

Ref.: RMC/2022-23/BSE/374
Date: 9th September, 2022

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

Sub.: Submission of the notice for the 28th Annual General Meeting & Annual Report for the financial year 2021-2022
Ref.: Scrip Code – 540358, Scrip ID - RMC

Respected Sir / Madam,

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed herewith the Annual Report of the Company for the Financial Year 2021-2022 along with the Notice convening the 28th Annual General Meeting of the Company to be held on Friday, 30th September, 2022 at 12:30 p.m. at the registered office of the company situated at 7 Km. from Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, to transact the business as mentioned in the Notice of the AGM.

This is for your information and record.

Thanking you.

Yours faithfully,

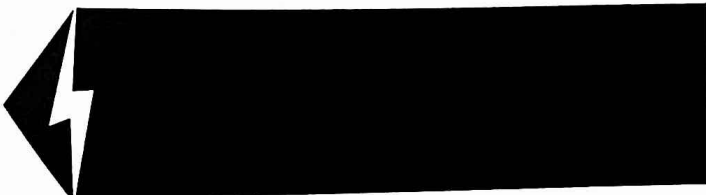
For RMC Switchgears Limited


Preeti Khator
Company Secretary and Compliance Officer
ACS: 49291




Lamina
A Reflection of Your Interior Life

CIN : L25111RJ1994PLC008698
Formerly Known as RMC SWITCHGEARS LIMITED
Registered Office & Factory : 7 K.M. From Chaksu, Kotkhawda Road,
Village-Badodiya, Tehsil-Chaksu, Tonk Road, Jaipur (Raj.) 303901,
Corporate Office : B-11, (B&C), Malviya Industrial Area, Jaipur-17 (Raj.),
E-mail : info@rmcindia.in, admin@rmcindia.in
Telefax : + 91-141-4400222, Website : www.rmcindia.in





2021-2022
EDITION

ANNUAL REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ashok Kumar Agrawal
Chairman cum Managing Director

Mr. Ankit Agrawal
Whole-time Director

Mrs. Neha Agrawal
Executive Director

Mr. Kuldeep Kumar Gupta
Independent Director

Mrs. Krati Agrawal
Independent Director

Mr. Mane Shriram Vishwasrao
Additional Director
(Non-Executive Independent)

AUDIT COMMITTEE

Mr. Kuldeep Kumar Gupta
Chairman

Mr. Ashok Kumar Agrawal
Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Kuldeep Kumar Gupta
Chairman

Mrs. Krati Agrawal
Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Kuldeep Kumar Gupta
Chairman

Mrs. Krati Agrawal
Member

CHIEF FINANCIAL OFFICER

Mr. Ankit Agrawal

COMPANY SECRETARY

Mrs. Preeti Khatore

STATUTORY AUDITORS

M/s Rakesh Ashok & Company
Chartered Accountants

SECRETARIAL AUDITORS

M/s B K Sharma & Associates
Company Secretaries

INTERNAL AUDITOR

Ms. Ekta Gupta

REGISTERED OFFICE

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

CORPORATE OFFICE

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

LISTED AT

BSE Limited –SME Platform

WEBSITE

www.rmcindia.in

INVESTOR SERVICES E-MAIL ID

cs@rmcindia.in

CORPORATE IDENTIFICATION NUMBER

L25111RJ1994PLC008698

SHARE TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, Lal
Bahadur Shastri Marg,
Vikhroli (West), Mumbai-40008
Maharashtra
Tel: +91 22 4918 600
Fax: +91 22 4918 606
E-mail: mumbai@likintime.co.in
Website: www.linkintime.co.in

PRINCIPAL BANKERS

Punjab National Bank
The Federal Bank



CHAIRMAN CUM MANAGING DIRECTOR'S COMMUNIQUE

Dear fellow shareholders,

It is always a pride while presenting our annual reports to our stakeholders. I am glad to share the results of our company for the year 2021-22 in our 28th Annual Report.

Without a doubt, the past two years have been challenging periods in recent memory as the calendar has turned, yet the pandemic challenges that began in 2020-21 remained in front of us even in 2021-22. Though the year was tough as we saw both a second wave which was the deadliest in the first quarter of the year of COVID-19 and then there was the third wave across the third and fourth quarter which gave the health more preference and focuses over the business which is obvious and the requirement of the time.

We saw the most challenging times in the last 2 years from March 2020 to March 2022 which has impacted badly on the performance of the company but nevertheless as a mindset of growth our company has prepared ourselves to be ready to take maximum business in the coming next 3 years with RDSS Scheme on the cards from the Government of India which is funded with massive Rs. 3.03 trillion which is the largest electrical infrastructure development scheme introduced by the Government.

We have also upgraded our employees to the next level of productivity with the skills of proper management and to give their best when the best time of the history is about to come, in this crucial time we have also changed our working style to Objective based performance linked appraisal system for our employees and we have seen a great enthusiasm and support from them.

I am happy to say that implementation of the various training and skill development courses we have been able to crack the largest order from a state electrical utility in India of more than Rs. 80 Crores which will be delivered in the first half year of the fiscal 2022-23, this has also created an aggressive approach in our team to work more.

We have also shifted our vision to build a strong and sustainable business by working for our stakeholders i.e., customers, employees, vendors, and investors. Some action-based targets we have taken steps for the above stakeholders which will be implements in the next 3 years in our company to make our business to touch new heights are mentioned below:

Customers: On time Delivery with Zero Defect
Employees: Socio-Economic Growth
Vendors: Transparency in business & practices
Investors: Profitability, Sustainability and Good Corporate Governance

With the Company well positioned for the growth and expansion in the coming years, I think we have exciting times ahead of us. I strongly believe that this shift in the mindset and working will bring new height and ample of opportunities for our company to become a Rs. 5000 crore company by 2030.

I thank you all for your confidence and trust in us.

Regards,
Ashok Kumar Agrawal
Chairman & Managing Director

CFO COMMUNIQUE

With warm regards, I take this opportunity to thank all our investors and partners in showing their immense love and trust in our company. I completely understand when you are listed on such a prestigious stock exchange there is both responsibility on our shoulders and expectations from us to perform to the highest degree in the industry.

The last 2 years were the worst years I have ever witnessed due to which we were not able to achieve our financial targets but as a responsible company we cannot take the excuse for not performing rather we can explain to our shareholders about what we did to ensure that how we have ensured that the company does not see the times like this in future.



We have brought considerable changes in our whole organization without affecting the culture and business model which has already started to show the positive changes in our working and team. We have found ourselves in a pool of opportunities with good profitable business opportunities which we are sure will grab and can witness the best years till 2030 which will defiantly bring our dream true to become a Rs. 5000 crore company.

We have also visioned to enter exports by 2027 to tap the market of Rs. 65000 Crores annually global market for electrical enclosures where no Indian Company has a presence and being dominated largely by the European and American Brands. To achieve this task and to make it easier we have started preparing ourselves by introducing an improvement project to bring our company to the next level which we call as RMC NEXT. RMC NEXT put emphasis on time Delivery, Zero Defect, Increase in Experience, Consistency in workings, Systems in Operations and this project has a timeline of the next 3 years.

We have also started our working on being financially disciplined company with most emphasis on the good corporate governance as committed by our Chairman in the last annual report.

I am more than glad to state that the introduction of the RDSS (Revamped Distribution Sector Scheme) of Government of India of Rs. 3.03 trillion will act as a fuel for the growth for the whole country and that our company will be benefitting the most considering the same objectives for our company as well as this scheme i.e. Loss Reduction and Electrocutation, even the main emphasis on the smart metering will also enhance the business of our company being the largest supplier of the smart metering enclosures in India will change the level of our company.

We have also started to strengthen our projects division to act as a main arm for the company which will bring new business opportunities for the company. We hope to rope in multi-crores business in the next 5 years which I strongly believe you will witness it starting first quarter of the fiscal 2022-23. We expect to see FY 2022-23 provide us many more reasons to celebrate in terms of both, operational excellence, and financial performance.

We hope that we along with all our stakeholders will grow together

Regards,
Ankit Agrawal
Whole-time Director

HISTORY OF THE COMPANY

Incorporation of the Company in 5000 sq. ft.

1994

Started as OEM to various meter manufacturing companies by supplying meter boxes

2000

Received first order from Rajasthan State for meter boxes supply

2003

Received first order from Maharashtra State for meter boxes supply

2004

Factory area increased to 35000 sq. ft.

2005

Set up a new plant in Chaksu, Jaipur with a whopping area of 810,000 sq. ft.

2008

Set up a new plant for Manufacturing SMC and Polycarbonate enclosures

2009

Entered into Turnkey Business with R-APDRP Project in Jodhpur

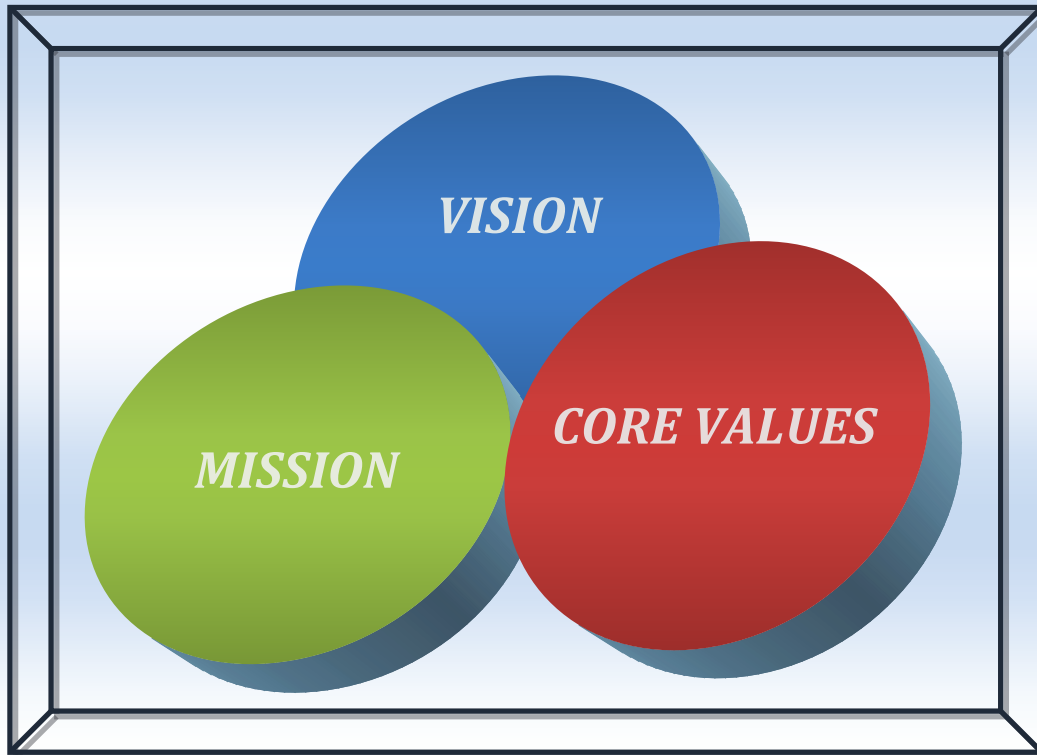
2014

Listed in Bombay Stock Exchange - SME

2017

Company Added "To achieve turnover of Rs. 5000 Crore by the year 2030" in its Vision.

2022



VISION

- To become the most promising brand in electrical enclosure by 2030;
- To eliminate electrocution from the nation by 2027;
- To eliminate electrical power and equipment theft by 2028;
- To become the Largest Indian Exporter for Electrical LV Solutions to the world by 2027.

MISSION

- Being Reliable, Consistent partner for Customer, Vendors, Employees and Investors;
- Have Meticulous in our actions, work and performance;
- Focused on R&D and New Developments, new customer problems to uplift the society and standard of living;
- No tolerant approach towards the Quality and Delivery to the customer;
- Creating the best environment to Customers, Vendors, Employees and Investors to work with.

CORE VALUES

- Transparent, Trustworthy, Reliable partner;
- Organised, Focused and Goal Oriented towards growth;
- Contribution to the society to provide safe and quality life;
- Ensuring the best in class experience and Growth to our partners & associates;
- Must respect the values, people and obligations.

OUR COMPANY OVERVIEW

RMC Switchgears Limited, is an ISO 9001:2008 certified company, headquartered in the pink city of India established in 1994 with the name as RFH Metal Castings Private Limited with 500 sq. ft. area only. Now RMC is the largest electrical Enclosure manufacturer in the country with 8,00,000 sq. ft. of world class having more than 45 million installations nationwide till date. RMC is the first BIS recognized testing laboratory in the country. We are focused on On-time Delivery, Competitive Prices, Zero Defective products.

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

Since the last 28 years, we have been constantly growing because of our firm foundations of modernized production facilities, improved technical and quality standards, technical superiority, balanced teamwork and professional services. At RMC, we believe in long term relationships with all our stakeholders and intend to work jointly for maximizing the benefits from the modern technologies. We are constantly working towards improving the product portfolio and quality standards. In line with the same, we are constantly innovating our products to ensure revenue protection and revenue maximizations for Indian Utilities.

CULTURE

- Stress free environment;
- Work with fun;
- Consider team as first family;
- Innovative approach;
- Responsibility and Accountability are 2 sides of a coin.

OUR PURPOSE

- Electrocutation free nation;
- Theft Free nation;
- Spreading happiness and economic growth to the nation and society.

OUR CORPORATE SOCIAL RESPONSIBILITY GOALS

- Providing special classes in Schools and Colleges on how to handle the electricity safely;
- Providing free education to the children of our labour force and some selected villages till 12th;
- Checking and guarding the accident prone areas in the colonies so that we can stop accidents through electrical malfunctioning;
- Fun filled activities with Orphan and Old age homes during festivals.

MANAGEMENT OF THE COMPANY



Mr. Ashok Kumar Agrawal
Chairman cum Managing
Director

Mr. Ashok Kumar Agrawal, aged 66 years is the founder Promoter of the Company and currently holding the position of Chairman cum Managing Director. He is the vision behind the Company's success and reputation in the market today and possesses an overall experience of around 42 years out of which 23 years in the field of electrical industry. Under his inspiring leadership and dynamic approach, the Company stands tall in the Electrical Market segment. He is instrumental in taking major policy decisions of the Company, formulating business strategies and effective implementation of the same. He has carried forward the group with core values, pure dedication and commitment.

Mr. Ankit Agrawal, aged 40 years, Whole Time Director of the Company is a man of sharp vision with 20 years of rich experience in the field of electrical industry. He has been instrumental in the Company's organic growth and is responsible for shaping the strategic perspective that has led to the diversification and expansion of the Company in new avenues. As a visionary, he has led the Company to new heights. He has been involved foremost in the group's sales and marketing activities and has spearheaded the group's various forays into new products. He has been instrumental in establishing the quality assurance standards for the Company. A strong vision, exemplary leadership and expertise in the electrical market have enabled him to lead RMC towards the success path. He is providing his learned guidance and mentoring the senior managerial personnel of the company to execute and implement future growth strategy. He has been overseeing the manufacturing, sales and marketing activities of the Company.



Mr. Ankit Agrawal
Whole-time Director



Mrs. Neha Agrawal
Executive Director

Mrs. Neha Agrawal, aged 40, possesses an experience of 13 years in the field of management and administration. She holds the degree of Bachelor of Business Administration from Eastern Institute for Integrated Learning in Management. She has been awarded several awards in the name of the Company. She looks after the overall administration and day to day operations of the Company. She is a strong promoter of Women Empowerment and enhances company's responsibilities towards the society.



Mr. Kuldeep Kumar Gupta
Independent Director

Mr. Kuldeep Kumar Gupta, aged 59 years is Practicing Chartered Accountant by Profession and the founder of M/s Kuldeep Kumar Gupta & Co., Practicing Chartered Accountant Firm, Jaipur. He possesses a rich experience of about 36 years in the field of taxation, finance, advisory, corporate law and audit of Corporates. He had been on the Board of several Listed and Unlisted Companies of Finance and Manufacturing Industry. He has been currently supervising various unlisted entities by being on the Board of the entities.



Mrs. Krati Agrawal
Independent Director

Mrs. Krati Agrawal, aged 41 years is a young and dynamic entrepreneur. She has graduated in the field of economics from Rajasthan University and possesses experience of several years in the field of economics and manufacturing.



Mr. Shriram Vishwasrao Mane
Additional Director
(Non-Executive Independent)

Mr. Shriram Vishwasrao Mane aged 44 years is practicing as Lawyer in Civil, Convencing and Finance field having experience of more than 15 years of experience.

OUR PRODUCTS

FEATURES

- ✓ IP Level from IP-33 to IP-65, Push Fit Type Locking System and Sensor System, with Louvers.
- ✓ Modem Mounting Arrangements, TTB, CT's Applicable Standards are IS : 13947 (part-1) for Ingress Protection, IS:13410 for SMC Materials, IS:14772 for Enclosures.

APPLICATION

- ✓ METER BOX Single/Three Phase whole current meters & CT operated meters
- ✓ LT/CT/HT/AMR METER BOX
- ✓ MULTI METER BOX Single/Three Phase multi meters

MATERIAL

- ✓ SMC, Polycarbonate
- ✓ Mild Steel (Deep Drawn & Fabrication)



METER BOX FOR ENERGY METER

FEATURES

- ✓ protected with various level of INGRESS protection till IP-65
- ✓ The bus bar arrangements :- bare, insulated and spring loaded & Switchgears like MCB's or MCCB's
- ✓ Applicable Standards are IS:13947(part-1) for ingress protection, Is:13410 for SMC Materials, IS:14772 for Enclosures, IS:8623 for temperature rise

APPLICATION

- ✓ Distribution Box for A.B. Cables (Nut & Bolt Type)
- ✓ Distribution Box for A.B. Cables (Spring Loaded)
- ✓ Distribution Box for A.B. Cables (MOC)
- ✓ Distribution Box for various rating of Distribution Transformers

MATERIAL

- ✓ SMC, Polycarbonate
- ✓ Mild Steel (Deep Drawn & Fabrication)



DISTRIBUTION BOX

FEATURES

- ✓ The Junction Boxes are protected with various level of INGRESS protection till IP-65
- ✓ The Applicable Standards are IS:13947(part-1) for ingress protection, Is:13410 for SMC Materials, IS:14772 for Enclosures.

