of goods calculated on F.O.B. basis	11,26,92,646	27,97,48,452
III.	<u>Expenditure incurred in foreign currency:</u> - Foreign travel expenses - Interest expense	-	6,76,301
	<b>TOTAL (I+II+III)</b>	<b>31,69,43,426</b>	<b>54,37,97,795</b>

KRITIKA WIRES LIMITED  
(FORMERLY KRITIKA WIRES PRIVATE LIMITED)  
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Notes forming part of financial statements (contd.)

- 41) Consumption of imported/ indigenous raw materials, spare parts, components and stores & the percentage thereof:  
The following are the details of consumption of imported and indigenous raw materials, spare parts, components and stores:

Sl. No.	Particulars	2020-21		2019-20	
		Percentage	Amount (Rs.)	Percentage	Amount (Rs.)
I.	<u>Raw material</u>				
1	Imported	17.92%	20,24,27,698	18.49%	21,28,24,309
2	Indigenous	82.08%	92,74,23,780	81.51%	1,18,05,64,823
		100.00%	1,12,98,51,478	100.00%	1,39,33,89,132
II	<u>Spare parts and components</u>				
	Indigenous	100.00%	2,13,85,854	100%	5,24,96,086
		100.00%	2,13,85,854	100%	5,24,96,086

- 42) Impact of COVID-19 on the company's business:  
The outbreak of Coronavirus (COVID-19) is causing significant disturbance and slowdown of economic activity in India and across the globe. The Company has evaluated the impact of this pandemic in its business operations. Based on its review and current indicators of economic conditions, there is no significant impact on its financial statements for the year ended 31-03-2021. The Company will continue to closely monitor any material changes arising from future economic conditions and impact on its business.

- 43) Previous year's figures:  
The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year 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 43 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 30th day of June, 2021

For and on behalf of the Board of Directors

Sd/-  
Hanuman Prasad Agarwal  
(Managing Director)  
(DIN: 00654218)

Sd/-  
Anand Kumar Sharma  
(Chief Financial Officer)

Sd/-  
Naresh Kumar Agarwal  
(Director)  
(DIN: 01020334)

Sd/-  
Mahesh Kumar Sharma  
(Company Secretary)

## **BOARD'S REPORT**

Dear Members,

Your Directors have pleasure in presenting the 17<sup>th</sup> Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2021.

### **FINANCIAL HIGHLIGHTS**

The summarized performance of the Company for the Financial Year 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March 2020 are as under:

(Amount Rs.)		
Particulars	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2020
Total Revenue	1,38,82,19,359	1,77,71,12,406
Total expenses	1,37,71,80,883	1,75,80,31,929
Profit or Loss before Exceptional and Extraordinary items and Tax.	1,10,38,476	1,90,80,477
Less: Exceptional Items	-	-
Less: Extraordinary Items	-	-
Profit or Loss before tax	1,10,38,476	1,90,80,477
Less: Current Tax	35,27,000	73,24,000
Income Tax adjusted for earlier years	-	-
Deferred Tax	(10,33,220)	(32,82,771)
Profit or Loss after Tax	85,44,696	1,50,39,248

### **REVIEW OF OPERATIONS AND FUTURE PROSPECTS**

During the year under review, the Company's total income and profit stood at Rs. 1,38,82,19,359/- and Rs.85,44,696/- respectively. Your Company has a dedicated team of Management and Operating Personnel who have been instrumental in the growth of the business over the years. Your directors believe that the Company has the potential to further scale up its business volumes and profitability and are in the process of identifying new avenues of growth and effective utilization of its existing resources.

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

### **IMPACT OF CORONA VIRUS DISEASE (COVID-19)**

The COVID-19 continued to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian Financial Markets and a significant decrease in global and local economic activities. The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess overall impact of the pandemic on the business and Financial Statements for the year ended 31<sup>st</sup> March, 2021.



