

To,

Date: 30.08.2019

The Department of Corporate Services,  
Listing and Compliance  
The Stock Exchange Mumbai  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai-01

**Subject: Annual Report for the FY 2018-19 and Notice convening the 25<sup>th</sup> Annual General Meeting.**

**Reference: Scrip Code (BSE) 540358**

Dear Sir / Madam,

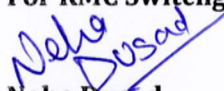
Pursuant to SEBI (LODR) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2018-19 along with Notice convening the 25<sup>th</sup> Annual General Meeting.

The 25<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Monday, the 23<sup>rd</sup> Day of September, 2019 at 11:00 A.M. at the registered office of the Company situated at 7 K.M. from Chaksu, Khotkawda Road, Village- Badodiya Tehsil Chaksu, Tonk Road, Jaipur- 303901, Rajasthan.

The Annual Report of the Company along with the Notice of 25<sup>th</sup> AGM for the financial year 2018-19 is being dispatched/ sent to the members by the permitted mode(s) and the same is made available on the website of the Company ( [www.rmcindia.in](http://www.rmcindia.in) ).

Yours Faithfully,

For RMC Switchgears Limited

  
Neha Dusad  
Company Secretary &  
Compliance Officer  
M. No.: A55093



Annual  
Report  
2018-19



**STAY POWERED UP ALWAYS**





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# Chairman's Desk

**Ashok Kumar Agarwal**  
Chairman & Managing Director

Dear Stakeholders,

We stand at the cusp of dynamic transformation of India's infrastructure; against this backdrop, we successfully leveraged our robust foundation to deliver improved results across our business segments. It is my privilege and pleasure to take you through this performance as well as the other highlights of the year and the way forward, as I present the 25<sup>th</sup> Annual Report of your company.

RMC Switchgears Limited ("RMC") today is one of the largest electrical enclosure manufacturing company in India. Having entered the market in the late 90s on the strength of its indigenously designed electrical enclosures, it has over a decade's experience in design, manufacturing, and supply of various power distribution equipment's to Indian utilities. Since then, a strong emphasis on design and testing, coupled with the ability to meet utilities' express and implied needs has resulted in the development of products that are accurate, easy to operate and more importantly reliable on the Indian distribution network. RMC's LV Power Distribution solutions have found wide acceptance in India from all major EPC contractors like KEI Industries Limited, NCC Limited, Capital Electec etc., private utilities like TATA Power and BSES & all states electricity boards. The team work was the key to get approval from all over India and We became largest manufacturer in electrical enclosures.

RMC believe that all of our clients deserve highest level of service and we are providing just that. By keeping a pulse on the upcoming trends, we have gained a competitive edge that has made us the successful company we are today.

Under the leadership of our Honourable Prime Minister Shri Narendra Modi and the various initiatives undertaken by the government such as PM's slogan "Har Ghar Bijali" by 2022., India is poised for rapid growth and development. India today is not only determined to occupy its rightful place in the global arena but is also expected to be a key engine of global growth.

At RMC, we are immensely pleased to witness the launch of the transformational programmes. We are also happy to directly participate in this nation-building efforts of New India specifically through the 24x7 – 'Power for All' project and the Smart Cities project. 'Power for All' – a joint initiative between the Central and State government to provide 24x7 power supply across the country by 2019 - promises to energise India.

Our biggest achievement for the year was the impressive growth in our business. Successful bids for the right contracts and its efficient execution resulted in our business growing on 20% year-on-basis. More importantly, as on May 31, 2019, we have a robust order book of ₹60 crore, providing strong revenue visibility over the coming year. Gaining momentum across all our business verticals in the second half of the fiscal, we achieved steady growth in overall revenues. Total revenues for the year (net of excise) stood at ₹131 crore as against ₹83 crore in the previous year, an increase of 58%. The Financial Year 2018-19 proved to be one of the best year for our Company with the doubled growth and we hit the right milestones with an increase of 50% in PAT. RMC was able to increase the order flow due to meeting the customer demands timely. The year under report was one of considerable success.