APPLICATION

- ✓ Pole Mounted Junction Boxes with Distribution Blocks
- ✓ Control Terminal Box or Aerial Fuse Box
- ✓ Wall mounted control panel

MATERIAL

- ✓ SMC, Polycarbonate
- ✓ Mild Steel (Deep Drawn & Fabrication)



JUNCTION BOX

PULTRUDED GRATINGS & MOULDED GRATINGS

FEATURES

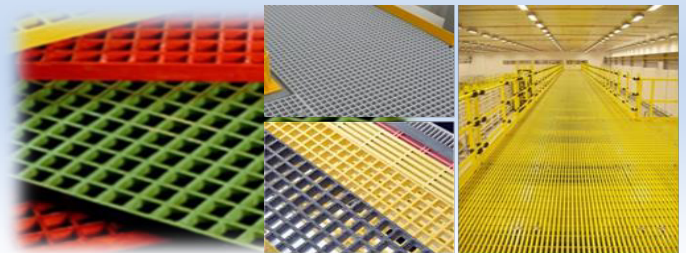
- ✓ Corrosion Resistant
- ✓ Slip Resistant gritted top surface
- ✓ Strong yet Lightweight
- ✓ Low Coefficient of Expansion and Contraction

APPLICATION

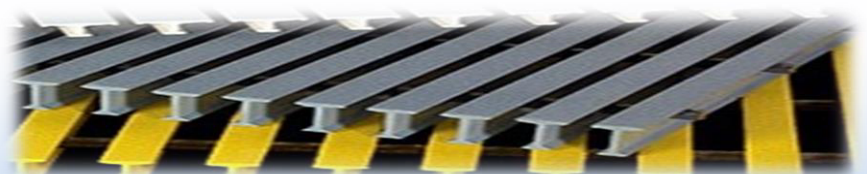
- ✓ Floor System & Walk Ways
- ✓ Work Platforms & Trench Covers
- ✓ Catwalk, Stairs & Ramps

INDUSTRIES

- ✓ Chemical Fertilizers & Petrochemicals
- ✓ Power Plants, Fisheries & Textiles, Electric
- ✓ Water Treatment & Air Pollution Control
- ✓ Dairy & Food Processing or Electroplating & Pickling

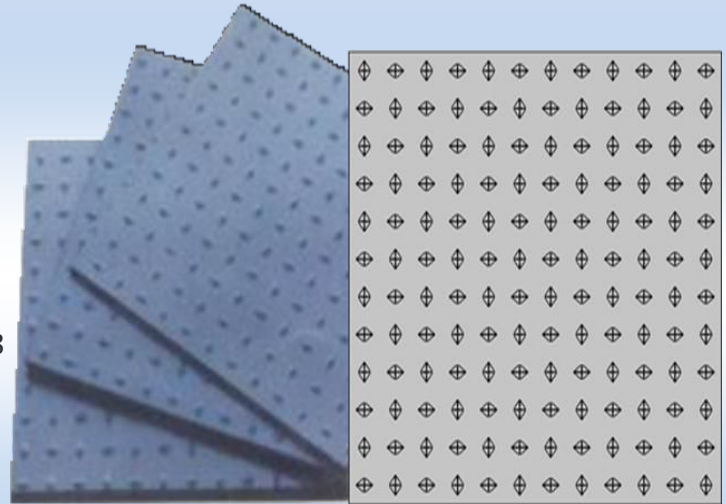


FRP GRATINGS



FEATURES

- ✓ Ideal replacement for insulating Rubber mats at places like sub-stations, control rooms & trench Covers
- ✓ Anti-corrosive, light weight yet strong & Load bearing capacity as per IS
- ✓ Can withstand the load of breaker trolleys without obstructing their movement
- ✓ High Dielectric strength and life Expectancy
- ✓ Easy to fix on floor, Insulating Protection for life
- ✓ Confirms to IS 13410, BS5734, ASTM D5948, DIN 16913



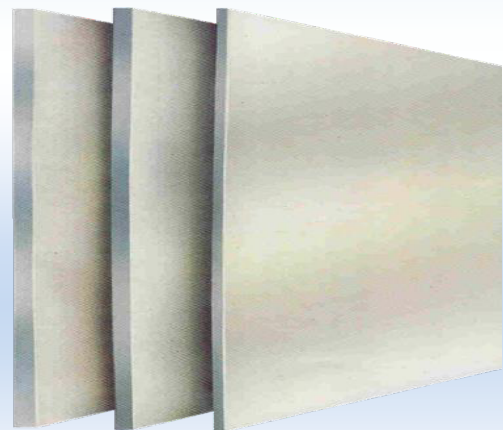
APPLICATION

- ✓ Turnkey Contractors
- ✓ Electrical Control Rooms
- ✓ Railways & Industries
- ✓ Govt. & Commercial Complexes
- ✓ Contractors of Govt. Department

SMC / FRP CHEQUERED PLATES

FEATURES

- ✓ Excellent dielectric properties such as volume resistivity, surface resistivity, Arc resistivity and comparative tracking index.
- ✓ Can withstand continuous temperature up to 400 Degree C.
- ✓ Anti-corrosive and resistant to most acids, alkalis and chemicals
- ✓ Light weight, strong, Stiff & Clean or Weather Proof
- ✓ Self-coloured and maintenance free
- ✓ NON-Hydroscopic and retains its dielectric properties even in presence of high humidity.



SMC / FRP SHEETS

FEATURES

- ✓ Fire Retardant & Non Conductivity
- ✓ Non Magnetic & Light Weight
- ✓ Maintenance Free & Easy to install
- ✓ Corrosion proof
- ✓ Chemical Erosion proof

INDUSTRIES

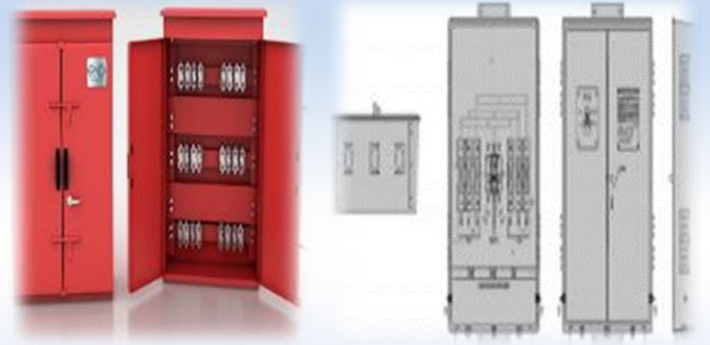
- ✓ Railways & Electrical / Utility
- ✓ Aerospace & Automotive, Roads & Highways
- ✓ Offshore & Oil & Gas
- ✓ Chemical Processing & Cooling Towers
- ✓ Construction Defense



CABLE TRAY

Feeder pillars are manufactured from mild steel, Stainless steel & sheet Moulding compound as per customer requirements are used for distributing and managing various outgoing circuits with 1 or incoming with HRC Fuse links or Kitkats on outgoing side and option with or without ACB on the incoming side.

FEEDER PILLARS



FEATURES

- ✓ Good Corrosion and Weather Resistance
- ✓ High Physical and Mechanical Strength
- ✓ High Strength to weight ratio
- ✓ Highly Durable
- ✓ Lower thermal conductivity and Good adaptability & dimensional stability with UV resistance and Flexibility in design
- ✓ Light in Weight and hence easy to handle and install
- ✓ Ease of Maintenance with Zero Downtime
- ✓ Economical & cost effective



POLE MOUNTED STREET LIGHT BOXES

FEATURES

- ✓ Good Corrosion and Weather Resistance
- ✓ Anti-corrosive
- ✓ Ideal for harsh weather conditions
- ✓ No change in conductor formation/ configuration as well as ground clearance while replacing metal 'V' type cross arms of existing lines



FRP V-CROSS ARM

RMC provides Fully Insulated Bus Bars covered with SMC/ DMC/ Polycarbonate / Nylon as required by the customers are provided with Aluminum Bus Bars conductor.

FEATURES

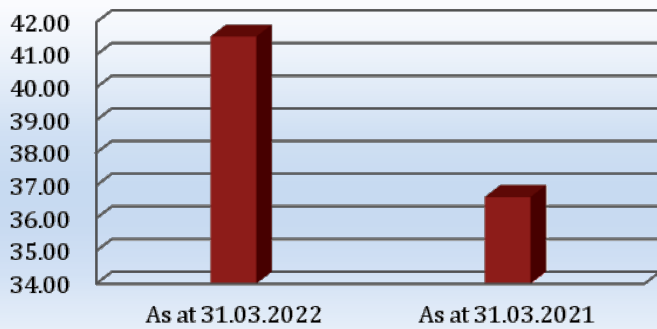
- ✓ Excellent mechanical protection
- ✓ Best possible barrier against humidity and moisture ingress
- ✓ Same bus bar system for indoor and outdoor application
- ✓ High stability under UV exposure
- ✓ Resistant to aggressive environments such as salt water, mineral oil, grease, fuels, weak acids and bases



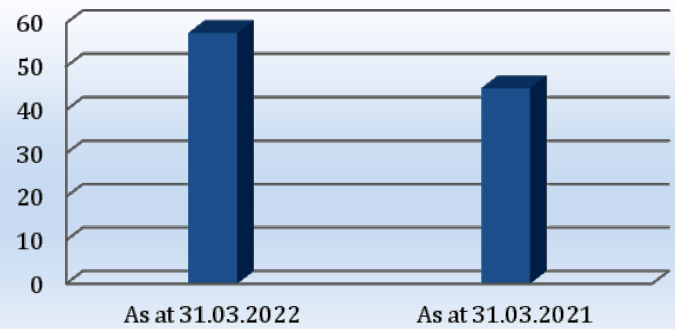
BUS BARS

KEY PERFORMANCE INDICATORS

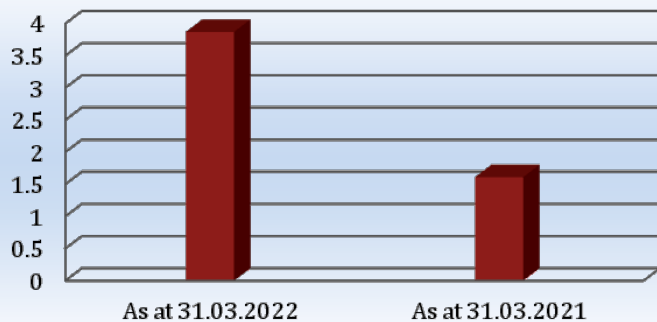
Revenue from Operations (Rs. in crore)



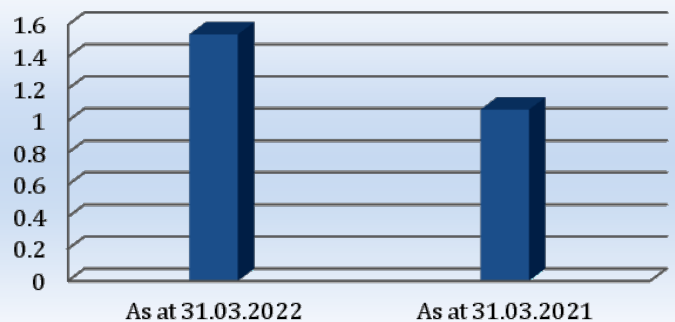
Profit after Tax (Rs. in crore)



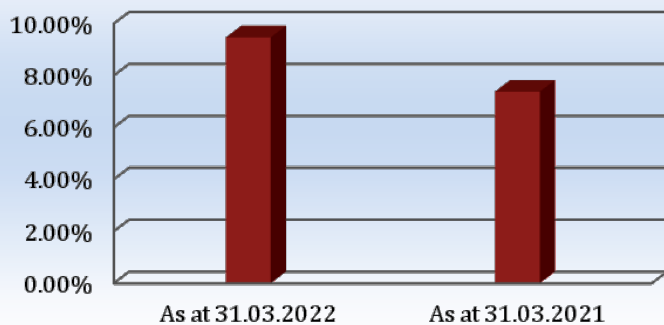
Trade Payables Turnover Ratio (times)



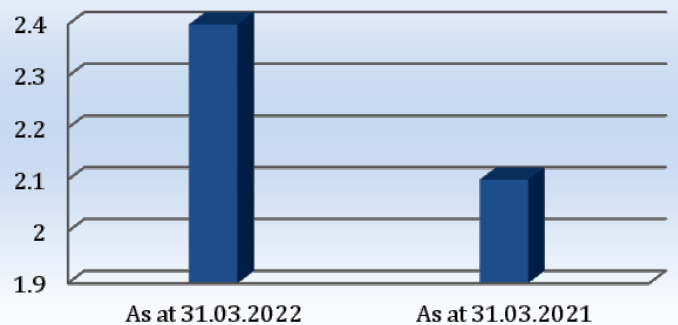
Trade Receivables Turnover Ratio (times)



Return on Equity (%)



Net Capital Turnover Ratio (times)



DIRECTOR'S REPORT

Dear Members,

The Board of Directors ('Board') are pleased to present its 28th (Twenty Eighth) Annual Report of your Company on the affairs, business and operations of the company together with the Audited Financial Statements for the Financial year ended 31st March, 2022.

FINANCIAL RESULTS

The summarized Financial Performance of your Company for the financial year ended 31st March, 2022 is summarized as follows:

(Rs. In Lakhs)

| Particulars | Financial year ended 31 st March, 2022 | Financial year ended 31 st March, 2021 |
|---|--|--|
| Revenue From Operations | 4,156.03 | 3,664.85 |
| Other Income | 66.82 | 20.81 |
| Total Revenue | 4,222.86 | 3,685.66 |
| Profit Before Depreciation, Finance Costs, Exceptional items and Tax Expense | 621.74 | 689.44 |
| Less: Depreciation & Amortization Expenses | 280.71 | 259.93 |
| Less: Finance Cost | 306.59 | 410.22 |
| Profit Before Tax | 34.43 | 19.29 |
| Less: Tax Expenses (Current & Deferred) | -23.27 | -25.69 |
| Profit After Tax | 57.70 | 44.98 |
| Total Comprehensive Income | 57.70 | 44.98 |
| Earnings per share (Nominal value per share Rs. 10/-) Basic & Diluted | 0.95 | 0.74 |

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

FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

The Company finished the year on a satisfactory note despite the last quarter of the year getting disrupted due to the partial lockdowns caused by the Omicron wave and uncertainty in a fragile geopolitical situation during the year. The Company registered a growth of 13.40 % in sales and nearly 28.28% growth in PAT. This performance, in a year which saw the dreaded second wave of covid-19 and substantial disruptions as a result thereof, has been quite encouraging and the bottom-line growth has been a result of focused efforts on improving efficiencies in all components of the operations – be it manufacturing or sales or working capital management.

Covid-19 changed almost every aspect of human lives in ways never imagined. The Government's prompt and consistent interventions and stimulus, however, acted as breathers for businesses and the vulnerable communities. As a result, the Indian economy started showing green shoots of recovery at a rate faster than earlier forecast. Moreover, improved macroeconomic indicators and commencement of the vaccination drive have brought back positive sentiments in the market.

During the year under review, the nation experienced high severity and mortality of citizens brought by the second wave of the ongoing COVID-19 pandemic. Even as the company continued to face challenges of shortage of manpower and overbearing uncertainties, the company continued to follow all safety norms at work place and ensured complete vaccination of all employees on a timely basis. The risk intelligent culture of the company continued to ensure smooth cash flows, efficient working capital management and minimum disruption of activities. Your company is focused on increasing capacity utilisation of all units, reducing cost and improving operational efficiency.

DIVIDEND

Your Directors feel that it would be prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the financial year ended 31st March, 2022.

TRANSFER TO RESERVES & SURPLUS

As permitted under the provisions of the Companies Act, 2013, no amount has been proposed to be carried to any Reserves. Entire amount of Rs. 57.70 lacs is proposed to be retained in the Surplus.

MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of the report during the year under review.

CHANGE IN NATURE OF BUSINESS, IF ANY

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

CHANGE IN CAPITAL STRUCTURE

The paid up Equity Share Capital as at 31st March, 2022 is Rs. 609.22 lacs comprising of 60,92,200 Equity Shares of Rs. 10 each. There is no change in the issued & subscribed capital of the Company of the year.

Further, during financial year 2021-22 your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2022, none of the Directors or Key Managerial Personnel of the Company holds instruments convertible into equity shares of the Company. All the Shares of the Promoters which are held in the Company are in dematerialized form.

DEPOSITS

During the year under review, your Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) from the public and as such no amount of principal or interest remained unpaid or unclaimed at the end of the financial year 31st March, 2022.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENT

Particulars of Loans, Guarantees and Investments as on the financial year ended 31st March, 2022 as covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the respective notes to Financial Statements provided in the Annual Report.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any Subsidiary, Joint Venture or Associate Company.

CREDIT RATING

The Company has obtained credit ratings Brickwork Ratings, Credit rating agency, along with its revision in FY 2021-22 for long-term bank facilities and short- term bank facilities.

MEMORANDUM AND ARTICLES OF ASSOCIATION

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Your Company's Board is duly constituted which is in compliance with the requirements of the Act, the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 [hereinafter referred to as "Listing Regulations"] Regulations, 2015 and provisions of the Articles of Association of the Company.

❖ Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Ashok Kumar Agrawal (DIN: 00793152) is liable to retire by rotation at the 28th Annual General Meeting and being eligible offers himself for re-appointment. Based on the recommendations of the Nomination and Remuneration Committee, the Board recommends the re-appointment of Mr. Ashok Kumar Agrawal as director liable to retire by rotation.

The brief resume and other details as required under the Regulation 36(3) of the SEBI (LODR) Regulations, 2015 of the Directors seeking re-appointment at the ensuing AGM are provided in the Notice of the AGM of the Company which forms a part of the Annual Report.

❖ Appointment / Cessation

Mr. Himanshu Goyal, Independent Director of the Company resigned from the directorship of the Company w.e.f. 13th June, 2022. The Board placed on record the valuable guidance and support received from him during his tenure.

Mr. Shriram Vishwasrao Mane, has been appointed as an Additional Director (Non-Executive Independent) on the Board of the Company w.e.f. 13.08.2022 of the Company to hold office till the conclusion of the next Annual General Meeting and subject to the approval of the members in the ensuing General Meeting, for appointment as an Independent Director to hold office for a term up to 5 years consecutive years from the date of ensuing general meeting.

The Board of Directors of your company at its meeting held on 10th August, 2022, based on the recommendation of Nomination & Remuneration Committee, has approved the changes in terms of appointment of Mr. Ashok Kumar Agrawal (DIN: 00793152) as Chairman cum Managing Director of the Company, Mr. Ankit Agrawal (DIN: 00793035) as Whole-time Director of the Company and Mrs. Neha Agrawal (DIN:07540311) as Executive Director of the Company, in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule - V of the Act (including any statutory modification or re-enactment thereof) and subject to approval of the members and such other authorities as may be required, for the remaining period of 2 (two) years of their present term with effect from 1st April, 2022 to 31st March, 2024.

❖ Key Managerial Personnel

Ms. Srishti Kulshrestha who was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 4th March, 2020, has resigned from the services of the Company effective from 31st August, 2021 and Ms. Deepa Soni who was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 1st September, 2021, has resigned from the services of the Company effective from w.e.f. 16th November, 2021. The Board placed on record the valuable guidance and support received from them during the tenure.

Mr. Bharat Bhushan Gupta, Chief Financial Officer has resigned from the services of the company w.e.f. 31st July, 2021 and the Board placed on record the valuable guidance and support received from him during his tenure.

The Board of Directors of the Company at its meeting held on 31st July, 2021, based on the recommendation of Nomination and Remuneration Committee, has appointed Mr. Ankit Agrawal as Chief Financial Officer of the Company w.e.f. 1st August, 2021.

The Board of Directors of the Company at its meeting held on 3rd December, 2021, based on the recommendation of Nomination and Remuneration Committee, has appointed Mrs. Preeti Khatore as the Company Secretary & Compliance Officer of your Company.

The following persons have been designated as Key Managerial Personnel (hereinafter referred to as “KMP”) of the Company in accordance with the provisions of Section 2(51) and Section 203 of the Act, read with the Rules framed there under:-

1. Mr. Ashok Kumar Agrawal, Chairman & Managing Director;
2. Mr. Ankit Agrawal, Whole-time Director & Chief Financial Officer;
3. Mrs. Neha Agrawal, Executive Director; and
4. Mrs. Preeti Khatore, Company Secretary & Compliance Officer

During the year, there has been no other change in the Key Managerial Personnel of the Company. Details pertaining to their remuneration have been provided in the copy of Annual Return available on the website of the Company under the web link: <https://www.rmccindia.in>. None of the KMP of the Company is holding office in any other Company as KMP and none of the Directors/ KMP of Company is disqualified.

❖ **Statement of Declaration given by Independent Directors**

The Company has received necessary declaration of independence from all Independent Directors of the Company, under Section 149(7) of the Act, that he/she meets the criteria of Independent Directors envisaged in Section 149(6) of the Act and rules made thereunder and SEBI (LODR) Regulations, 2015 and is not disqualified from continuing as Independent Directors.

The Independent Directors have also confirmed that they have registered themselves with the Independent Director’s Database maintained by the Indian Institute of Corporate Affairs. Further Company has also received statements from all the Independent Directors that they have complied with Code of Conduct for Independent Directors prescribed in Schedule IV of the act and also statement on compliance of code of conduct for Directors and Senior Management Personnel formulated by Company.