However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with current estimates. The Company will continue to closely monitor any further development relating to COVID-19, which may have impact on business and financial position. Further, the impact assessment does not indicate any adverse impact on the ability of the company to continue as a going concern.

## **DIVIDEND**

Your Directors have not recommended any dividend for the period under review.

## **TRANSFER OF UNCLAIMED DIVIDEND 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 was no unclaimed/unpaid dividend, hence the company is not required to transfer any amount to Investor Education and Protection Fund.

## **TRANSFER TO RESERVES**

During the year under review, your Directors have not proposed to transfer any amount to Reserves.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations (LODR), 2015, the Management Discussion and Analysis Report is presented in separate section forming part of the Annual Report as "Annexure-I".

## **ANNUAL RETURN**

Pursuant to the provisions of Section 92 and 134 of the Companies Act, 2013, a copy of the Annual Return of the Company is placed on the website of the Company at [www.kritikawires.com](http://www.kritikawires.com).

## **MATERIAL CHANGES AND COMMITMENT**

There are no material changes or commitments that took place after the closure of Financial Year 2020-2021 till date which will have any material or significant impact on the financials of the Company.

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

The Company is taking all reliable measures for conservation of energy. In respect of the current period no such technology absorption has been undertaken by the Company.

During the period under review the Company had total earning in foreign currency of Rs. 11,26,92,646/- (Rs. 10,25,89,446/- belong to direct export and Rs.1,01,03,200/- belong to

deemed export) and foreign outgo of Rs. 20,42,50,779/- (Rs. 9,16,76,830/- belong to direct import and Rs. 11,25,73,949/- belongs to high sea purchase).

### **RISK MANAGEMENT**

The Company has a risk management framework comprising risk governance structure and defined risk management process. The risk governance structure of the Company is a formal organization structure with defined roles and responsibilities for risk management. The processes and practices of risk management of the Company encompass risk identification, classification and evaluation.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not given any loan or provided any guarantee or made any investment under provision of Section 186 of the Companies Act, 2013. However, the particulars of all loans, guarantees or investments made by the Company are given in notes to Financial Statements.

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

All transactions entered with Related Parties during the Financial Year were on an arm's length basis and were in ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in Form AOC- 2 is not required. Further, there are no materially significant related party transactions during the period under review made by the Company with Promoters, Directors or other designated person which may have a potential conflict with the interest of the Company at large. However, details of all related party transactions are given in Notes to Accounts.

### **DIRECTORS**

There was no change in the Directors and Key Managerial Personnel of the Company during the Financial Year 2020-2021. Mr. Ankush Agarwal (DIN: 08071021), Whole-time Director of the company retires by rotation and being eligible offers himself for re-appointment, as per the provision of Section 152 of the Companies Act, 2013.

### **DECLARATION BY INDEPENDENT DIRECTORS**

Necessary Declarations have been obtained from all the Independent Directors under Section 149 (6/7) of the Companies Act, 2013. The Board relies on their declaration of Independence.

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured programme. To familiarize the new Directors with the strategy, operations and functions of our Company, the Senior Managerial Personnel make presentation for the inductees about the Company's strategy, operations, product and service offerings, markets, finance, quality etc.

## **SEPARATE MEETING OF THE INDEPENDENT DIRECTORS**

A separate meeting of Independent Director was held without the attendance of Non-Independent Directors and members of the Management on 1<sup>st</sup> February, 2021.

## **COMMITTEES OF THE BOARD**

### ***Audit Committee***

The Board of Directors had constituted an Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013. The Audit Committee reviews the Audit Reports submitted by the internal auditors and statutory auditors, financial results and effectiveness of internal audit process, the Company's Risk Management strategy and vigil mechanism. It reviews the Company's established systems and the committee is governed by the provisions of the Companies Act, 2013. During the year, two Audit Committee Meetings were held on 30<sup>th</sup> July, 2020 and 13<sup>th</sup> November, 2020 respectively.