❖ **Separate Meeting of Independent Directors of the Company**

Details of Separate meeting of Independent Directors held in terms of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations are given in Corporate Governance Report.

BOARD EVALUATION

The evaluation process focused on various aspects of Board and its Committees such as composition and structure, functioning, effectiveness of Board processes, information and functioning, etc.

The evaluation of all the Directors and the Board as a whole was conducted by the Board and found to be satisfactory. The flow of information between the Company management and the Board is adequate, qualitative and timely. As required under the provisions of the Act, a meeting of all Independent Directors was convened and held during the year. In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting including the performance of the Board, its Committees and individual directors.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Regulation 25 of the Listing Regulations, the Directors of the Company are familiarized with their roles, rights, responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company etc. and updated on changes and developments in the Domestic and Global Corporate and Industry Scenario including those pertaining to statutes, legislations, and economic environment and on matters affecting the Company, to enable them to take well informed & timely decisions. Details of such familiarization programs are posted on the website of the Company at the weblink www.rmccindia.in

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3) (c) & 134(5) of the Act, your Board of Directors' to the best of their knowledge and ability hereby confirm that:

- in the preparation of the annual accounts for the financial year ended 31st March 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have 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 and loss of the company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls for the Company and these internal financial controls were adequate and operating effectively;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF MEETINGS OF BOARD OF DIRECTORS HELD DURING THE YEAR

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board Business. The Meetings of the Board of Directors were held at the Corporate Office of the Company situated at B-11 (B&C) Malviya Industrial Area, Jaipur- 302017 Rajasthan. The notices of Board / Committee meetings were given well in advance to all the Directors. The Agenda for the Board and Committee Meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions. All observations, recommendations and decisions of the Committees were placed before the Board for consideration and approval.

During the financial year 2021-22, 13 (thirteen) were convened and held on 10th April, 2021; 11th June, 2021; 30th June, 2021; 31st July, 2021; 25th August, 2021; 1st September, 2021; 17th September, 2021; 13th November, 2021; 17th November, 2021; 29th November, 2021; 3rd December, 2021, 24th January, 2022 and 1st March, 2022. The gap between two consecutive Board meetings did not exceed one hundred twenty (120) days as prescribed under the Act and the Listing Regulations. The necessary quorum was present at all the meetings.

The attendance of each Director at the Meetings of Board of Directors held during the financial year 2021 - 22 are as follows:

| Serial No. | Name of Directors | Designation | No. of Board Meetings Attended | Attendance at last AGM |
|------------|--|---|--------------------------------|------------------------|
| 1. | Ashok Kumar Agrawal (DIN: 00739152) | Chairman Cum Managing Director | 13 | Yes |
| 2. | Ankit Agrawal (DIN: 00793035) | Whole-time Director & Chief Financial Officer | 12 | Yes |
| 3. | Mrs. Neha Agrawal (DIN: 07540311) | Executive Director | 13 | Yes |
| 4. | Mr. Kuldeep Kumar Gupta (DIN: 01591373) | Independent Director | 12 | Yes |
| 5. | Mrs. Krati Agrawal (DIN: 08789232) | Independent Director | 11 | Yes |
| 6. | Mr. Himanshu Goyal* (DIN: 03101053) | Independent Director | 12 | Yes |

*Mr. Himanshu Goyal has resigned w.e.f. 13th June, 2022

COMMITTEES OF THE BOARD

As on 31st March, 2022, the Board has 3(Three) committees as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 read with rules, made thereunder, with proper composition of its members which are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees and the risk management framework. The Board periodically evaluates the performance of all the Committees as a whole. All observations, recommendations and decisions of the Committees are placed before the Board for consideration and approval.

The Board has the following committees as under:

- ❖ Audit Committee;
- ❖ Nomination and Remuneration Committee;
- ❖ Stakeholders' Relationship Committee

❖ Audit Committee

The Board of Directors of your company has duly constituted Audit Committee in terms of the provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 18 of the SEBI (LODR), Regulations, 2015. The Audit Committee comprises of Mr. Himanshu Goyal (Non-Executive Independent Director), the Chairman of the Committee, Mr. Ashok Kumar Agrawal (Chairman Cum Managing Director) and Mr. Kuldeep Gupta (Non-Executive Independent Director) as Members of the Committee as on 31st March, 2022. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of SEBI (LODR), Regulations, 2015 and Section 177 of the Act and such other functions as may be specifically delegated to the Committee by the Board from time to time. The Board has accepted all recommendations made by the Audit Committee during the year.

7 (seven) Audit Committee Meetings were held during the financial year 2021-22. The dates on which the meetings were held are 10th April, 2021; 11th June, 2021; 30th June, 2021; 25th August, 2022; 13th November, 2021; 24th January, 2022 and 1st March, 2022

The attendance of each Member at the Audit Committee Meetings held during the financial year 2021-22 is as follows:

| Serial No. | Name of Members | Designation | No. of Meetings Attended |
|------------|--|--------------------------------|--------------------------|
| 1. | Mr. Ashok Kumar Agrawal (DIN: 00739152) | Chairman Cum Managing Director | 7 |
| 2. | Mr. Kuldeep Kumar Gupta (DIN: 01591373) | Independent Director | 6 |
| 3. | Mr. Himanshu Goyal* (DIN: 03101053) | Independent Director | 6 |

*Mr. Himanshu Goyal has resigned w.e.f. 13th June, 2022.

❖ Nomination and Remuneration Committee

The Committee comprises of Mr. Kuldeep Gupta (Non-Executive Independent Director), Chairman of the Committee, Mr. Himanshu Goyal (Non-Executive Independent Director), and Mrs. Krati Agrawal (Non-Executive Independent Director), as members of the Committee as on 31st March, 2022. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Act, besides other terms as may be referred by the Board of Directors. The Board has accepted all recommendations made by the Nomination and Remuneration Committee during the year.

4 (four) meetings of Nomination and Remuneration Committee were held during the year 2021-22. The dates on which the meetings were held are 31st July, 2021; 24th August, 2021; 1st September, 2021 and 3rd December, 2021. The attendance of each Member at the Nomination and Remuneration Committee Meetings held during the financial year 2021-22 are as follows:

| Serial No. | Name of Directors | Designation | No. of Board Meetings Attended |
|------------|--|--------------------------------|--------------------------------|
| 1. | Mr. Kuldeep Kumar Gupta (DIN: 01591373) | Chairman Cum Managing Director | 4 |
| 2. | Mrs. Krati Agrawal (DIN: 08789232) | Independent Director | 4 |
| 3. | Mr. Himanshu Goyal* (DIN: 03101053) | Independent Director | 4 |

*Mr. Himanshu Goyal has resigned w.e.f. 13th June, 2022.

❖ Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mr. Kuldeep Gupta (Non-Executive Independent Director), Chairman of the Committee, Mr. Himanshu Goyal (Non-Executive Independent Director), and Mrs. Krati Agrawal (Non-Executive Independent Director) as members of the Committee. The Committee, inter-alia, reviews issue of duplicate certificates and oversees and reviews all matters connected with the Company's transfers of securities. It looks into redressal of shareholders'/investors' complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends and such other functions as may be specifically delegated to the Committee by the Board from time to time. There being no investor grievances complaint pending, the committee reviewed the existing procedures for attending to complaints as and when they arise.

4 (Four) Stakeholders' Relationship Committee Meetings were held during the financial year 2021-22. The dates on which the meetings were held are 15th April, 2021; 15th July, 2021; 13th October, 2021 and 10th January, 2022.

The attendance of each Member at the Stakeholders' Relationship Committee Meetings held during the financial year 2021-22 is as follows:

| Serial No. | Name of Directors | Designation | No. of Board Meetings Attended |
|------------|--|--------------------------------|--------------------------------|
| 1. | Mr. Kuldeep Kumar Gupta (DIN: 01591373) | Chairman Cum Managing Director | 4 |
| 2. | Mrs. Krati Agrawal (DIN: 08789232) | Independent Director | 4 |
| 3. | Mr. Himanshu Goyal* (DIN: 03101053) | Independent Director | 4 |

*Mr. Himanshu Goyal has resigned w.e.f. 13th June, 2022.

NO DEFAULT

The Company has not defaulted in payment of interest and repayment of loan to any of the financial institutions and / or banks during the period under review.

RELATED PARTY TRANSACTIONS

As required under the SEBI (LODR) Regulations, 2015 and the Act, prior omnibus approval was obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at Arm's Length basis, in the first meeting of Audit Committee for the financial year 2021-22.

All contracts, arrangements and transaction entered into by the Company with related parties during the financial year 2021-2022 were in the ordinary course of business and on an arm's length basis. During the year, the company did not enter into any transaction, contract or arrangement with related parties that could be considered material in accordance with the Company's policy on dealing with related party transactions. During the year there were no material significant related party transactions made by the Company with Promoters, Directors or KMP which may have potential conflict with the interest of the Company at large. All transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee of the Company for its approval. The details of the related party transactions are set out in Notes to the Financial Statements of the Company. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website viz., www.rmccindia.in.

None of the Directors or KMP has any pecuniary relationships or transactions vis-à-vis the company. There were no transactions during the year under review which would require to be reported in Form AOC-2.

AUDITORS AND AUDITORS' REPORTS

❖ Statutory Auditor

M/s. Manish Borad & Co., Chartered Accountants Firm Registration No. 007214C were appointed as Statutory Auditors of the Company by the members at the 27th Annual General Meeting for a period of five years to hold office from the conclusion of Annual General Meeting held in year 2021 till the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2026. Further, Manish Borad & Co., Chartered Accountants Firm Registration No. 007214C expressed their inability to continue as the Statutory Auditor of the Company and resigned from the same on 15th May, 2022.

The casual vacancy occurred due to the resignation of M/s. Manish Borad & Co., Chartered Accountants Firm Registration No. 007214C was filled by the Board in its meeting held on 13th June, 2022 by appointing M/s Rakesh Ashok & Co., Chartered Accountants having Firm Registration No. 011273C as Statutory Auditor till the conclusion of the ensuing Annual General Meeting, which is to be confirmed by the members in the ensuing Annual General meeting of the Company.

The Statutory Auditors of the Company have submitted Auditors' Report on the financial statements of the Company for the financial year ended 31st March, 2022. The reports do not contain any reservation, qualification or adverse remark. Information referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

❖ Secretarial Auditor

The Board of Directors of your Company has as per the requirement under Section 204 of the Act and rules made there under, re-appointed B K Sharma & Associates, Company Secretaries (COP No. 12636), to conduct the Secretarial Audit of the Company for the financial year 2021-22.

The Secretarial Audit Report for the financial year 2021-22 forms integral part of this Report as 'Annexure - A'. There is no secretarial audit qualification for the year under review.

❖ **Cost Auditor**

During the year under review, the Company was not required appoint Cost Auditor to as per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. Further pursuant to provision of section 148(1) of the Companies Act, 2013, maintenance of cost records as specified by Central Government are maintained by the Company.

❖ **Internal Auditor**

Pursuant to the provisions of Section 138 and any other applicable provisions of the Companies Act, 2013 and the rules made there under, Ms. Ekta Gupta, Chartered Accountant was appointed as the Internal Auditor of the Company for the financial year 2021-22 w.e.f. 11th June, 2021 upon resignation of Ms. Sanju Balwada, Chartered Accountant. The Internal Auditor has placed the Internal Audit Report for every quarter and the same was discussed with the Board.

BOARD POLICIES

❖ **Vigil Mechanism And Whistle Blower Policy**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concern about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and also report instances of leak of unpublished price sensitive information. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. Your company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on the website of the Company at the web link <http://www.rmcindia.in>.

❖ **Nomination and Remuneration Policy**

The Company has in place a Nomination and Remuneration policy duly adopted and approved by the Board. The Nomination and Remuneration Policy of the Company includes the terms and conditions for appointment and payment of remuneration to the Directors and KMP and other senior management personnel including criteria for determining qualifications, positive attributes, independence of a director as per Section 178 and Schedule IV of the Act. There have been no changes in the said policy during the year. The said policy may be accessed on the website of the Company at the web link <http://www.rmcindia.in>.

❖ **Risk Management Policy**

The Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy may be accessed on the website of the Company viz., <http://www.rmcindia.in>.

Other Codes and Policies may be accessed on the website of the Company viz., <http://www.rmcindia.in>.

SECRETARIAL STANDARDS

The Directors state that the applicable Secretarial Standards i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to meetings of Board of Directors and General Meetings respectively, have been duly complied with.

ANNUAL RETURN

A copy of the Annual Return of the Company pursuant to Section 92(3) and 134(3) (a) of the Companies Act, 2013 has been placed on the website of the Company at the web link <http://www.rmcindia.in>.

CODE OF CONDUCT

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

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

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

PREVENTION OF INSIDER TRADING

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

LISTING OF SHARES

The shares of the Company are listed on BSE Limited – SME Platform and the Annual listing fee for the financial year 2022-23 has been duly paid.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

As per Section 134(5) (e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of internal financial controls. RMC has laid down an adequate system of internal controls, policies and procedures for ensuring orderly and efficient. Policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The internal financial controls are adequate and operating effectively. Effectiveness of internal financial controls is ensured through management reviews, controlled self-assessment and independent testing by the internal Audit Team.

The members of the Audit Committee of your Company are well versed with the financial management. Such adequate internal control system helps in identification of potential operation processes.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting as required under Regulation 34(2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to our company for the financial year 2021-22.

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

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

CORPORATE GOVERNANCE

As per regulation 15(2) of the Listing Regulation, the compliance with the Corporate Governance Provisions shall not apply in respect of the following class of the Companies:

- a) Listed entity having paid up equity share capital not exceeding Rs.10 Crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year;
- b) Listed entity which has listed its specified securities on the SME Exchange.

Since, our company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2021-2022.

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

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

The relevant information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are given in 'Annexure - C' forming part of this Annual Report.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as 'Annexure - D'.

The statement containing names of top ten employees in terms of remuneration drawn and their other details as required to be furnished under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE IN ACCORDANCE WITH THE PROVISIONS OF THE PREVENTION OF SEXUAL HARASSMENT ACT AND POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

An Internal Complaints Committee (ICC) has been constituted in accordance with the provisions of the Prevention of Sexual Harassment Act to redress complaints received regarding sexual harassment and all the provisions regarding the constitution are complied with.

The Company has a zero tolerance towards sexual harassment at the workplace and has adopted a Policy on "Prevention of Sexual Harassment of Women at Workplace" and matters connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013".

The role of ICC is not restricted to mere redressal of complaints but also encompasses prevention and prohibition of sexual harassment. During the year under review, the Company has not received any Complaints pertaining to Sexual Harassment.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Provisions of Section 135 of the Company Act 2013, and rules made there under, the requirement of constituting Corporate Social Responsibility Committee is not applicable on your company for the Financial Year 2021-22.

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/ right issues as at 31st March, 2022. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters are not applicable.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

There was no amount outstanding to be transferred as unclaimed dividend to investor education and protection fund during the FY 2021-22.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from suppliers, investors, banks, all regulatory and government authorities and all other business associates. The Board places on record its sincere appreciation towards the Company's valued customers for the support and confidence reposed by them in the organization and looks forward to the continuance of this supportive relationship in the future. Your Directors proudly acknowledge the contribution and hard work of the employees of the Company at all levels, who, through their competence, hard work, solidarity and commitment have enabled the Company to achieve consistent growth.

For and on behalf of the Board of Directors

Place: Jaipur
Date: 13th August, 2022

Sd/-
Ashok Kumar Agrawal
Chairman cum Managing Director
DIN: 00793152

ANNEXURE – ‘A’ TO THE BOARD’S REPORT

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on March 31, 2022

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

To,
The Members
RMC SWITCHGEARS LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RMC Switchgears Limited (hereinafter referred as “the Company”) for the financial year ended March 31, 2022 (“period under review”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the period under review, complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period under review according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 (the Act) and the rules made there under and re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI) and External Commercial Borrowing (ECBs); **There was no FDI, ODI and ECB’s during the period under review.**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. **There was no issue of securities during the period under review.**
 - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the period under review.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021: **Not Applicable during the period under review.**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review.**
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; **Not Applicable during the period under review.**
 - (i) The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
 - (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

6. Specific laws applicable to the industry to which the company belongs, as identified and compliance whereof as confirmed by the management, that is to say: No specific law is applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited (BSE).

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that:-

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

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

For **B K Sharma and Associates**
Company Secretaries
Unique Code: S2013RJ233500

Sd/-
BRIJ KISHORE SHARMA
Proprietor
Membership No.: FCS-6206
CP No.: 12636
Peer Review Certificate No.: 1172/2021
UDIN: F006206D000806280

Place: Jaipur
Date: 17th Aug, 2022

**To
The Members
RMC SWITCHGEARS LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter.

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

For B K Sharma and Associates
Company Secretaries
Unique Code: S2013RJ233500

Sd/-
BRIJ KISHORE SHARMA
Proprietor
Membership No.: FCS-6206
CP No.: 12636
Peer Review Certificate No.: 1172/2021
UDIN: F006206D000806280

Place: Jaipur
Date: 17th Aug, 2022

ANNEXURE – ‘B’ TO THE BOARD’S REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE

The Management of RMC Switchgears Limited (‘the Company’) presents the analysis of the Company for the year ended on March 31, 2022 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments both in India and Abroad.

GLOBAL OVERVIEW

The COVID-19 pandemic continues to be a highly personal, individual experience that is also an unprecedented globally shared phenomenon with wide-ranging repercussions. The pandemic has disrupted lives across all countries and communities. The impact of two years of Covid-19 across the world has led to a weakened global economy as we enter the financial year 2022-23.

The world is still struggling with new variants of covid-19 leading to re-imposition of restrictions in parts of China which in turn has led to supply chain disruptions across the world. This is causing shortages and consequently inflationary pressures in the global market, notably in Europe, the United States and most emerging economies. Improvement in vaccination rates and other medical solutions proved effective in reducing death rates triggered by the pandemic. However, the possibility of new strains and associated risks & threats cannot still be overlooked entirely.

OPPORTUNITIES AND OUTLOOK

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. During the year, growth in the Electrical Goods sector was relatively weak largely on account of the pandemic. The electrical industry has immense growth potential especially considering the increased penetration of electricity and home improvement drive. Over the years, this industry has evolved rapidly with increasing participation of organized players and gave more emphasis on branding. In this environment, we are very well positioned to deliver accelerated growth with an integrated portfolio that enables us to address the design, build and maintain value chains for clients across industries. While the company has faced COVID-19 challenges, we have significantly enhanced our ability to address new opportunities that are now emerging.

The developments have increased the demand for electricity, which has been driving the need for power generation as well as transmission and distribution equipment in India. Consequently, the electrical equipment market growth in India has been substantial.

The objective of this report is to share the management’s perspective on the outlook of the business of the company and the industry in which the company operates with reference to the external environment; as well as operating and financial performance, risks and opportunities and the adequacy of the internal control systems during the financial year 2021-22. This report should be read in conjunction with the company’s financial statements together with the schedules and the notes thereto. To enable the growth, the country’s economy needs the support of its power sector, which is witnessing heavy investments that will enable it to cater to India’s increasing power demand. India’s electrical equipment industry is expected to play a critical role in improving its power infrastructure. Undoubtedly, the health of the Indian electrical equipment industry is of prime importance. The industry faces challenges both domestically and internationally. Low capacity utilisations, especially in the transmission & distribution (T&D) segment, and the growing threat of low cost imports are some of the key challenges.

RISKS, THREATS AND CONCERNS

We are passing through a challenging business environment and are exposed to various risks and uncertainties like never before. Covid-19 related disruptions are not entirely behind us. While the resurgence has prompted countries like China to re-impose restrictions, India with the extensive vaccination, is less likely to witness such restrictions,

though this cannot entirely be ruled out. The company is closely monitoring the situation on a continuous basis and taking proactive steps to mitigate any adverse impact on account of such volatility. The company has also established a system to closely monitor the financial health of the customers so as to mitigate any possibility of any distress there affecting the smooth working of the company.

FINANCIAL PERFORMANCE

Stringent lockdown, manpower underutilisation, supply chain and logistics issues and health concerns impacted our business operations. We, however, made concerted efforts to not just successfully mitigate risks and protect business but to also support our employees; customers and communities adapt the new normal in a sustainable manner.

Changes in Key Financial Ratio

| Particulars | 2021-22 | 2020-21 |
|---|---------|---------|
| Return On Equity (Roe) (in %) | 9.47 | 7.38 |
| Inventory Turnover Ratio (in times) | 4.01 | 4.17 |
| Current Ratio (in times) | 1.53 | 1.56 |
| Debt Equity Ratio (in times) | 0.76 | 0.79 |
| Net Capital Turnover Ratio (in times) | 2.40 | 2.10 |
| Net Profit Ratio (in %) | 1.39 | 1.23 |
| Trade Receivables Turnover ratio (in times) | 1.54 | 1.07 |

Covid-19 changed almost every aspect of human lives in ways never imagined. The economic toll from the pandemic was unprecedented. Operational challenges mounted due to restricted movement and disrupted supply lines. As the Covid-19 cases continued to rise exponentially, the economy declined sharply. However, management is continuously taking corrective measures to improve the working of the company. Continuously taking corrective same is reflecting from the EBITA figure of the company which is improving year on year.

HUMAN RESOURCES

People management is the backbone of your Company and it is regarded as one of the important resources for the success of Company. The Company strongly believes that the employees' welfare, development and their performance are important contributors to the Company. The Whistle Blower Policy plays an important role as a watchdog. The Company is dedicated to have an optimum level of human resource and believes in the concept of right talent at the right job since it considers human capital to be the most valuable asset of your Company. RMC has always stepped up and reviewed its HR policies to ensure transparency, to incorporate in it the competitiveness in the globally dynamic business environment and to become more powerful and develop itself to be the standard and a successful one. The Human resource managers of the Company have the tools and the opportunity to leverage employee commitment to, and engagement in, the Company's growth strategy.

The Company is proud to have a talented pool comprising of professionals from different background with a mix of youth and experience, the leadership and knowledge of the senior management is aligned with the zeal and enthusiasm of the youth brigade. Further the Company has also implemented Work from Home Policy to ensure the safety of employees post covid 19 issue. The HR department of the Company was continuously in touch with the employees to guide them and solve their problems. The HR Department of the Company has continuously created the awareness of Covid 19 among the employees of the Company and has also educated the employees in respect of personal hygiene and precautions which needs to be taken in this situation of pandemic. The company has conducted the interviews through online mode and meetings through Video Conferencing in order to maintain social distancing which is most essential due to the spread of Covid 19. The Company has maintained healthy and cordial industrial relations during the year.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has adequate internal control system which is commensurate with the nature of its business and the size and complexity of its operations. This internal control system, its adequacy and its effectiveness is periodically reviewed by the Audit Committee. These systems have been designed to ensure optimal utilization of resources,

accurate and timely reporting of financial transactions, complying with applicable statute and safeguarding the assets from unauthorised use.

The Audit Committee also monitors the implementation of audit recommendations including those relating to strengthening of the company's risk management policies and systems.

The Company believes in systematic working and placing of proper checks. The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly. Internal Control is a part of day to day management and administration of your Company. The Company has a proper and adequate system of Internal Control, commensurate with the size, scale and complexity of its operations to ensure orderly and efficient conduct of its business including adherence to corporate policies, safeguarding of assets, prevention of frauds and errors, accuracy and completeness of accounting records and preparation of reliable financial information.

The Internal Audit functions serve to provide independent and objective assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes and assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the organisation and follows up on the implementation of the agreed audit committee recommendations. The Internal Auditor submits detailed reports periodically to the management and the Audit Committee. The Management makes it a point that the Internal Control is brought under regular review and evaluations in consultation with the Internal Auditor. The Audit Committee actively reviews the adequacy and effectiveness of the internal audit functions of the Company and monitors the implementation of the same.

The Committee also calls for comments of the internal auditors about the Company's internal controls, scope of audit as and when required which gives them an additional insight on the assessment of such controls. Such adequate internal control system helps in identification of potential operation processes.

CAUTIONARY STATEMENT

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

ANNEXURE – ‘C’ TO THE BOARD’S REPORT

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

For the Financial Year ended on 31st March, 2022
[Pursuant to Section 134(3) of the Companies Act, 2013 and
Rule 8(3) of the Companies (Accounts) Rules, 2014]

I. CONSERVATION OF ENERGY

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

II. TECHNOLOGY ABSORPTION

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

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

II. BENEFITS DERIVED AS A RESULT OF THE ABOVE EFFORTS

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

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

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

IV. THE EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

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

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

NIL

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

| PARTICULARS | | Year Ended 31.03.2022 | Year Ended 31.03.2021 |
|-------------|-------------------------------------|-----------------------|-----------------------|
| A) | Foreign Currency used for: | | |
| a) | Raw Materials | 5,41,502 | 45,137 |
| b) | Capital Goods | - | - |
| c) | Expenditure in Foreign Currency | - | - |
| B) | Earnings in Foreign Currency | - | - |

For and on behalf of the Board of Directors

Place: Jaipur
Date: 13th August, 2022

Sd/-
Ashok Kumar Agrawal
Chairman cum Managing Director
DIN: 00793152

ANNEXURE – ‘D’ TO THE BOARD’S REPORT PARTICULAR OF EMPLOYEES

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

I. RATIO OF REMUNERATION OF DIRECTORS TO MEDIAN REMUNERATION OF EMPLOYEES (MRE) OF THE COMPANY FOR THE FINANCIAL YEAR 2021-22:

| S. No. | Name of Director | Designation | Ratio of Remuneration to MRE | % Increase in Remuneration |
|--------|-------------------------|--------------------------------|------------------------------|----------------------------|
| 1. | Mr. Ashok Kumar Agrawal | Chairman cum Managing Director | 18.98:1 | NIL |
| 2. | Mr. Ankit Agrawal | Whole-time Director | 17.08:1 | NIL |
| 3. | Mrs. Neha Agrawal | Executive Director | 11.39:1 | NIL |

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

| Sl. No. | Name of Person | Designation | % Increase in Remuneration |
|---------|---------------------------------|-------------------------------|----------------------------|
| 1. | Mr. Bharat Bhushan Gupta | Chief Financial Officer (CFO) | NIL |
| 2. | Ms. Srishti Kulshrestha | Company Secretary | NIL |
| 3. | Ms. Deepa Soni | Company Secretary | NIL |
| 4. | Mrs. Preeti Khatore | Company Secretary | NIL |

Note:

- The median remuneration of employees was Rs. 1,31,714 as on 31st March, 2022 and Rs. 1,54,830/- as on 31st March, 2021. There was decrease in MRE during the financial year 2021-22 of 14.93 %
- The numbers of permanent employees on the roll of the Company as on 31st March, 2022 were 111.
- The average managerial percentage has been increased by 400% in the F.Y. 2021-22, while for others it is decreased to 54.37%. This is based on Remuneration policy of the Company that rewards people differentially based on their contribution to the success of the Company and also ensures that external market competitiveness and internal relativities are taken care of. There are no exceptional circumstances in increase in managerial remuneration.
- The Non-Executive Directors of the Company are entitled for sitting fees and commission as per statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Extract of Annual Return (MGT- 9). The ratio of remuneration and percentage increase for Non-Executive Directors is therefore not considered for the above purpose
- The median remuneration calculated on the basis of employee who worked for whole FY 2021-22.
- For calculation of median remuneration of employee total remuneration paid during the year was taken of the all employee except contract labour. Employee Join/ left during the year were not considered for this calculation.
- Remuneration paid during the financial year ended 31st March, 2022 is as per the Remuneration Policy of the Company.

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

I. DETAILS OF TOP TEN EMPLOYEES AS PER REMUNERATION AS ON 31ST MARCH, 2022

| Sl. No. | Name | Remuneration received in F. Y. 2021 - 22 | Designation | Date of Commencement of Employment | Nature of Employment | Educational Qualification | Age | Experience in years | Last Employment |
|---------|---------------------|--|--------------------------------------|------------------------------------|----------------------|---------------------------|-----|---------------------|---------------------------------|
| 1 | Ashok Kumar Agrawal | 25,00,000 | Chairman & Managing Director | 23.08.1994 | Permanent | B.Com | 66 | 46 | Self Employed |
| 2 | Ankit Agrawal | 22,50,000 | Whole-time Director | 20.11.2008 | Permanent | B.Com | 40 | 20 | Self Employed |
| 3 | Neha Agrawal | 15,00,000 | Executive Director | 28.06.2016 | Permanent | BBA | 39 | 20 | Self Employed |
| 4 | Kamlesh Patel | 7,68,296 | Manager-Production | 01.05.2013 | Permanent | ITI | 40 | 18 | EPP COMPOSIT |
| 5 | Tarun Sharma | 7,37,597 | Vice President | 02.09.2011 | Permanent | MSC, MBA | 51 | 30 | GENUS POWER INFRASTRUCTURE LTD. |
| 6 | Sudhir K Bishnoi | 7,01,842 | Deputy General Manager | 01.08.2005 | Permanent | PGDBM | 41 | 20 | MARG COMPUSOFT |
| 7 | Ekta Gupta | 5,57,812 | Internal Auditor | 11.06.2021 | Permanent | CA | 30 | 7 | APM PROJECTS PVT. LTD. |
| 8 | Vivek Kumar | 5,50,000 | Assistant Manager- Sales & Marketing | 26.10.2020 | Permanent | B.Tech | 26 | 2.5 | - |
| 9 | Mangal Singh Yadav | 4,86,585 | Executive-Production | 01.05.2017 | Permanent | ITI | 49 | 26 | Swastik Engineering |
| 10 | Manila Bishnoi | 4,85,891 | Executive-Sales & Marketing | 01.03.2011 | Permanent | BBA | 42 | 15 | - |

Note:

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

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Agrawal
Chairman cum Managing Director
DIN: 00793152

Place: Jaipur
Date: 13.08.2022

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of **RMC SWITCHGEARS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, and statement of Cash Flows for the year the ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the 'State of Affairs' of the Company as at March 31, 2022 'Profit' and its 'Cash Flows' for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

Emphasis of Matters is those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no matters to be communicated in our report.

Information other than the Standalone Financial Statements and Auditor's report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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 Companies

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

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

1. Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
4. Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose so of our audit.
- b) Proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement (including other comprehensive income) dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Reporting "Annexure B". Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

- g) With respect to the matter to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended,: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March 2022 on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a)The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b)The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c)Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the FY 2021-22. Hence, the provisions of section 123 of Companies Act, 2013 does not apply.

For Manish Borad & Co.
Chartered Accountants
FRN: 007214C

Sd/-
CA Dheeraj Borad (Partner)

Jaipur
Dated: 14th May 2022

Membership number: 405815
UDIN: 22405815AJCULT821

ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure referred to in the Independent Auditors' Report to the members of the company on the Financial Statements for the year ended 31st March 2022, we report that:

1. (a) (i) The company is maintaining proper records showing full particulars, including quantitative details & situation of situation of Property, Plant and Equipment and relevant details of right-of-use assets
(ii) The company has maintained proper records showing full particulars of intangible assets.
(b) As explained to us, the company has a phased program for physical verification of Property, Plant and Equipment and right-of-use assets. In our opinion, the frequency of verification is reasonable, considering the size of the company and nature of its Property, Plant and Equipment and right-of-use assets. Pursuant to the program, physical verification has been carried out during the year and no material discrepancies have been noticed on such verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
2. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
3. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
4. (a) The inventories lying at its location has been physically verified by the management at reasonable intervals during the year, except for goods in transit and those lying with third parties. In our opinion and according to the information and explanation given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and the nature of its operation. Management has not found discrepancies of 10% or more in the aggregate for each class of inventories on such physical verification of inventories when compared with books of account.
(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital limits in excess of Rs. 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii) (b) of the Order is not applicable.
(c) The company has been renewed working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;
(d) The company has repaid the Loan of Dewan Housing Finance Corporation Limited and SIDBI and satisfaction of charge under process in the ROC as on 31st March, 2022.
5. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
6. The company has not made any investment, provided guarantee, given security during the year and terms and conditions of the grant of all loans and advances in the nature of loans during the year are, in our opinion, prima facie, not prejudicial to the company's interest.
7. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of unsecured loans given, schedule of repayment of principal and payment of interest has not been stipulated and repayments or receipts are on demand basis.
8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect loans and advances in nature of loan given as the company has not demanded the loans.
9. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loans falling due during the year, has not been renewed or not extended or no fresh loans granted to settle the over dues of existing loans given to same parties

10. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans repayable on demand or without specifying any terms or period of repayment.

| Particulars | All parties | Promoters | Related Parties |
|--|----------------|-----------|-----------------|
| Aggregate amount of loans/ advances in nature of loans | | 0 | 0 |
| - Repayable on Demand (A) | 1.95 | | |
| - Agreement does not specify any terms or period of repayment (B) | Crores 0 | | |
| Total (A+B) | 1.95 Crores | 0 | 0 |
| Percentage of Loans/ advances in nature of loans to the total advances | 100% | 0 | 0 |

11. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments and guarantees made, as applicable.
12. As per information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act, and the rules framed there under. Accordingly, clause 3(v) of the Order is not applicable.
13. As explained to us, the Central Government has not prescribed maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect to the company's products.
14. (a) According to the records of the company produced for our verification the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Services Tax(GST) and any other statutory dues to the appropriate authorities wherever applicable According to the information and explanation given to us, no undisputed arrears of statutory dues were outstanding as on 31/03/2022 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
15. As per information and explanations given to us and based on the records of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
16. (a) According to the records of the Company and information given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
(b) According to the information and explanations given to us and based on the records of the company, the company has not been declared willful defaulter by any bank or financial institution or government or government authority.
(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained
(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
17. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
18. (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit. Hence clause (xi)(a) of the order is not applicable.
(b) No Report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) No whistle-blower complaints were received by the company during the year.
19. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
20. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting standards.
21. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered the internal audit reports issued to the Company during the year and covering the period up to 31 March 2022 for the period under audit.
22. According to the information and explanation given to us and based on our examination of records of the company, the company has not entered into any non cash transaction with the directors or person connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
23. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a) and (b) of the Order is not applicable.
(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
24. The company has not incurred any cash loss during the current financial year.
25. There has been no resignation of the statutory auditors of the Company during the year.
26. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
27. (a) According to the information and explanation provided to us, the company is not required to comply with section 135 of the Act. Hence the clause (xx)(a) of the order is not applicable.
(b) As per the records of the company, the company does not have any on-going projects pursuant to section 135 sub-section (5). Hence the clause (xx)(b) of the order is not applicable.

Jaipur
Dated: 14th May 2022

For Manish Borad & Co.
Chartered Accountants (FRN: 007214C)
Sd/-
CA Dheeraj Borad (Partner)
Membership number: 405815
UDIN: 22405815AJCULT8216

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the Internal Financial Control over Financial Reporting of RMC SWITCHGEARS LTD. ("the Company") as on 31st March 2022 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operate defectively in all material respects.

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

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

Meaning of Internal Financial Control over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding their liability 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Manish Borad & Co.
Chartered Accountants
FRN: 007214C

Jaipur
Dated: 14th May 2022

Sd/-
CA Dheeraj Borad (Partner)
Membership number: 405815
UDIN: 22405815AJCULT821

RMC SWITCHGEARS LIMITED

(CIN: L25111RJ1994PLC008698)

BALANCE SHEET AS AT 31ST MARCH, 2022

(Amount in Lacs)

| Particulars | Note No. | As At March 31, 2022 | As At March 31, 2021 |
|---|----------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1) Shareholders' Funds | | | |
| (a) Share Capital | 2 | 609.22 | 609.22 |
| (b) Reserves and Surplus | 3 | 2,242.29 | 2,184.59 |
| | | 2,851.51 | 2,793.81 |
| 2) Non-Current Liabilities | | | |
| (a) Long Term Borrowings | 4 | 2,018.80 | 2,066.95 |
| (b) Deferred Tax Liabilities(Net) | 30 | 143.85 | 167.13 |
| (c) Other Long Term Liabilities | - | - | - |
| (d) Long Term Provisions | 5 | 14.58 | 27.34 |
| | | 2,177.23 | 2,261.41 |
| 3) Current Liabilities | | | |
| (a) Short Term Borrowings | 6 | 2,130.45 | 1,849.18 |
| (b) Trade Payables | - | - | - |
| (i) Total Outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises | | 820.05 | 782.94 |
| (c) Other Current Liabilities | 7 | 313.42 | 485.27 |
| (d) Short Term Provisions | - | - | - |
| | | 3,263.91 | 3,117.40 |
| TOTAL | | 8,292.66 | 8,172.61 |
| II. ASSETS | | | |
| 1) Non-Current Assets | | | |
| (a) Fixed Assets | 8 | | |
| (i) Property, Plant and Equipments | | 2,913.71 | 2,968.73 |
| (ii) Intangible Assets | | 9.94 | 15.88 |
| (iii) Capital Work in Progress | | - | - |
| | | 2,923.65 | 2,984.61 |
| (b) Non-current Investments | - | - | - |
| (c) Long Term Loans and Advances | 9 | 16.25 | 30.25 |
| (d) Other Non-Current Assets | 10 | 357.71 | 297.86 |
| | | 373.95 | 328.10 |
| 2) Current Assets | | | |
| (a) Current Investments | - | - | - |
| (b) Inventories | 11 | 1,326.84 | 878.91 |
| (c) Trade Receivables | 12 | 2,417.78 | 2,997.02 |
| (d) Cash and Cash Equivalents | 13 | 11.10 | 46.94 |
| (e) Short Term Loans and Advances | 14 | 965.96 | 527.72 |
| (f) Other Current Assets | 15 | 273.38 | 409.31 |
| | | 4,995.05 | 4,859.90 |
| TOTAL | | 8,292.66 | 8,172.61 |

The accompanying notes are an integral part of the financial statements

As per our separate report of even date

For Manish Borad & Co.

Chartered Accountants

FRN 007214C

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

Sd/-

Ashok Kumar Agrawal

Chairman Cum Managing Director

(DIN: 00793152)

Sd/-

Ankit Agrawal

Whole-time Director &
Chief Financial Officer

(DIN: 00793035)

Sd/-

Preeti Khatore

Company Secretary

CA Dheeraj Borad

Partner

Membership Number : 405815

UDIN: 22405815AJCULT8216

Place : Jaipur

Date: 14th Mar. 2022

RMC SWITCHGEARS LIMITED

(CIN: L25111RJ1994PLC008698)

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

(Amount in Lacs)

| Particulars | Note No. | For the Year Ended 31 st March 2022 | For the Year Ended 31 st March 2021 |
|--|----------|---|---|
| I. Revenue from Operations(Gross) | 16 | 4,156.03 | 3,664.85 |
| II. Other Income | 17 | 66.82 | 20.81 |
| III. Total Revenue (I + II) | | 4,222.86 | 3,685.66 |
| IV. Expenses | | | |
| a) Cost of Materials consumed | 18 | 2,660.56 | 2,173.60 |
| b) Changes in inventories of Finished Goods & Work-in-Progress | 19 | -21.27 | 21.66 |
| c) Purchases of Stock-in-Trade | | 11.15 | 20.19 |
| d) Employee Benefits Expenses | 20 | 202.21 | 151.52 |
| e) Finance Costs | 21 | 306.59 | 410.22 |
| f) Depreciation and Amortization Expenses | 22 | 280.71 | 259.93 |
| g) Other expenses | 23 | 748.47 | 629.25 |
| Total Expenses (a to g) | | 4,188.43 | 3,666.37 |
| V. Profit Before Exceptional Item (III - IV) | | 34.43 | 19.29 |
| VI. Exceptional Items | | - | - |
| VII. Profit Before Tax (V -VI) | | 34.43 | 19.29 |
| VIII. Tax Expenses | | | |
| a) Current Tax | | 5.37 | 3.01 |
| Less: MAT Credit Entitlement | | -5.37 | -3.01 |
| b) Deferred Tax Liability | 30 | -23.27 | -25.69 |
| IX. Profit (Loss) for the year (VII-VIII) | | 57.70 | 44.98 |
| X Earning per equity share: (Face Value of Rs.10 each) | 27 | | |
| a) Basic | | 0.95 | 0.74 |
| b) Diluted | | 0.95 | 0.74 |

The accompanying notes form an integral part of the Financial Statements

As per our separate report of even date

For Manish Borad & Co.