### ***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. 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.

During the year, the Nomination and Remuneration Committee have met one time on 1<sup>st</sup> February, 2021.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has adopted a Vigil Mechanism/Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. It aims to provide an avenue for employees through this policy to raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of any financial statements and reports. It also provides for direct access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company at [www.kritikawires.com](http://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 policy has been duly approved and adopted by the Board, pursuant to the recommendations of the Nomination and Remuneration Committee. The Nomination and Remuneration Policy is available on the website of the Company at [www.kritikawires.com](http://www.kritikawires.com).

## **BOARD MEETINGS**

During the period under review, the Board met six times on 11<sup>th</sup> May 2020, 30<sup>th</sup> July 2020, 4<sup>th</sup> September 2020, 13<sup>th</sup> November 2020, 30<sup>th</sup> November 2020, 19<sup>th</sup> February 2021 respectively and the gap between two consecutive meetings was not more than one hundred and twenty days as provided in Section 173 of the Companies Act, 2013.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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;
- c) 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;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) 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
- f) 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.

## **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

## **DEPOSITS**

Your Company has not accepted/invited deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

The Company has its internal financial controls systems commensurate with the size and complexity of its operations, to ensure proper recording of financial and monitoring of operational effectiveness and compliance of various regulatory and statutory requirements.



The management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records including timely preparation of reliable financial information.

## **AUDITORS**

### *Statutory Auditor*

At the 15<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> day of September 2019, M/s G.P. Agrawal & Co., Chartered Accountants, have been appointed as Statutory Auditors of the Company for a term of 5 years from the Financial Year 2019-2020 onwards.

The Auditors' Report read together with the notes on accounts are self-explanatory and therefore do not call for any further explanation and comments. No frauds were reported by the Auditor under sub-section 12 of section 143 of the Companies Act 2013.

### *Internal Auditor*

M/s. M. Kumar Jain & Co., Chartered Accountants were appointed as the Internal Auditor of the Company for the Financial Year 2020-2021.

## **COST RECORDS AND COST AUDIT**

The Company is maintaining the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Further, the Company had appointed M/s. Sohanlal Jalan and Associates, Cost Accountants, as the Cost Auditor of the Company for the Financial Year 2021-2022.

## **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.

## **CORPORATE GOVERNANCE**

Since the Company is listed on SME platform of National Stock Exchange of India Ltd., the provisions of Corporate Governance are not applicable to the Company. However, the Directors are complying with the corporate norms.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

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

The Company has always been committed to provide a safe and conducive work environment to its employees. The Company has in place an Anti-Sexual Harassment Policy in line with the



requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Further, the Company has constituted an Internal Complaints Committee for redressing the complaints against sexual harassment. There was no complaint received during the year.

#### **REMUNERATION RATIO TO DIRECTORS/KMP/EMPLOYEES**

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/employees of the Company is attached as "Annexure-II" to this Report.

#### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Board of Directors had constituted Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013. This Committee formulates and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the CSR Activities to be undertaken by the company; monitor the corporate social responsibility policy of the company from time to time; discharge such other responsibilities as required under the act and rules made there under.

During the year the Company has incurred CSR expenditure of Rs. 14,30,000/- on 30<sup>th</sup> September 2020 for the Financial Year 2018-2019 and Rs 13,25,000/- on 25<sup>th</sup> March 2021 for the Financial Year 2019-2020.

Further, Two meeting of the Corporate Social Responsibility Committee was held during the year. The Report on CSR activities are given in "Annexure-III" to this Board's Report.

#### **OTHER DISCLOSURE REQUIREMENTS**

- The disclosures and reporting with respect to issue of equity shares with differential rights as to dividend, voting or otherwise is not applicable as the Company has not issued any such shares during the reporting period.
- The disclosures and reporting on issue of shares (including sweat equity shares and Issue of Shares under Employees Stock Option Scheme) to employees of the Company under any scheme are not applicable as the Company has not issued any such shares during the reporting period.
- 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.
- No application was filed for Corporate Insolvency Resolution Process, by a financial or operational creditor or by the company itself under the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT).

## ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board

Sd/-

Naresh Kumar Agarwal  
Whole-time Director  
(DIN: 01020334)

Sd/-

Hanuman Prasad Agarwal  
Managing Director  
(DIN: 00654218)

Place: Kolkata

Date: 4<sup>th</sup> September, 2021

## Annexure-I

### MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

#### *Industry Structure and Development*

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 strong brand equity and 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 overall profitability of the Company during the year under review, as compared to the previous year, has been adversely affected due to unfavorable market conditions prevailing for a major part of the year. The profitability also got impacted because of the lockdown and other restrictive policies directed by the Central / State Government in order to combat the spread of the Corona Virus.

#### *Opportunities and Threats*

Currently the biggest threat is the impact of spread of Corona Virus disease and its impact. It is noticed that the overall business has been severely affected which has resulted in various job losses across the value chain. The business will only be relieved when our Country is able to control the COVID-19 pandemic. However the Indian market still promises to be one of the fastest growing markets in the world.

#### *Segments*

The Company is dealing in only one segment i.e., manufacturing and trading of wires.

#### *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*

The management believes the new fiscal year will be full of challenges due to uncertainties related to the pandemic. Your company expects demand to gradually come back to normalcy over the next few quarters.

The 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 apart 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  
Whole-time Director  
(DIN: 01020334)

Sd/-

Hanuman Prasad Agarwal  
Managing Director  
(DIN: 00654218)

Place: Kolkata

Date: 4<sup>th</sup> September, 2021



**Annexure-II**

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 2020-21	Ration of remuneration to median remuneration of employees (including whole-time Directors)
1. Hanuman Prasad Agarwal	Managing Director	30,00,000	28.38
2. Naresh Kumar Agarwal	Whole-time Director	11,50,000	10.88
3. Ankush Agarwal	Whole-time Director	20,40,000	19.30

- ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary of 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	Whole-time Director	-
3. Ankush Agarwal	Whole-time Director	-
4.Anand Kumar Sharma	Chief Financial Officer	-
5. Mahesh Kumar Sharma	Company Secretary	-

- 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 31<sup>st</sup> March, 2021 is 251.
- 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 2020-21	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  
Whole-time Director  
(DIN: 01020334)

Sd/-  
Hanuman Prasad Agarwal  
Managing Director  
(DIN: 00654218)

Place: Kolkata  
Date: 4<sup>th</sup> September, 2021

### **Annexure-III**

**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](http://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	Member-Independent Director	2	2
Mr. Naresh Kumar Agarwal	Member - Whole Time Director	2	2
Mr. Hanuman Prasad Agarwal	Chairman - Managing Director	2	2

**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](http://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. 6,60,37,293

7. (a) Two percent of average net profit of the company as per section 135(5):Rs. 13,20,746

(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. 13,20,746

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. 13,25,000 (FY 2019-2020)	Nil	Not Applicable	Not Applicable	Nil	Not Applicable
Rs. 14,30,000 (FY 2018-2019)	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	Uttar Pradesh	Varanasi	13,25,000	No	Heritage Institute of Medical Sciences	

(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. 13,25,000

(g) Excess amount for set off, if any:

Sl.No.	Particular	Amount (inRs.)
(i)	Two percent of average net profit of the company as per section135(5)	13,20,746
(ii)	Total amount spent for the Financial Year	13,25,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	4,254
(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 2020-2021.

For and on behalf of the Board

Sd/-  
Naresh Kumar Agarwal  
Whole-time Director  
(DIN: 01020334)

Sd/-  
Hanuman Prasad Agarwal  
Chairman, CSR Committee  
(DIN: 00654218)

Place: Kolkata

Date: 4<sup>th</sup> September, 2021