Chartered Accountants

FRN 007214C

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

Sd/-

Ashok Kumar Agrawal

Chairman Cum Managing Director

(DIN: 00793152)

Sd/-

Ankit Agrawal

Whole-time Director &

Chief Financial Officer

(DIN: 00793035)

Sd/-

Preeti Khatore

Company Secretary

CA Dheeraj Borad

Partner

Membership Number : 405815

UDIN: 22405815AJCULT8216

Place : Jaipur

Date: 14th May, 2022

RMC SWITCHGEARS LIMITED

(CIN: L25111RJ1994PLC008698)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2022

| Particulars | Amount in (Lacs) | |
|---|---|---|
| | Year ended on 31 st March, 2022 | Year ended on 31 st March, 2021 |
| I) CASH FLOW FROM OPERATING ACTIVITIES | | |
| 1 Net Surplus as per Statement of Profit & Loss Before Taxes | 34.43 | 19.29 |
| 2 Adjustments for: | | |
| (i) Depreciation and Amortisation | 280.71 | 259.93 |
| (ii) Finance Cost | 306.59 | 410.22 |
| (iii) Interest Income | -32.04 | -21.01 |
| (iv) Dividend Income | - | - |
| (v) (Profit)/Loss on Sale of Fixed Assets | 0.00 | 0.20 |
| (vi) (Profit)/Loss on Sale/Disposal of Investments | - | - |
| (vii) Provisions | -12.76 | 2.15 |
| Operating Profit Before Working Capital Changes | 576.94 | 670.79 |
| 3 Adjustments for Working Capital changes: | | |
| <i>Adjustments for (increase) / decrease in operating assets:</i> | | |
| Inventories | -447.93 | 93.71 |
| Trade receivables | 579.24 | 857.18 |
| Short-term loans and advances | -438.24 | 17.10 |
| Other current assets | 135.93 | 101.88 |
| <i>Adjustments for increase / (decrease) in operating liabilities:</i> | | |
| Trade payables | 37.11 | -1,020.57 |
| Other current liabilities | -171.86 | 141.42 |
| 4 Cash Generated From Operations | 271.19 | 861.51 |
| Less: Direct Taxes (Net of MAT effect) | - | - |
| NET CASH FROM OPERATING ACTIVITIES [A] | 271.19 | 861.51 |
| II) CASH FLOW FROM INVESTING ACTIVITIES | | |
| (i) Purchase of Tangible / Intangible Assets | -229.40 | -370.15 |
| (ii) Investment in Equity Shares of Wholly Owned Subsidiary Company | - | - |
| (iii) Sale of Tangible / Intangible Assets | - | - |
| (iv) Proceeds on Disposal of Tangible Fixed Assets | 30.00 | 7.10 |
| (v) Interest Received | 32.04 | 21.01 |
| (vi) Other Non Current Assets | -80.20 | 19.09 |
| (vii) Long Term Loans and Advances | 14.00 | -8.93 |
| NET CASH (USED IN) INVESTING ACTIVITIES [B] | -233.57 | -331.88 |

| III) CASH FLOW FROM FINANCING ACTIVITIES | | |
|---|---------------|----------------|
| (i) Proceeds/(Repayment) from Short Term Borrowings(Net) | 281.27 | -57.27 |
| (ii) Proceeds/(Repayment) from Long Term borrowings (Net) | -48.14 | -83.97 |
| (iii) Proceeds/(Repayment) from Long Term Liabilities (Net) | | 0.00 |
| (iv) Finance Cost Paid | -306.59 | -410.22 |
| NET CASH FROM FINANCING ACTIVITIES [C] | -73.47 | -551.46 |
| NET CASH GENERATED/(USED) [A+B+C] | -35.84 | -21.83 |
| Cash & cash equivalents- The beginning of the year | 46.94 | 68.77 |
| Cash & cash equivalents- The end of the year | 11.10 | 46.94 |
| Note: | | |
| 1 Components of cash & cash Equivalents:- | | |
| Cash on hand | 10.62 | 0.49 |
| Balances with banks | | |
| In current Accounts | - | 0.19 |
| In fixed deposits | 0.47 | 46.26 |
| | 11.10 | 46.94 |

2 The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement

As per our separate report of even date
For Manish Borad & Co.
Chartered Accountants
 FRN 007214C

CA Dheeraj Borad
Partner
 Membership Number : 405815
 UDIN: 22405815AJCULT8216
 Place : Jaipur
 Date: 14th May. 2022

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

Sd/-
Ashok Kumar Agrawal
Chairman Cum Managing Director
 (DIN: 00793152)

Sd/-
Ankit Agrawal
*Whole-time Director &
 Chief Financial Officer*
 (DIN: 00793035)

Sd/-
Preeti Khatore
Company Secretary

Note No. 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2022

i) Corporate Information:

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

ii) Basis of Accounting:

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

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

iii) Changes in Accounting Policies:

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

iv) Assets and Depreciation:

- a) Property Plant & Equipment are stated at cost including attributable cost (net of cenvat/vat credit /GST Credit availed) of bringing the assets to its working condition for the intended use.
- b) Depreciation on the assets has been provided as under:
 - 1) Depreciation has been provided on the basis of useful lives of the tangible assets as prescribed in Schedule II to the Companies Act, 2013 by using Straight-line method (SLM) of depreciation. Based on the technical advice, company has taken the useful lives of 20 years in case of some Plant & Machineries in place of 15 years as prescribed in Schedule II of the Companies Act, 2013.
 - 2) Depreciation on intangible assets is provided in accordance with AS-26 over the period of 5 years.
 - 3) Premium paid on Leasehold Land is amortized over the Lease term which is of 99 years.
 - 4) Impairment of Tangible & Intangible Assets :-
The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using weighted average cost of capital.

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

(v) Valuation of Inventory:

Inventory of raw material, stores, spares, semi-finished goods and finished goods are valued at lower of cost and net realizable value. Cost is determined on the basis of FIFO/Weighted Average Method. Inventory of rejected material is valued at cost or net realizable value whichever is lower. Work in process generally includes cost of direct material, labour cost and other manufacturing overheads. Goods-in-Transit is valued at cost.

(vi) Income Tax:

- a) Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on 20th September, 2019, corporate assesses have been given an option to apply a lower income tax rate with effect from 1st April, 2019, subject to certain conditions specified therein. Based on an evaluation of the comparative tax costs considering the future performance forecasts, the management is of the opinion that it would not be beneficial for the company to avail the option under the Ordinance as above till the year in which the company's MAT Credit entitlements are fully utilized. Accordingly, there is no impact at present in the measurement of tax expense for the year ended 31st March, 2022 and the deferred tax assets (net) as on that date.

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

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

vii) Liquidated Damages:

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

viii) Foreign Currency:

- a) Transactions in Foreign Currency entered into by the Company are accounted at the Exchange Rates prevailing the date of the transaction. Foreign Currency monetary items of the company, outstanding on the Balance Sheet date are restated at the year-end rates. Non- monetary items of the company are carried at historical costs.

b) Exchange Difference arising on settlement / restatement of short term foreign currency monetary assets & liabilities of the company are recognized as expense in the statement of Profit & Loss or capitalized if such differences pertain to creation of Fixed Assets.

ix) Revenue Recognition:

- a) Sales Revenue is recognized when the risk and rewards of ownership are passed on to the customers, which is generally on dispatch.
- b) Revenue from turnkey contracts is recognized based on the stage of completion determined with reference to the costs incurred on contracts and their estimated total costs. Provision for foreseeable losses/ construction contingencies on turnkey contracts is made on the basis of technical assessments of costs to be incurred and revenue to be accounted for.
- c) Price Escalation and other claims or variations in the contract work are included in contract revenue only when:

- i) Negotiations have reached to an advanced stage such that it is probable that customer will accept the claim: and
- ii) The amount that is probable will be accepted by the customer and can be measured reliably.

x) Use of Estimates:

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

xi) Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets as Pre-operative Expenses. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

xii) Employees Benefits:

a) **Defined Contribution Plans:**

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

b) **Defined Benefits Plans:**

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

xiii) Segment Reporting :

a) **Primary Segment:**

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

b) **Secondary Segment:**

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

xiv) Deferred Revenue Expenditure:

Company had come out with the Initial Public Offer (IPO) during the FY 2016-17 and Preferential Issue during FY 2017-18, mainly for financing the working capital requirement of the company. Expenditure incurred for this purpose is being written off over the period of 5 years in instalment, beginning from 01/04/2017. Amount Written Off during the year was Rs. 690378.80/- (Previous Year 690379/-) and to be written off during the subsequent years is Rs. 0 (Previous Year Rs. 690378.80).As the funds were raised for the purpose of using for working capital purposes, expenses incurred are being claimed as expense for the purpose of Income Tax.

Company has incurred significant expenses amounting Rs. 6722233/- for creating the Retail marketing network of its products in the FY 2019-20. Benefits of such expenses would accrue in the future years. Therefore, it has been considered prudent to defer the write off of such expense over the period of 5 years in equal installment, beginning from 01/04/2020.

Amount Written Off during the year was Rs. 1344447/- (Previous Year 1344447) and to be written off during the subsequent years is Rs. 4033339/- (Previous Year Rs. 5377786/-). These expenses, however, are being claimed as revenue expense for the purpose of Income Tax

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

As per our separate report of even date
For Manish Borad & Co.
Chartered Accountants
FRN 007214C

CA Dheeraj Borad
Partner
Membership Number : 405815
UDIN: 22405815AJCULT8216
Place : Jaipur
Date: 14th May, 2022

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

Sd/-
Ashok Kumar Agarwal
Chairman Cum Managing Director
(DIN: 0793152)

Sd/-
Ankit Agrawal
*Whole-time Director &
Chief Financial Officer*
(DIN: 00793035)

Sd/-
Preeti Khatore
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE : 2

Share Capital

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|---|------------------|------------------|
| Authorized Capital | | |
| 65,00,000 Equity Shares of Rs.10/- each | 650.00 | 650.00 |
| Issued, Subscribed and Paid Up Capital | | |
| 60,92,200 (Previous Year: 60,92,200) Equity shares of Rs 10/- each Fully Paid up | 609.22 | 609.22 |
| TOTAL | 609.22 | 609.22 |

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|--|------------------|------------------|
| Outstanding at the beginning of the Year | 60,92,200 | 60,92,200 |
| Outstanding at the end of the Year | 60,92,200 | 60,92,200 |

(ii) Details of Shareholders holding more than 5 % equity shares :

| Particulars | As At 31.03.2022 | | As At 31.03.2021 | |
|--|------------------|-----------|------------------|-----------|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| (a) Ashok Kumar Agarwal | 9,13,800.00 | 15.00% | 6,10,880 | 10.03% |
| (b) Ankit Agarwal | 5,69,880.00 | 9.35% | 5,69,880 | 9.35% |
| (c) Santosh Agarwal | 5,68,520.00 | 9.33% | 5,68,520 | 9.33% |
| (d) Vitthal Das Agarwal (HUF) | 5,00,600.00 | 8.22% | 5,00,600 | 8.22% |
| (e) Neha Agrawal | 4,20,000.00 | 6.89% | 4,20,000 | 6.89% |
| (f) Argent Leasing & Finance Pvt. Ltd. | 4,13,120.00 | 6.78% | 4,13,120 | 6.78% |

(iii) Terms and Rights attached to equity shares:

The Company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member. All equity shares of the Company rank pari passu in all respects including the right to dividend. The dividend is recommended by the Board of Directors and declared by the members at the ensuing Annual general Meeting.

(iv) Company doesn't have any holding or ultimate holding Company.

(v) Share Holding of Promoters are given below :

| Promoter Name | 31.03.2022 | | 31.03.2021 | | % Change During The Year |
|---------------------------|------------------|---------------|------------------|---------------|--------------------------|
| | No. of Shares | % | No. of Shares | % | |
| Ashok Kumar Agarwal | 9,13,800 | 15.00% | 6,10,880 | 10.03% | 4.97% |
| Ankit Agarwal | 5,69,880 | 9.35% | 5,69,880 | 9.35% | - |
| Santosh Agarwal | 5,68,520 | 9.33% | 5,68,520 | 9.33% | - |
| Vitthal Das Agarwal (HUF) | 5,00,600 | 8.22% | 5,00,600 | 8.22% | - |
| Neha Agrawal | 4,20,000 | 6.89% | 4,20,000 | 6.89% | - |
| Parwati Bai Agarwal | - | 0.00% | 3,02,920 | 4.97% | -4.97% |
| Vitthal Das Agarwal | 63,200 | 1.04% | 63,200 | 1.04% | - |
| Rajendra Kumar Agarwal | 40,320 | 0.66% | 40,320 | 0.66% | - |
| Atika Agarwal | 34,680 | 0.57% | 34,680 | 0.57% | - |
| Ashok Kumar Agarwal(HUF) | 2,12,840 | 3.49% | 2,12,840 | 3.49% | - |
| Ankit Agarwal (HUF) | 1,04,000 | 1.71% | 1,04,000 | 1.71% | - |
| Total | 34,27,840 | 56.27% | 34,27,840 | 56.27% | - |

NOTE : 3

Reserves and Surplus

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|---|------------------|------------------|
| (a) Share Premium Account | | |
| As per Last Financial Statements | 1,068.11 | 1,068.11 |
| Closing Balance | 1,068.11 | 1,068.11 |
| (b) Capital Reserve | | |
| As per Last Financial Statements: | | |
| Capital Investments Subsidy - State | 14.50 | 14.50 |
| CLCS Subsidy-Central Government | 15.00 | 15.00 |
| | 29.50 | 29.50 |
| (c) Retained Earnings | | |
| As per Last Financial Statements | 1,086.97 | 1,041.99 |
| Add : Transferred during the year from Statement of Profit and Loss | 57.70 | 44.98 |
| Net Surplus in Statement of Profit and Loss | 1,145 | 1,086.97 |
| TOTAL | 2,242.29 | 2,184.59 |

Nature and purpose of reserve

Retained Earnings

Retained earnings represents cumulative profits of the company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Securities Premium

The Securities premium was created on issue of shares. This reserve will be utilised in accordance with provisions of the Act.

Capital Reserve

The purpose for which a capital reserve is created is for preparing the company for sudden events like inflation, business expansion, Govt Subsidy to be returned etc.

NOTE : 4

Long Term Borrowings

(Amount in Lacs)

| Particulars | As At 31.03.2022 | | As At 31.03.2021 | |
|--|------------------|---------------|------------------|---------------|
| | Non Current | Current | Non Current | Current |
| Secured | | | | |
| I. Term Loan from Bank: | | | | |
| From Punjab National Bank (PNB) | 5.06 | 105.12 | 98.29 | 105.12 |
| WCTL From Punjab National Bank (PNB)- GECL/ECLGS | 107.55 | 76.00 | 185.11 | 44.33 |
| WCTL From Federal Bank- GECL/ECLGS | 82.64 | - | 80.56 | 19.44 |
| WCTL PNB BANK UNDER GECL A/C NO 226300EG00000023 | 176.93 | - | - | 20.45 |
| FITL From Punjab National Bank (PNB)- FITL | - | - | - | - |
| II. Subordinate Loan | | | | |
| From Small Industries Development Bank of India | - | - | - | 49.96 |
| III. Loans for Vehicles | 21.83 | 21.52 | 43.39 | 20.58 |
| | | | | |
| | | | | |
| Unsecured | | | | |
| I. From Directors | 489.83 | - | 191.03 | - |
| II. Inter-Corporate Deposits | 508.47 | 453.01 | 835.15 | - |
| III. Others | 626.49 | 83.76 | 633.42 | 47.36 |
| TOTAL | 2,018.80 | 739.42 | 2,066.95 | 307.25 |

(A) Nature of Securities:

| | |
|-------------|--|
| I. | <p>Term Loan from PNB Secured by way of first charge on the fixed assets of the company created out of such borrowings, both present and future, situated at Tehsil Chaksu, Jaipur and personal guarantees of Ashok Kumar Agrawal, Ankit Agrawal and Neha Agrawal, Directors of The Company and Smt. Parwati Bai. The loan is also secured by collateral security of immovable properties on Plot No.84 & 85 Amrit Nagar, Jaipur, Plot No.B-11(B&C) Malviya Industrial Area, Jaipur and Khasra No.157, 163 & 164, Village Badodiya, Chaksu Jaipur on pari-passu basis with Federal Bank.</p> |
| II. | <p>WCTL from PNB Secured by extension of charge over entire present and future current assets of the company including entire stocks, Book Debts, loans & advances, etc. along with Federal Bank. Hypothecation of plant & Machinery and other fixed assets created out of the bank finance charged exclusively to the bank. The credit under GECL will rank second charge with the existing credit facilities in terms of cash flow and securities. Personal guarantees of Ashok Kumar Agrawal, Ankit Agrawal and Neha Agrawal, Directors of The Company and Smt. Parwati Bai. The loan is also secured by extension of charge over collateral security of immovable properties on Plot No.84 & 85 Amrit Nagar, Jaipur, Plot No.B-11(B&C) Malviya Industrial Area, Jaipur and Khasra No.157, 163 & 164, Village Badodiya, Chaksu Jaipur.</p> |
| III. | <p>WCTL from Federal Bank Secured by charge on all movable & immovable assets created out of the WCTL. Personal guarantees of Ashok Kumar Agrawal, Ankit Agrawal and Neha Agrawal, Directors of The Company and Smt. Parwati Bai. The loan is also secured by second charge on all primary and collateral security of immovable properties on Plot No.84 & 85 Amrit Nagar, Jaipur, Plot No.B-11(B&C) Malviya Industrial Area, Jaipur and Khasra No.157, 163 & 164, Village Badodiya, Chaksu Jaipur.</p> |
| IV. | <p>FITL from PNB The facility is secured by extending hypothecation/ mortgage of the existing securities as mentioned in point II above to secure the extent of the credit facilities</p> |
| V. | <p>Subordinate Loan SIDBI Loan is secured by way of second charge on the immovable assets of the company and further secured by the personal guarantees of Ashok Kumar Agrawal and Ankit Agrawal, Directors of Company, Smt. Santosh Agrawal and VD Agrawal, Ex-Directors of The Company.</p> |
| VI. | <p>Vehicles loans Vehicle loans are secured by hypothecation of the respective vehicle.</p> |
| VII. | <p>Loans for Plant & Machinery Loans for plant & machinery are secured by hypothecation of the respective machinery created from the loan.</p> |

3) Terms of repayment of term loans and other loans:

| 1 Secured Term Loans | | (Amount in Lacs) | | |
|----------------------|--|------------------|------------------|--|
| | Particulars | As At 31.03.2022 | As At 31.03.2021 | Terms of Repayment |
| I. | Small Industries Development Bank of India | - | 49.96 | Repayment in 48 Graded Monthly Installments of Rs.625000/- plus interest commencing from July, 2017 @ 15% p.a. 48 Monthly installments have been paid as on 31st March, 2022. |
| III. | Punjab National Bank | 110.18 | 203.41 | Repayable in 66 Graded Monthly Installments commencing from 30th April, 2018 @ MCLR + Spread of 4.5%, repayable Rs. 876000/- per month plus interest in FY 2020-21. 40 Monthly Installments have been paid as on 31 March, 2022 |
| IV. | WCTL from Punjab National Bank | 183.55 | 229.45 | Repayable in 36 Monthly Installments @ RLLR + 0.85% subject to maximum of 9.25% commencing from October, 2021. First 12 months, only interest to be paid. 6 Installment has been paid as on 31st March, 2022. |
| V. | WCTL from Federal Bank | 82.64 | 100.00 | Repayable in 36 Equated Monthly Installments of Rs.319163/- @ Repo Rate + 5.25% subject to maximum of 9.25% p.a. commencing from September, 2021. First 12 months, only interest to be paid. 7 Installment has been paid as on 31st March, 2022. |
| VI. | FITL from Punjab National Bank | - | 20.45 | Repayable in 3 Monthly Installments of Rs.1992886/- commencing from January, 2021. 3 Installment has been paid as on 31st March, 2022. |
| VII. | WCTL PNB BANK UNDER GECL | 176.93 | - | Repayable in 36 Monthly Installments @ RLLR + BSP + 0.85% subject to maximum of 9.25% commencing from December 2021. First 24 months, only interest to be paid. Zero Installment has been paid as on 31st March, 2022. |

| 2 Unsecured Term Loans | | | | |
|------------------------|--------------------------|------------------|------------------|--|
| | Particulars | As At 31.03.2022 | As At 31.03.2021 | Terms of Repayment |
| (a) | From Directors | 489.83 | 191.03 | Repayable not earlier than 12 months on demand. |
| (b) | Inter-Corporate Deposits | 508.47 | 835.15 | Repayable not earlier than 12 months on demand. |
| (c) | Others | | | |
| (i) | Standard Chartered Bank | 394.60 | 433.49 | Repayable in 144 Equated Monthly Installments of Rs. 652536/- each commencing in Dec. 2016 @ 9.85% p.a. 68 Monthly Installments have been paid as on 31st March, 2022 |
| (ii) | Standard Chartered Bank | - | 5.21 | Repayable in 36 Equated Monthly Installments of Rs. 163416/- each @ MCLR + 4.5% p.a. commencing in March, 2018. 45 Installment has been paid as on 31st March, 2022. |
| (iii) | Standard Chartered Bank | 90.41 | 97.32 | Repayable in 120 Equated Monthly Installments of Rs. 131046/- each @ 9.45%. 23 Installments have been paid as on 31st March, 2022. |
| (iv) | Standard Chartered Bank | 93.01 | 112.56 | Repayable in 36 Equated Monthly Installments @ 9.25% commencing from October, 2021. First 12 months, only interest to be paid. 6 Installment has been paid as on 31st March, 2022. |
| (v) | IDFC First Bank Ltd | 6.37 | 7.48 | Repayable in 36 Equated Monthly Installments of Rs. 24065/- each commencing from Oct.2021 @ 9.25% p.a. First 12 months only interest to be paid. 6 Installment has been paid as on 31st March, 2021. |
| (vi) | IDFC First Bank Ltd | 10.65 | 24.72 | Repayable in 36 Equated Monthly Installments of Rs. 141040/- each @ 15.5% p.a. 28 Installments have been paid as on 31st March, 2022. |
| (vii) | Standard Chartered Bank | 56.28 | - | Repayable in 60 Equated Monthly Installments @ 8% commencing from January, 2022. First 24 months, only interest to be paid. |
| (vii) | Axis Bank | 19.40 | - | Repayable in 36 Equated Monthly Installments @ 16% commencing from May ,2022. |
| (vii) | ICICI Bank | 39.53 | - | Repayable in 24 Equated Monthly Installments @ 15% commencing from May ,2022. |

3 Vehicle Loans

| | Particulars | As At 31.03.2022 | As At 31.03.2021 | Terms of Repayment |
|------|----------------------|------------------|------------------|--|
| I. | ICICI Bank | 5.65 | 7.03 | Repayable in 60 Equated Monthly Installments of Rs. 16438/- each @ 9.15% p.a. 20 installments have been re-paid in full as on 31st March, 2022 |
| II. | The Federal Bank Ltd | 1.55 | 3.80 | Repayable in 60 Equated Monthly Installments of Rs. 20589/- each @ 8.90% p.a. 52 Installments have been paid as on 31st March, 2022. |
| III. | HDFC Bank Ltd | 23.56 | 29.87 | Repayable in 60 Equated Monthly Installments of Rs. 71720/- each @ 8.50% p.a. 23 Monthly Installments have been paid as on 31st March, 2022. |
| IV. | HDFC Bank Ltd | 12.60 | 23.27 | Repayable in 60 Equated Monthly Installments of Rs. 101640/- each @ 8.26% p.a. 47 Monthly Installments have been paid as on 31st March, 2022. |

Disclosure related to Loans to Promotors, Directors, KMP and Related parties as on 31.03.2022

| | Type of Borrower | Amount of Loan or advance in the nature of loan outstanding (in lakhs) | Percentage to the total Loans and Advances in the nature of loans |
|------|------------------|--|---|
| i. | Promotor | - | - |
| ii. | Directors | - | - |
| iii. | KMPs | - | - |
| iv | Related Parties | Nil | 0.00% |

Disclosure related to Loans to Promotors, Directors, KMP and Related parties as on 31.03.2021

| | Type of Borrower | Amount of Loan or advance in the nature of loan outstanding (in lakhs) | Percentage to the total Loans and Advances in the nature of loans |
|------|------------------|--|---|
| i. | Promotor | - | - |
| ii. | Directors | - | - |
| iii. | KMPs | - | - |
| iv | Related Parties | Nil | 0.00% |

NOTE : 5
Long Term Provisions

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|---------------------------------|------------------|------------------|
| Provision for Employee benefits | 14.58 | 27.34 |
| TOTAL | 14.58 | 27.34 |

NOTE : 6
Short Term Borrowings

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|---|------------------|------------------|
| Loans repayable on demand: | | |
| Secured | | |
| (a) Cash credit & LC from banks | 1,391.02 | 1,541.93 |
| (b) Current maturities of Long Term Borrowings: | | |
| Term Loans (Secured) | 181.12 | 239.31 |
| Vehicle Loans (Secured) | 21.52 | 20.58 |
| Other Loans | 536.78 | 47.36 |
| TOTAL | 2,130.45 | 1,849.18 |

Nature of Securities:

- 1 Cash Credit Cash Credit under the consortium arrangements between Punjab National Bank and The Federal Bank Ltd. are Secured by way of first pari-passu charge on entire current assets, both present and future, of the company. Also collaterally secured by way of collateral security of immovable properties on Plot No.84 & 85 Amrit Nagar, Jaipur, Plot No.B-11(B&C) Malviya Industrial Area, Jaipur and Khasra No.157, 163 & 164, Village Badodiya, Chaksu Jaipur on pari-passu basis with Federal Bank and personal guarantees of Ashok Kumar Agarwal, Neha Agarwal and Ankit Agarwal, Directors of the company and Smt. Parwati Bai.

NOTE :7

Other Current Liabilities

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|---|------------------|------------------|
| a) Advance from Customers | 5.88 | 6.05 |
| b) Trade Payables | 820.05 | 782.94 |
| c) Sundry Creditors others and Provisions | 294.16 | 451.99 |
| d) Statutory & Other Liabilities | 13.37 | 27.24 |
| TOTAL | 1,133.47 | 1,268.22 |

(iii) **Trade Payables ageing Schedule as on 31.03.2022**

(Amount in Lacs)

| Particulars | Ourstanding for following periods from due date of payment | | | | Total Outstandings |
|--------------------------|--|--------------|-----------|-------------------|--------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i MSME | | - | - | - | |
| ii Others | 739.33 | 80.72 | | | 820.05 |
| iii Disputed Dues- MSME | | | | | |
| iv Disputed Dues- Others | | | | | |
| Total | 739.33 | 80.72 | - | - | 820.05 |

Trade Payables ageing Schedule as on 31.03.2021

(Amount in Lacs)

| Particulars | Ourstanding for following periods from due date of payment | | | | Total Outstandings |
|--------------------------|--|--------------|-----------|-------------------|--------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| i MSME | | | | - | |
| ii Others | 713.19 | 69.76 | | | 782.94 |
| iii Disputed Dues- MSME | | | | | - |
| iv Disputed Dues- Others | | | | | - |
| Total | 713.19 | 69.76 | - | - | 782.94 |

NOTE : 9

Long Term Loans and Advances

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|------------------------------|------------------|------------------|
| (Unsecured, considered good) | | |
| (a) Capital Advances | 16.25 | 30.25 |
| TOTAL | 16.25 | 30.25 |

NOTE : 10

Other Non - Current Assets

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|--|------------------|------------------|
| (Unsecured, considered good) | | |
| (a) Security Deposits | 11.49 | 10.64 |
| (b) Deferred Revenue Expenditure | 40.33 | 60.68 |
| (c) Fixed Deposits with Banks (with Maturity of more than Twelve Months) (Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits) | 305.89 | 226.53 |
| TOTAL | 357.71 | 297.86 |

NOTE : 11

Inventories

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|--|------------------|------------------|
| (a) Raw Materials (Including Goods in Transit of Rs - NIL Previous year Rs NIL) | 828.82 | 390.25 |
| (b) Work in Progress | 204.70 | 135.89 |
| (c) Finished Goods(including Scrap) | 234.15 | 281.70 |
| (d) Stores & spares (Including Goods in Transit of Rs - NIL Previous year Rs NIL) | 59.16 | 71.07 |
| TOTAL | 1,326.84 | 878.91 |

NOTE : 12
Trade Receivables

(Amount in Lacs)

| Particulars | | As At 31.03.2022 | As At 31.03.2021 |
|------------------------------|---|------------------|------------------|
| (Unsecured, considered good) | | | |
| (a) | Current - Outstanding for the period 1 year | 1,876.90 | 2,906.48 |
| (b) | Others | 540.88 | 90.54 |
| TOTAL | | 2,417.78 | 2,997.02 |

Trade Receivable ageing schedule as on 31.03.2022

(Amount in Lacs)

| Sl. No. | Particulars | Outstanding for following periods from due date of payments | | | | | Total |
|--------------|---|---|-----------------|---------------|--------------|-------------------|-----------------|
| | | Less Than 6 Months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) | Undisputed Trade receivables -considered good | 1,376.71 | 500.19 | 419.11 | 3.81 | 1.84 | 2,301.67 |
| ii) | Undisputed Trade receivables -considered doubtful | - | - | - | - | - | - |
| iii) | Disputed Trade Receivables-considered good | - | - | 76.38 | 6.71 | 33.03 | 116.12 |
| iv) | Disputed Trade Receivables-considered doubtful | - | - | - | - | - | - |
| Total | | 1,376.71 | 500.19 | 495.49 | 10.51 | 34.87 | 2,417.78 |

Trade Receivable ageing schedule as on 31.03.2021

(Amount in Lacs)

| Sl. No. | Particulars | Outstanding for following periods from due date of payments | | | | | Total |
|--------------|---|---|-----------------|--------------|--------------|-------------------|-----------------|
| | | Less Than 6 Months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| i) | Undisputed Trade receivables -considered good | 2,435.76 | 394.34 | 38.99 | 11.81 | - | 2,880.91 |
| ii) | Undisputed Trade receivables -considered doubtful | - | - | - | - | - | - |
| iii) | Disputed Trade Receivables-considered good | - | 76.38 | 6.71 | 33.03 | - | 116.12 |
| iv) | Disputed Trade Receivables-considered doubtful | - | - | - | - | - | - |
| Total | | 2,435.76 | 470.72 | 45.70 | 44.84 | - | 2,997.02 |

NOTE : 13
Cash and Cash Equivalents

(Amount in Lacs)

| Particulars | | As At 31.03.2022 | As At 31.03.2021 |
|--|---|------------------|------------------|
| (a) | Cash on Hand | 10.62 | 0.49 |
| (b) | Balances with Banks: | | |
| i) | In Current Accounts | - | 0.19 |
| ii) | Fixed Deposits with maturity of less than 1 year (including Accrued Interest) | 0.47 | 46.26 |
| (Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits) | | | |
| TOTAL | | 11.10 | 46.94 |

NOTE : 14
Short Term Loans and Advances

(Amount in Lacs)

| Particulars | | As At 31.03.2022 | As At 31.03.2021 |
|------------------------------|---|------------------|------------------|
| (Unsecured, considered good) | | | |
| (a) | Advances Recoverable in Cash/Kind or value to be received | 659.27 | 478.99 |
| (b) | Prepaid Expenses | 106.31 | 48.73 |
| (c) | Other Loans & Advances | 195.00 | - |
| (d) | MAT Credit Entitlement for Current year | 5.37 | - |
| TOTAL | | 965.96 | 527.72 |

NOTE : 15
Other Current Assets

(Amount in Lacs)

| Particulars | As At 31.03.2022 | As At 31.03.2021 |
|--|------------------|------------------|
| (Unsecured, considered good) | | |
| (a) Input GST Credit to be adjusted against future tax liabilities | 73.70 | 11.53 |
| (b) Security Deposits | 49.65 | 247.74 |
| (c) MAT Credit Entitlement | 150.03 | 150.03 |
| TOTAL | 273.38 | 409.31 |

NOTE : 16
Revenue From Operations

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--|-------------------------------|-------------------------------|
| (a) Sale of Products | | |
| Product Sales | 3,776.62 | 3,121.30 |
| Sale of Scrap | 143.99 | 123.67 |
| (b) Sale of Services | | |
| Erection & Commissioning Services | - | 151.43 |
| Works Contract Services | 88.64 | 169.69 |
| | 4,009.25 | 3,566.10 |
| (c) Other Operating Revenues | | |
| Transport Charges Recovered | 54.13 | 9.37 |
| Job Work Income/ Commission Income | 92.66 | 89.39 |
| Revenue From Operations (Gross) | 4,156.03 | 3,664.85 |

NOTE : 17
Other Income

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|---|-------------------------------|-------------------------------|
| a) Interest on Bank Deposits including Interest Accrued but not due | 18.02 | 17.71 |
| b) Interest earned on Bills of Exchange | 3.10 | 2.06 |
| c) Interest earned on Loans and Advances | 6.02 | 1.23 |
| d) Interest on income tax refund | 4.90 | - |
| e) Profit (Loss) on Sale of Fixed Assets- Net | - | -0.20 |
| f) Price & Rate difference | 34.79 | - |
| TOTAL | 66.82 | 20.81 |

NOTE : 18
Cost of Materials Consumed

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|---------------------------------|-------------------------------|-------------------------------|
| Opening Stock | 390.25 | 482.76 |
| Add : Purchases(Net of Returns) | 3,099.13 | 2,081.09 |
| | 3,489.38 | 2,563.85 |
| Less: Closing Stock | 828.82 | 390.25 |
| TOTAL | 2,660.56 | 2,173.60 |

NOTE : 18.1
Value of Imported and indigenous Raw material Consumed and their percentage to consumption :

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--|-------------------------------|-------------------------------|
| a) Value of Imported and Indigenous Raw Materials Consumed during the year : | | |
| Imported | | |
| Value | Rs. 7.18 | 14.09 |
| Percentage | 0.27% | 0.65% |
| Indigenous | | |
| Value | Rs. 2,653.38 | 2,159.51 |
| Percentage | 99.73% | 99.35% |
| | 2,660.56 | 2,173.60 |

NOTE : 19

Changes in Inventory of Finished Goods & Work in Progress

(Amount in Lacs)

| Particulars | | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--------------------------|------------------|----------------------------------|----------------------------------|
| Opening Inventory | Work In Progress | 135.89 | 164.25 |
| | Finished Goods | 281.70 | 275.00 |
| | | 417.59 | 439.25 |
| Closing Inventory | Work In Progress | 204.70 | 135.89 |
| | Finished Goods | 234.15 | 281.70 |
| | | 438.86 | 417.59 |
| TOTAL | | -21.27 | 21.66 |

NOTE : 20

Employee Benefits Expenses

(Amount in Lacs)

| Particulars | | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--------------|---|----------------------------------|----------------------------------|
| a) | Salary,Wages & Allowances | 201.40 | 142.68 |
| b) | Contribution to Provident Fund /ESI | 2.99 | 5.49 |
| c) | Labour & Staff Welfare Expenses | 10.58 | 1.20 |
| d) | Provision/Reversal of Gratuity based on Actuarial Valuation | -12.76 | 2.15 |
| TOTAL | | 202.21 | 151.52 |

NOTE : 21

Finance Costs

(Amount in Lacs)

| Particulars | | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--------------|--|----------------------------------|----------------------------------|
| a) | Interest Expense | 231.25 | 332.60 |
| b) | Other Borrowing Costs | 75.34 | 77.61 |
| | Less: Interest Capitalized during the Year | - | - |
| TOTAL | | 306.59 | 410.22 |

NOTE : 22

Depreciation and Amortisation Expenses

(Amount in Lacs)

| Particulars | | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--------------|---|----------------------------------|----------------------------------|
| a) | Depreciation on Property, Plant & Machinery | 253.52 | 233.13 |
| b) | Depreciation on Intangible Assets | 6.84 | 6.40 |
| c) | Amortisation of Tangible Assets | 0.00 | 0.06 |
| d) | Amortisation of Intangible Assets- Deffered Revenue Expenditure | 20.35 | 20.35 |
| TOTAL | | 280.71 | 259.93 |

NOTE : 23

Other Expenses

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--|----------------------------------|----------------------------------|
| Auditors' Remuneration | 3.50 | 3.62 |
| Conveyance Expenses | 1.79 | 1.61 |
| Directors' Remuneration | 62.50 | 12.50 |
| Discount/ Rate Difference | 0.91 | 13.18 |
| Excise, Service Tax and VAT Expenses | 0.00 | 5.21 |
| Freight & Carriage Inward | 19.25 | 15.63 |
| Insurance Expenses | 9.53 | 9.60 |
| Job Work Charges | 58.07 | 82.10 |
| Loading, Unloading & Labour Charges | 1.39 | 2.49 |
| Liquidated Damages Paid / (Recovered) (Net) | - | 4.98 |
| Miscellaneous Expenses | 20.03 | 15.86 |
| Packing Material Consumed | 85.82 | 56.46 |
| Postage & Courier Expenses | 2.32 | 2.09 |
| Power & Fuel | 102.82 | 117.85 |
| Printing & Stationery | 0.66 | 1.93 |
| Professional & Legal Charges | 13.86 | 8.96 |
| Rent | 0.26 | 0.55 |
| Repairs & Maintenance Expenses | | |
| a) Plant & Machinery | 3.78 | 12.26 |
| b) Building | 0.19 | 0.83 |
| c) Others | 9.32 | 7.59 |
| Stores, Spares & Accessories Consumed | 140.31 | 90.47 |
| Selling and Distribution expenses | 151.12 | 154.68 |
| Telephone & Internet Expenses | 2.76 | 2.90 |
| Tour & Travelling Expenses | 34.35 | 9.90 |
| Interest on late payment of duties, taxes & others | 0.40 | -15.39 |
| Type-Testing Expenses | 2.41 | 9.12 |
| Vehicle Upkeep Expenses | 0.88 | 2.26 |
| Donation Expenses | 20.21 | 0.00 |
| TOTAL | 748.47 | 629.25 |

(A) Auditors' Remuneration (Net of GST Input Credit)

(Amount in Lacs)

| | | |
|-----------------------|-------------|-------------|
| i) As Auditor | 3.50 | 3.50 |
| ii) For Certification | - | 0.12 |
| TOTAL | 3.50 | 3.62 |

NOTE : 23.1

Value of Imported and Indigenous Stores & Spares Consumed and their percentage to consumption :

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|---|----------------------------------|----------------------------------|
| a) Value of Imported and indigenous Stores & Spares Consumed and their percentage to consumption : | | |
| Imported | | |
| Value | - | - |
| Percentage | 0.00% | 0.00% |
| Indigenous | | |
| Value | 140.31 | 90.47 |
| Percentage | 100.00% | 100.00% |
| | 140.31 | 90.47 |

NOTE : 24

Related Party Transactions

Related Party Disclosures as required by AS-18 are given below:

| Name of the related parties and nature of relationships : | |
|---|--|
| <p>a) Companies / firms with whom transactions have taken place during the year :</p> <p>i) Synergy Solar System ii) Acme Metawires Private Limited iii) Rajasthan Aluminium House Private Limited iv) Apex Aluminium Extrusion Private Limited v) Agarwal Metals vi) Explora IOT Solutions Private Limited</p> | <p>Nature of Relationship</p> <p>Executive Director is proprietor of related firm Daughter of the Chairman cum Managing Director is a Director of related party Brother of the Chairman cum Managing Director is a Director of related party Brother of the Chairman cum Managing Director is a Director of related party Brother of the Chairman cum Managing Director is a Director of related party Related Party by virtue of Common Directors</p> |
| <p>b) Key Management Personnel</p> <p>i) Mr. Ashok Kumar Agarwal, ii) Mr. Ankit Agarwal iii) Mrs. Neha Agarwal iv) Mr. Bharat Bhushan Gupta v) Mr. Ankit Agarwal vi) Ms Srishti Kulshrestha, vii) Ms Deepa Soni viii) Mrs Preeti Khatore</p> | <p>Chairman Cum Managing Director Whole Time Director Executive Director Chief Finance Officer (from 01.08.2018 to 31.07.2021) Chief Finance Officer (from 01.08.2021) Company Secretary cum Compliance Officer (from 04.03.2020 to 31.08.2021) Company Secretary cum Compliance Officer from 01.09.2021 to 16.11.2021) Company Secretary cum Compliance Officer (from 03.12.2021 to till date)</p> |
| <p>c) Relatives of Key Management Personnel</p> <p>i) Mrs. Santosh Agarwal ii) Mr. Vitthal Das Agarwal iii) Mrs. Parvati Bai Agarwal iv) Mr. Amit Agarwal v) Mr. Rajendra Agarwal vi) Mrs. Anju Gupta</p> | <p>Relation</p> <p>Spouse of the Chairman cum Managing Director Father of the Chairman cum Managing Director Mother of the Chairman cum Managing Director Son -in- Law of the Chairman cum Managing Director Brother of the Chairman cum Managing Director Spouse of Shri Bharat Bhushan Gupta, CFO</p> |

The following transactions were carried out / outstanding with related parties in the ordinary course of business with parties referred above:

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|---|----------------------------------|----------------------------------|
| <u>Payments</u> | | |
| Details of transactions with relative parties of Key Management Personnel as mentioned in (a) above are as under: | | |
| Material Purchased | 51.12 | 39.06 |
| Job Work | 0.20 | |
| <u>Receipts</u> | | |
| Sales | 49.67 | 31.99 |
| Details of transactions with Key Management Personnel as mentioned in (b) above are as under: | | |
| Remuneration to Directors | 62.50 | 13.15 |
| Remuneration to Key Management Persons | 8.17 | 15.78 |
| Rent for factory land | | - |
| Interest payment | | - |
| Details of transactions with Relatives of Key Management Personnel as mentioned in (c) above are as under: | | |
| Salary Payment | 1.78 | 4.00 |
| <u>Balance outstanding at the end of period/year :</u> | | |
| Pavable as at the year end (Net) | 519.84 | 196.90 |

NOTE : 25

Disclosure Under Accounting Standard - 7 (Revised) "Construction Contracts"

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|---|---|---|
| (a) (i) Contract Revenue recognized during the year | 88.64 | 321.13 |
| (ii) Method used to determine the contract revenue recognized and the stage of completion | {Refer Note 1((ix)(b)} | {Refer Note 1((ix)(b)} |
| (b) Disclosure in respect of contracts in progress as at the year end:- | | |
| (i) Aggregate amount of costs incurred and recognized profits (less recognized losses) | Included under various cost and expenses head of accounts | Included under various cost and expenses head of accounts |
| (ii) Advances received, outstanding | - | - |
| (iii) Retentions receivable | 137.50 | 137.08 |
| (iv) Amount due from customers (included under Note 13 – Trade Receivables) | 803.27 | 1,349.10 |
| (v) Amount due to customers | - | - |

NOTE : 26

Contingent Liabilities and Commitments

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|---|----------------------------------|----------------------------------|
| a) Bank Guarantee issued to third parties (Net of Margin) | 1,537.68 | 2,056.55 |

NOTE : 27

Earnings Per Share

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|---|----------------------------------|----------------------------------|
| Basic & Diluted Earnings Per Share (EPS) are computed in accordance with Accounting Standard (AS) 20 "Earnings Per Share" | | |
| a) Weighted Average Equity Shares outstanding at year end | 60.92 | 60.92 |
| b) Profit for Basic & Diluted Earnings Per Share as per Statement of Profit and Loss | 57.70 | 44.98 |
| c) Earnings Per Share (Basic) | 0.95 | 0.74 |
| d) Earnings Per Share (Diluted) | 0.95 | 0.74 |
| e) Face Value per Share | 10.00 | 10.00 |

NOTE : 28

Disclosures specified by MSMED Act, 2006

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

NOTE : 29

CIF Value of Imports, Expenditures and Earnings in Foreign Currency

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|-------------------------------------|----------------------------------|----------------------------------|
| (a) Raw Materials | 7.18 | 14.09 |
| (b) Capital Goods | - | - |
| (c) Expenditure in Foreign Currency | - | - |
| (d) Earnings in Foreign Currency | - | - |
| | 7.18 | 14.09 |

NOTE : 30
Deferred Taxation {See Note 1(vi)(b)}

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--|----------------------------------|----------------------------------|
| Deferred Tax Liabilities | | |
| a) Accumulated Depreciation | 993.96 | 1,058.32 |
| b) Expenses claimed as deducted but deferred in accounts | - | 40.33 |
| | 993.96 | 1,098.66 |
| Deferred Tax Assets | | |
| a) Expenses allowable for tax purposes on Payment Basis | 14.58 | 27.34 |
| b) Unabsorbed Depreciation | 32.07 | - |
| c) Loss Short Term | 4.83 | - |
| d) Preliminary Exp W/o | 20.35 | - |
| b) DTA on account of disallowance u/s 40(a)(ia) | - | - |
| | 71.82 | 27.34 |
| Net Deferred Tax Liability | 922.14 | 1,071.32 |
| Tax Liability on Net DTL | 143.85 | 167.13 |

NOTE : 31
Employee Benefits
A. Defined Contribution Plans

The amount recognized as an expense for defined contribution plans are as under:

(Amount in Lacs)

| Particulars | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|--------------------------|----------------------------------|----------------------------------|
| Provident Fund | 1.15 | 2.25 |
| Employee State Insurance | 1.85 | 3.04 |

B. Defined Benefits Plan (Gratuity)

Valuation in respect of Gratuity has been carried out by independent actuary as at the Balance Sheet date. The details of the same are given as

| | | |
|--|--------|--------|
| (i) Assumptions: | | |
| (a) Discount Rate (Per Annum) | 7.00% | 6.50% |
| (b) Rate of increase in compensation level | 10.00% | 10.00% |
| (c) Rate of return on Plan Assets | | - |
| (d) Expected Average remaining working lives of employees in no. of years | 27.40 | 28.70 |
| (ii) Changes in the present Value of Obligation: | | |
| (a) Present value of the obligation at the beginning of the year | 27.34 | 25.18 |
| (b) Interest Cost | 1.91 | 1.64 |
| (c) Current Service Cost | 4.57 | 6.60 |
| (d) Actuarial (Gain)/Loss | - | -6.09 |
| (e) Benefits Paid | | - |
| (f) Present value of the obligation at the end of the year | 14.58 | 27.34 |
| (iii) Amount recognized as on 31/03/2022 | | |
| (a) Present Value of Obligation as at year end | 14.58 | 27.34 |
| (b) Fair value of Plan Assets as at year end | - | - |
| (c) Net (Asset)/Liability recognized | 14.58 | 27.34 |
| (iv) Expenses recognized as on 31/03/2022 | | |
| (a) Current Service Cost | 4.57 | 6.60 |
| (b) Interest Cost | 1.91 | 1.64 |
| (c) Net actuarial (Gain)/Loss | -19.25 | -6.09 |
| (d) Expense(Gain) for the year which has been accounted in Profit & Loss A/c | -12.76 | 2.15 |

As per our separate report of even date

For Manish Borad & Co.

Chartered Accountants

FRN 007214C

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

Sd/-

Ashok Kumar Agrawal

Chairman Cum Managing Director

(DIN: 00793152)

CA Dheeraj Borad

Partner

Membership Number : 405815

UDIN: 22405815AJCULT8216

Place : Jaipur

Date: 14th Mav, 2022

Sd/-

Ankit Agrawal

Whole-time Director &

Chief Financial Officer

(DIN: 00793035)

Sd/-

Preeti Khatore

Company Secretary

Note : 8 Property Plant & Equipment

(Amount in Lacs)

| DESCRIPTION OF ASSETS | GROSS CARRYING AMOUNT | | | | DEPRECIATION AND AMORTISATION | | | | NET CARRYING AMOUNT | |
|-----------------------------|-----------------------|---------------|--------------|-----------------|-------------------------------|-------------|-----------------------------|-----------------|---------------------|-----------------|
| | AS AT | ADDITIONS | DEDUCTIONS | AS AT | AS AT | DELETIONS | DEPRECIATION / AMORTISATION | AS AT | AS AT | AS AT |
| | 1st April 2021 | | | 31st March 2022 | 1st April 2021 | SALES | | 31st March 2022 | 31st March 2022 | 1st April 2021 |
| | RS. | RS. | RS. | RS. | RS. | | RS. | RS. | RS. | RS. |
| 1.TANGIBLE ASSETS | | | | | | | | | | |
| Freehold Land | 18.50 | - | - | 18.50 | - | - | - | - | 18.50 | 18.50 |
| Leasehold Land | 5.98 | - | - | 5.98 | 1.49 | - | 0.06 | 1.55 | 4.43 | 4.49 |
| Buildings | 857.55 | - | - | 857.55 | 251.05 | - | 24.45 | 275.49 | 582.06 | 606.51 |
| Plant & Equipment | 2,329.67 | 13.85 | 30.00 | 2,313.52 | 857.02 | - | 128.44 | 985.45 | 1,328.07 | 1,472.66 |
| Miscellaneous Fixed Assts | 1,032.43 | 226.82 | 12.16 | 1,247.09 | 298.82 | - | 75.38 | 374.19 | 872.89 | 733.61 |
| Furniture and Fixtures | 47.95 | - | - | 47.95 | 27.23 | - | 4.00 | 31.23 | 16.72 | 20.72 |
| Vehicles | 244.45 | - | - | 244.45 | 132.21 | - | 21.21 | 153.42 | 91.03 | 112.24 |
| | | | | | | | | | | |
| TOTAL | 4,536.54 | 240.66 | 42.16 | 4,735.05 | 1,567.81 | - | 253.52 | 1,821.34 | 2,913.71 | 2,968.73 |
| Previous Year | 4,173.94 | 370.15 | 7.55 | 4,536.54 | 1,334.88 | 0.25 | 233.19 | 1,567.81 | 2,968.73 | 2,839.06 |
| | | | | | | | | | | |
| 2. INTANGIBLE ASSETS | | | | | | | | | | |
| Softwares | 42.76 | 0.90 | - | 43.66 | 26.88 | - | 6.84 | 33.71 | 9.94 | 15.88 |
| | | | | | | | | | | |
| TOTAL | 42.76 | 0.90 | - | 43.66 | 26.88 | - | 6.84 | 33.71 | 9.94 | 15.88 |
| Previous Year | 42.76 | - | - | 42.76 | 20.48 | - | 6.40 | 26.88 | 15.88 | 22.28 |
| | | | | | | | | | | |
| GRAND TOTAL | 4,579.30 | 241.56 | 42.16 | 4,778.70 | 1,594.69 | - | 260.36 | 1,855.05 | 2,923.65 | 2,984.61 |
| Previous Year | 4,216.70 | 370.15 | 7.55 | 4,579.30 | 1,355.36 | 0.25 | 239.58 | 1,594.69 | 2,984.61 | 2,861.34 |

Note 32: ANALYTICAL RATIOS

The following are analytical ratios for the year ended March 31,2022 and March 31, 2021

| Sl.No. | Ratio Name | Numerator | Denominator | As at 31.03.22 | As at 31.03.21 | % Variance | Reasons of variation in excess 25% in the ratio |
|--------|----------------------------------|---|-----------------------------------|----------------|----------------|----------------|---|
| a | Current Ratio | Current assets | Current liabilities | 1.53 | 1.56 | -1.83% | |
| b | Debt-Equity Ratio | Total Debt | Shareholder's Equity | 0.76 | 0.79 | -4.16% | |
| c | Debt Service Coverage Ratio | Earning available for debt service | Debt service | 1.50 | 1.75 | -14.55% | |
| d | Return On Equity (Roe) | Net Profit after taxes-Preference Dividend (if any) | Average Shareholder's Equity | 9.47% | 7.38% | 28.28% | Net profit from previous financial year has been increased due to increase in Turnover and there has been decrease in the some fixed cost of the company |
| e | Inventory Turnover Ratio | Cost of goods sold or sales | Average Inventory | 4.01 | 4.17 | -3.79% | |
| f | Trade Receivables Turnover Ratio | Net Credit Sales | Average accounts receivable | 1.54 | 1.07 | 43.49% | Turnover has been increased in the current year as compare to previous year. Secondly trade receivables has been decreased with resulted in recovery of receivables so that's why average of trade receivables comes down and ratio of tradereceivables has been increased in comparision to the previous year. |
| g | Trade Payables Turnover Ratio | Net Credit Purchases | Average Trade Payables | 3.87 | 1.61 | 140.28% | Purchase of the raw material has been increased and trade payables has been decreased so that's in comparision to previous year ratio has been increased |
| h | Net Capital Turnover Ratio | Net Sales | Working Capital | 2.40 | 2.10 | 14.15% | |
| i | Net Profit Ratio | Net Profit | Net sales | 1.39% | 1.23% | 13.12% | Net Profit has been increased in comparision to previous year and Net sales has been also increased so that's why net profit ratio has been increased. |
| j | Return On Capital Employed | Earning before interest and taxes | Capital Employed | 12.19% | 15.07% | -19.16% | |
| k | Return On Investment | Income generated from investments | Time weighted average investments | Not Applicable | Not Applicable | Not Applicable | |

As per our separate report of even date
For Manish Borad & Co.
 Chartered Accountants
 FRN 007214C

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

Sd/-
Ashok Kumar Agarwal
 Chairman Cum Managing Director
 (DIN: 0793152)

CA Dheeraj Borad
 Partner
 Membership Number : 405815
 UDIN: 22405815AJCULT8216
 Place : Jaipur
 Date: 14th Mar. 2022

Sd/-
Ankit Agrawal
 Whole-time Director &
 Chief Financial Officer
 (DIN: 00793035)

Sd/-
Preeti Khatore
 Company Secretary

Note 33: Other statutory information

- 1) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- 2) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 3) The Company has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- 4) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- 5) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 6) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 7) The Company is not declared willful defaulter by and bank or financial institution or lender during the year.
- 8) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 9) Periodical returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- 10) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- 11) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.
- 12) The Company does not have any transactions with companies which are struck off.
- 13) Company is not covered by the Section 135 of the Companies Act, 2013, dealing with the 'Corporate Social Responsibility'

As per our separate report of even date
For Manish Borad & Co.
Chartered Accountants
FRN 007214C

CA Dheeraj Borad
Partner
Membership Number : 405815
UDIN: 22405815AJCULT8216
Place : Jaipur
Date: 14th May, 2022

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

Sd/-
Ashok Kumar Agarwal
Chairman Cum Managing Director
(DIN: 0793152)

Sd/-
Ankit Agrawal
*Whole-time Director &
Chief Financial Officer*
(DIN: 00793035)

Sd/-
Preeti Khatore
Company Secretary

NOTICE TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Twenty Eighth Annual General Meeting (hereinafter referred to as “AGM”) of the Members of RMC Switchgears Limited (“the Company”) will be held on Friday, the 30th September, 2022 at 12:30 P.M., Indian Standard Time (“IST”) to transact the following businesses. The venue of the meeting shall be the registered office of the Company at 7 Km. from Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901 Rajasthan.

ORDINARY BUSINESS

Item No. 1

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.

Item No. 2

To appoint a Director, in place of Mr. Ashok Kumar Agrawal (DIN: 00793152), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 at this AGM and being eligible, offers his candidature for re-appointment.

Item No. 3

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution by approving the appointment of M/s. Rakesh Ashok & Co., Chartered Accountants (ICAI Firm Registration No. 011273C) as Statutory Auditors of the Company till the conclusion of 33rd Annual General Meeting to be held in the year 2027:

“**RESOVLED THAT** pursuant to the provisions of Sections 139, 140, 141, 142, and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), and the rules made thereunder, M/s. Rakesh Ashok & Co., Chartered Accountants (Firm Registration Number 011273C) be and is hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the 33rd Annual General Meeting of the Company, at such remuneration as may be recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.”

SPECIAL BUSINESS

Item No. 4

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution by approving the appointment of Mr. Shriram Vishwasrao Mane (DIN: 09701613) as an Independent Director:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Mr. Shriram Vishwasrao Mane (DIN: 09701613) who was appointed by the Board of Directors as an Additional Director (Non-Executive Independent) of the Company with effect from 13th August, 2022 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and applicable Articles of Association of the company, who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013, who has submitted a declaration that he meets the criteria of the Independent

Directorship as provided in section 149(6) of the Act, who has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority, and who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee and Board of Directors and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of Director, , be and is hereby appointed as an Independent Non Executive Director of the Company, and shall hold office for a period of five years from the date of appointment i.e. Mr. Shriram Vishwasrao Mane (DIN: 09701613) and shall not, henceforth, be liable to retire by rotation;

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

Item No. 5

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution by continuing designation of Mr. Ashok Kumar Agrawal (DIN:00793152) as Chairman cum Managing Director and revision in his remuneration and amendments in terms of appointment:

“**RESOLVED THAT** pursuant to the recommendation of Nomination & Remuneration Committee and approval of Board of Directors of the Company in their meeting held on 10th August, 2022 and pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended, from time to time and Articles of Association of the Company, the approval of members be and is hereby accorded for new designation of Mr. Ashok Kumar Agrawal as Chairman cum Managing Director and revision in remuneration payable to Mr. Ashok Kumar Agrawal for the remaining period of 2 years of his present term of appointment, w.e.f. 1st April, 2022 , in the event of inadequacy of profits and such that the remuneration payable to him shall not exceed Rs. 45,00,000 (Rupees Forty Five lacs Only) per year with effect from 1st April, 2022 to 31st March, 2024 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit;

RESOLVED FURTHER THAT upon the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company shall, in accordance with the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, in the manner and to the extent it deems appropriate, provided that such revision/ variation are in consonance of the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and/ or other competent authority, if any, as may be mutually agreed to between the Board of Directors and Mr. Ashok Kumar Agrawal;

RESOLVED FURTHER THAT Mr. Ashok Kumar Agrawal shall not be entitled to any sitting fee for attending meetings of the Board and/ or Committee(s) thereof;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Item No. 6

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution by Amending terms of appointment of Mr. Ankit Agrawal (DIN:00793035) as Whole-time Director and fix his remuneration:

“RESOLVED THAT pursuant to the recommendation of Nomination & Remuneration Committee and approval of Board of Directors of the Company in their meeting held on 10th August, 2022 and pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended, from time to time and Article of Association of the Company, the approval of members be and is hereby accorded for revision in remuneration payable to Mr. Ankit Agrawal, Whole Time Director for the remaining period of 2 years of his present term of appointment, w.e.f 1st April, 2022, in the event of inadequacy of profits and such that the remuneration payable to him shall not exceed Rs. 40,50,000/- (Rupees Forty lacs fifty thousand only) per year with effect from 1st April, 2022 to 31st March, 2024 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit;

RESOLVED FURTHER THAT upon recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall always deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) shall, in accordance with the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, in the manner and to the extent it deems appropriate, provided that such revision/ variation are in consonance of the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and/ or other competent authority, if any, as may be mutually agreed to between the Board of Directors and Mr. Ankit Agrawal;

RESOLVED FURTHER THAT Mr. Ankit Agrawal shall not be entitled to any sitting fee for attending meetings of the Board and/ or Committee(s) thereof;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Item No. 7

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution by Amending terms of appointment of Mrs. Neha Agrawal (DIN:07540311) as Executive Director and fix his remuneration:

“RESOLVED THAT pursuant to the recommendation of Nomination & Remuneration Committee and approval of Board of Directors of the Company in their meeting held on 10th August, 2022 and pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as amended, from time to time and Article of Association of the Company, the approval of members be and is hereby accorded for revision in remuneration payable to Mrs. Neha Agrawal, Executive Director for the remaining period of 2 years of his present term of appointment, w.e.f. 1st April, 2022, in the event of inadequacy of profits and such that the remuneration payable to him shall not exceed Rs. 31,50,000/- (Rupees Thirty one lacs fifty thousand only) per year with effect from 1st April, 2022 to 31st March, 2024 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit;

RESOLVED FURTHER THAT upon recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall always deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) shall, in accordance with the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, in the manner and to the extent it deems appropriate, provided that such revision/ variation are in consonance of the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and/ or other competent authority, if any, as may be mutually agreed to between the Board of Directors and Mrs. Neha Agrawal;

RESOLVED FURTHER THAT Mrs. Neha Agrawal shall not be entitled to any sitting fee for attending meetings of the Board and/ or Committee(s) thereof;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Item No. 8

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution by Increasing Authorised Share Capital of the Company and consequential amendment in Memorandum of Association of the Company:

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) and the Rules framed thereunder, consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 6,50,00,000/- **Rupees Six Crores and Fifty Lacs Only** divided into 65,00,000 (Sixty Five Lacs) Equity Shares of Rs.10/- each to Rs. **11,00,00,000/- (Rupees Eleven Crores Only) divided into 1,10,00,000 (One Crore Ten lacs)** Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof for the time being in force) and the Rules framed thereunder, consent of the members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following:-

“V. The Authorised Share Capital of the Company is **Rs. 11,00,00,000/- (Rupees Eleven Crores Only) divided into 1,10,00,000 (One Crore Ten Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each.**”

RESOLVED FURTHER THAT approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

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

**Sd/-
Preeti Khatore**

**Company Secretary and Compliance Officer
(Membership No: ACS 49291)**

**Place: Jaipur
Date: 05.09.2022**

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), statement setting out material facts concerning Special Business (Item no. 4 to 8) to be transacted at the Annual General Meeting (“AGM”) is annexed hereto and forms part of the notice.
2. The information required pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with secretarial standards 2 issued by ICSI, regarding the Directors seeking appointment/re-appointment in the AGM is annexed hereto and forms part of the notice
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM- SELF/ HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COM- PANY. In order to be effective, the instrument appointing a proxy (Proxy Form), duly completed, stamped and signed must be deposited at the Company’s registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed herewith at the end of Annual Report.
4. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. Members/Proxies/Authorised Representatives attending the meeting are requested to bring the duly filled attendance slip enclosed herewith at the end of Annual Report
6. Corporate members /Societies /Partnership Firms / Trusts, etc intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution / Authorization Letter authorizing their representative to attend and vote at the AGM on their behalf.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Directors and KMP and their share- holding and Register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at the AGM. The members desirous of getting any information on the Company’s accounts and / or operations of the Company are requested to write to the Company at least seven days before the date of AGM to enable us to keep the information ready at the AGM.
9. The copies of relevant documents referred to in the Notice and explanatory statement are open for inspection by the members at the Registered Office of the Company on all working days between 11.00 A.M. to 3.00 P.M. (IST) up to the date of the 28th AGM.
10. Members are requested to send their Demat/Remat applications, request for share transmission, intimation of change of address and other correspondence to the Company’s Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400 083.
11. Members who hold shares in electronic form are requested to notify immediately, any change in their addresses to their respective depository participants.
12. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent of the

Company in any change in their residential status on return to India for permanent settlement, particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.

13. Pursuant to SEBI circular shareholders, whose ledger folios do not have or have incomplete details with regard to PAN and Bank Particulars are required to compulsory furnish the details to RTA /to the Company for registration in their folio. The Companies Act, 2013 and rules made thereunder also require the further details to be submitted to the Company like PAN, email address, Father's/ Mother's/ Spouse's name and bank particulars. Members holding shares in electronic form are, therefore requested to submit PAN and other details to their Depository Participants with whom they are maintaining Demat Account.
14. As per the provisions of section 72 of the Act, the facility for making a nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.- SH-13.
15. The Notice of AGM along with the Annual Report 2021-22 is being sent to all the Members whose name appear in the Register of Members/List of Beneficial Owners received from National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) as on (Cut Off date) 2nd September, 2022 by electronic mode to those members whose email address is registered with the Company/Depositories. Members are requested to update their preferred e-mail ids with the Company / Depository Participants / RTA which will be used for the purpose of sending the communications in future.
16. In compliance with the MCA Circular and latest SEBI Circular dated May 13, 2022, Notice of the AGM alongwith the Annual Report for the financial year 2021-22 is being sent only through electronic mode to those members whose email address are registered with the Company/Depositories. Printed copy of the Annual Report (including Notice) is not being sent to the members in view of MCA and SEBI Circular. Members may note that the Notice convening the AGM and Annual Report 2021-22 have been uploaded on the website of the Company at www.rmcindia.in and website of the Listed Stock Exchange (www.bseindia.com).
17. For convenience of Members, an Attendance Slip is annexed to the Proxy Form. Members/Proxies are requested to affix their signatures at the space provided therein and thereafter handover the Attendance Slip at the venue of the meeting. The Proxy of a Member should mark on the Attendance Slip as "Proxy". The Register of Members and Share Transfer Books of the Company will not close.
18. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the AGM.
19. Members may kindly note that bags, eatables, laptops, arms, ammunitions or any other harmful/dangerous objects are not allowed inside the Auditorium at the meeting venue.
20. Company is exempted from conducting E – Voting vide Rule 20(2) of Companies (Management & Administration) Rule, 2014 as amended. Therefore, voting will be conducted by means of ballot paper at the Annual General Meeting.
21. The Board of Directors has appointed Mr. Brij Kishore Sharma, Practicing Company Secretary (FCS 6206, CP 12636, as Scrutinizer for conducting the voting process in a fair and transparent manner.
22. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company www.rmcindia.in. The results shall simultaneously be communicated to the Stock Exchanges.

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

Item No. 4

The Board of Directors of the Company had appointed Mr. Shriram Vishwasrao Mane (DIN: 09701613) as an Additional Director of the Company with effect from 13th August, 2022 in the category of Non-Executive Independent Director subject to the approval from shareholders. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Shriram Vishwasrao Mane shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term of five years with effect from the date of appointment i.e. 13th August, 2022.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- each proposing the candidature of Mr. Shriram Vishwasrao Mane for the office of Independent Director to be appointed as such, under the provisions of Section 149 of the Companies Act, 2013.

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

The Company has also received the consent in writing to act as a Director, and an intimation that he is not disqualified under section 164(2) of the Companies Act, 2013. The Board considers that the appointment of Mr. Shriram Vishwasrao Mane as a member of the Board would be of immense benefit to the Company. It is proposed to appoint Mr. Shriram Vishwasrao Mane as an Independent Director under Section 149 of the Companies Act, 2013, not liable to retire by rotation, for a term of five years.

Mr. Shriram Vishwasrao Mane does not hold any shares/securities in the Company, either in his individual capacity or on a beneficial basis for any other person.

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

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

Item No. 5

Mr. Ashok Kumar Agrawal was designated as Chairman cum Managing Director of the Company by the Shareholders in the Annual General Meeting convened on 25th September, 2020 for a period of 3 years w.e.f 1st April, 2019. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Ashok Kumar Agrawal is re-designated to Chairman cum Managing Director with the approval of Board members via resolution passed in the Board Meeting convened on 10th August, 2022, subject to the approval of shareholders.

Reference to the provision of section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12th September 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013, provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person

for period of not exceeding 3 years by way of special resolution. Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration may be beyond the specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018.

In terms of the provisions of the Act and the Articles of Association of the Company, the Board of Directors of the Company at its meeting held on 10th August, 2022 and on the recommendation of the Nomination and Remuneration Committee in its meeting held on 10th August, 2022, re-designation of Mr. Ashok Kumar Agrawal as Chairman cum Managing Director (KMP) of the Company subject to the approval of members/shareholders of the Company in Annual General Meeting to be held on 30th September, 2022 as a Special Resolution for the remaining period of two years from 1st April, 2022 to 31st March, 2024. Keeping in view of the increased responsibilities and challenges involved, it is proposed to increase monthly remuneration and he shall be eligible to draw remuneration inclusive of Basic Salary, House Rent Allowance, Conveyance Allowance and Special Allowance not exceeding Rs. 45 lacs per year for the period of 2 (two) years with effect from 1st April, 2022, in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder.

Mr. Ashok Kumar Agrawal, aged 66 years is the Chairman cum Managing Director of the Company. He possesses an overall experience of around 42 years out of which 23 years in the field of electrical industry. He has been awarded several awards in the name of the Company. Mr. Ashok Agrawal, being the Chairman cum Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He has been closely supervising the manufacturing and other ancillary activities.

The Director is the promoter of the Company. Other than managerial remuneration and interest on unsecured loan from the Company, he does not have any pecuniary relationship with the Company.

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

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

Item No.6

The terms of appointment of Mr. Ankit Agrawal was revised by the Shareholders in the Annual General Meeting convened on 25th September, 2020 for a period of 3 years w.e.f 1st April, 2019. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the terms of Mr. Ankit Agrawal is revised with the approval of Board members via resolution passed in the Board Meeting convened on 10th August, 2022, subject to the approval of shareholders.

Reference to the provision of section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12th September 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 , provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of special resolution. Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration may be beyond the specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018.

In terms of the provisions of the Act and the Articles of Association of the Company, the Board of Directors of

the Company at its meeting held on 10th August, 2022 and on the recommendation of the Nomination and Remuneration Committee in its meeting held on 10th August, 2022, revision in terms of appointment subject to the approval of members/shareholders of the Company in Annual General Meeting to be held on 30th September, 2022 as a Special Resolution for a period of two years from 1st April, 2022 to 31st March, 2024. Keeping in view of the increased responsibilities and challenges involved, it is proposed to increase monthly remuneration and he shall be eligible to draw remuneration inclusive of Basic Salary, House Rent Allowance, Conveyance Allowance and Special Allowance not exceeding Rs. 40,50,000/- per year for the remaining period of 2 (two) years with effect from 1st April, 2022, in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder.

Mr. Ankit Agrawal, aged 40 years is the Whole Time Director of the Company. He is a Graduate in commerce and has 19 years of rich experience in the field of electrical industry. He is having rich experience of over 20 years in the field of electrical industry. Mr. Ankit Agrawal is providing his learned guidance and mentoring the senior managerial personnel of the company to execute and implement future growth strategy. He has been overseeing the manufacturing, sales and marketing activities of the Company.

The Director is the promoter of the Company. Other than managerial remuneration and interest on unsecured loan from the Company, he does not have any pecuniary relationship with the Company.

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

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

Item No.7

The terms of appointment of Mrs. Neha Agrawal was revised by the Shareholders in the Annual General Meeting convened on 25th September, 2020 for a period of 3 years w.e.f 1st April, 2019. Considering her knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the terms of Mrs. Neha Agrawal is revised with the approval of Board members via resolution passed in the Board Meeting convened on 10th August, 2022, subject to the approval of shareholders.

Reference to the provision of section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12th September 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 , provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of special resolution. Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration may be beyond the specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018.

In terms of the provisions of the Act and the Articles of Association of the Company, the Board of Directors of the Company at its meeting held on 10th August, 2022 and on the recommendation of the Nomination and Remuneration Committee in its meeting held on 10th August, 2022, revision in terms of appointment subject to the approval of members/shareholders of the Company in Annual General Meeting to be held on 30th September, 2022 as a Special Resolution for a period of two years from 1st April, 2022 to 31st March, 2024. Keeping in view of the increased responsibilities and challenges involved, it is proposed to increase monthly remuneration and he shall be eligible to draw remuneration inclusive of Basic Salary, House Rent Allowance, Conveyance Allowance and Special Allowance not exceeding Rs. 40,50,000/- per year for the period of 2 (two) years with effect from 1st April, 2022, in accordance with norms laid down in Schedule V and other applicable

provisions of Companies act, 2013 and rules made thereunder.

Mrs. Neha Agrawal, aged 40, is the Executive Director of the Company and possesses an experience of 13 years in the field of management and administration. She holds the degree of Bachelor of Business Administration from Eastern Institute for Integrated Learning in Management and has been ensuring proper administration in the Company. She has been awarded several awards in the name of the Company She is a strong promoter of Women Empowerment and enhances company's responsibilities towards the society.

The Director is the promoter of the Company. Other than managerial remuneration and interest on unsecured loan from the Company, he does not have any pecuniary relationship with the Company.

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

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

Item No.8

The present Authorised Share Capital of the Company is Rs. 6,50,00,000/- (Rupees Six Crores and Fifty Lacs Only) divided into 65,00,000 (Sixty Five Lacs) Equity Shares of Rs.10/- each.

Considering the increased fund requirements of the Company, the Board at its Meeting held on 5th September, 2022, had accorded its approval for increasing the Authorised Share Capital from Rs. 6,50,00,000/- (Rupees Six Crores and Fifty Lacs Only) to Rs. 11,00,00,000 (Rupees Eleven Crore) by creation of 45,00,000 (Forty Five Lacs) additional equity share of Rs.10/- each, subject to shareholders approval.

It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 6,50,00,000/- (Rupees Six Crores and Fifty Lacs Only) to Rs. 11,00,00,000 (Rupees Eleven Crore) by creation of 45,00,000 (Forty five lacs) additional equity share of Rs.10/- each ranking paripassu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection in the manner provided in the note no. 8 to this Notice.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is in any way concerned or interested, financially or otherwise in the said resolution.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution.

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

**Sd/-
Preeti Khatore
Company Secretary and Compliance Officer
(Membership No: ACS 49291)**

**Place: Jaipur
Date: 05.09.2022**

**PROFILE OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT
AT 28TH ANNUAL GENERAL MEETING**

| | | |
|--|---|--|
| Name | Mr. Ashok Kumar Agrawal | Mr. Shriram Vishwasrao Mane |
| Category / Designation | Chairman cum Managing Director | Independent Director |
| Director Identification No (DIN) | 00793152 | 09701613 |
| Date of Birth | 28.06.1956 | 16.04.1978 |
| Nationality | Indian | Indian |
| Date of first appointment on the Board | 23.08.1994 | 13.08.2022 |
| Brief Profile / Expertise in Specific field/ Qualification | Mr. Ashok Kumar Agrawal, aged 64 years is the Chairman cum Managing Director of the Company. He possesses an overall experience of around 40 years out of which 22 years in the field of electrical industry. | Mr. Shriram Vishwasrao Mane is B.Sc. and LLB having more than 15 years of experience, in the areas of Civil, Convencing & Finance. |
| Board Meetings held & attended during the FY 2020-21 | 13 attended out of 13 meetings held | Nil |
| Directorship held in other companies | Explora IOT solutions Pvt. Ltd. | Nil |
| Memberships/Chairmanships of Committees of other Companies | Nil | Nil |
| Number of shares held in the company | 9,13,800 equity shares | Nil |
| Relationship with other directors / KMP | Father of Mr. Ankit Agrawal (Wholetime Director) and Father in law of Mrs. Neha Agrawal (Executive Director) | He has no relationship with other Directors/KMP |

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

Sd/-
Preeti Khatore

**Company Secretary and Compliance Officer
(Membership No: ACS 49291)**

**Place: Jaipur
Date: 05.09.2022**



RMC SWITCHGEARS LIMITED

CIN: L25111RJ1994PLC008698

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

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

E Mail ID: info@rmcindia.in, cs@rmcindia.in

Website: www.rmcindia.in, Contact No : 0141-4031516, 4400222

MGT-11 PROXY FORM

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

28th Annual General Meeting 30th September, 2022

Name of the Member(s): -----Email ID:-----

Registered Address:

Folio No. / Client ID:

-----DP ID:-----

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

Name -----Email ID:-----

Address: -----

Signature:

-----or failing him /

;

Name -----Email ID:-----

Address: -----

Signature:

-----or failing him / her;

Name ----- Email ID:-----

Address: -----

Signature: -----

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 28th Annual General Meeting of the Company, to be held on Friday, 30th September, 2022 at 12:30 P.M. (IST) at Registered Office of the Company situated at 7 K.M. from Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

| Item No. | Resolutions | Vote (Optional, See note 2) Please mention no. of shares | |
|----------|---|--|---------|
| | | For | Against |
| | Ordinary Business: | | |
| 1. | Adoption of Financial Statements | | |
| 2. | Re-appointment of Mr. Ashok Kumar Agrawal as a Director, liable to retire by rotation. | | |
| 3. | Appointment of Statutory Auditor | | |
| | Special Business: | | |
| 4. | Appointment of Mr. Shriram Vishwasrao Mane as an Independent Director | | |
| 5. | Re-designation of Mr. Ashok Kumar Agrawal to Chairman cum Managing Director and amendments in terms of appointment of the same. | | |
| 6. | Amendments in terms of appointment of Mr. Ankit Agrawal, Whole Time Director of the Company. | | |
| 7. | Amendments in terms of appointment of Mrs. Neha Agrawal, Executive Director of the Company. | | |
| 8. | Increase Authorised Share Capital of the Company and consequential amendment in Memorandum of Association of the Company | | |

Affix
Revenue
Stamp

Signed this-----day of-----2022

Signature of Shareholder

Signature of First proxy holder

Signature of Second proxy holder

Signature of Third proxy holder

Note:

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

RMC SWITCHGEARS LIMITED

CIN: L25111RJ1994PLC008698

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

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

E Mail ID: info@rmcindia.in, cs@rmcindia.in

Website: www.rmcindia.in, Contact No : 0141-4031516, 4400222

ATTENDANCE SLIP

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

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

I / we hereby record my / our presence at the 28th Annual General Meeting of the members of the Company held on Friday, the 30th September, 2022 at 12:30 P.M. (IST) at the Registered Office of the Company at 7 K.M. from Chaksu, Kotkhawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Chaksu-303901(Rajasthan).

Name of the Shareholder (In BLOCK LETTERS)

Signature

Name of the Proxy (In BLOCK LETTERS)

Signature

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

RMC SWITCHGEARS LIMITED

CIN: L25111RJ1994PLC008698

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Website: www.rmcindia.in, Contact No : 0141-4031516, 4400222

ROUTE MAP OF THE AGM VENUE

RMC SWITCHGEARS LIMITED

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