In closing, I would like to acknowledge the efforts and commitment shown by our people. Their collective experience and expertise keep us on top of our game. I am also thankful to our stakeholders, including Central and State government bodies, customers, bankers, investors, creditors and dealers, for reposing their trust in our vision and strategies. RMC remains committed to a future of continuous growth. Thank you for joining us on the journey; we aim to make it a rewarding one.

Thank you,

Ashok Kumar Agarwal  
Chairman & Managing Director

**STAY POWERED UP**  
**ALWAYS**

Revenue from Operations (Net) (₹ in Lakhs)

2018-19	13175.10	
2017-18	8311.84	

PBIDTA (₹ in Lakhs)

2018-19	1376.84	
2017-18	984.20	

PBT (₹ in Lakhs)

2018-19	511.14	
2017-18	301.09	

PBT as % to Net Revenue

2018-19	3.88%	
2017-18	3.62%	

PAT (₹ in Lakhs)

2018-19	380.05	
2017-18	252.22	

Earning Per Share (EPS) (Amount in ₹)

2018-19	6.15	
2017-18	4.87	



**Lamina**  
A Reflection of Your Interior Life



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

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

#### LAMINA PRODUCTS



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

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







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

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



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



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

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

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

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

# ANKIT AGRAWAL WHOLE-TIME DIRECTOR



## DIRECTOR'S SPEECH

Dear Stakeholders,

It gives me immense pleasure in welcome you all to the 25<sup>th</sup> Annual General Meeting of our Company. On behalf of the Board of Directors and the Management of the Company, it is indeed a privilege to present before you the Annual Report of RMC Switchgears Limited after our successful listing in the year 2017. We thank you for the support you have reposed in our Company and assure you that growth is at the core of our strategic goals. We have immense clarity in how this growth can be achieved and are confident of realizing our overarching vision and objectives.

Our efforts to become a preferred choice for switchgears in electrical segment and the supreme indigenous brand for PVC designer UV Sheets & Acrylic Solid Surface products for our customers received solid traction in 2018-19, enabling our company to deliver strong results for the year. Our performance continues to be guided by the purpose of RMC, i.e. 'Stay Powered up'. During the year, the company achieved impressive growth in the segment of PVC imitation Marble and wooden surfaces under the brand name "Lamina". Team work of RMC family has brought the approvals from all over India for our Designer Products and fast responsiveness to the new developments as per market demands has been our USP. The Designer Lamina Products are available on the website of Lamina at [www.laminadecor.com](http://www.laminadecor.com)

The Financial Year 2018-19 has been the crucial year. Our Major business is dependent on Government and all the new schemes were adopted after the completion of the Elections. The macro-conditions are highly conducive for rearing our ambitious revenue target. Expanding our product range with value-added products, growing our distribution network and enhancing our brand visibility, we aim to garner a significant pie of the demand for our products. Leveraging our backward integrated facilities, we will continue to drive product and process innovation to provide customers with the best-in-class technology at cost-effective prices and, at the same time, retain our margins

We have been successful in the challenging year and have appointed a Super in Bangalore for whole South India. In the current year. The company has engaged foreign consultants and vendors to ensure quality outputs. We have been receiving tremendous response for our products. We are participating in the most awaited Exhibitions in

**ACETECH 2019** and **ELECRAMA 2020** that would play a significant role in rewarding business prospect with new heights in the future

I am delighted to share that the Company is on its way to introduce new products for smart cities. Simultaneously, the Company has taken another significant step by entering in a fresh business line of Internet Of Things (IOT) and importing the technical expertise and, manufacturing, and marketing of Smart Data Loggers in India and other Asian countries. A Wholly Owned Subsidiary "Explora IOT Solutions Private Limited" has been incorporated on the 10th May, 2018. This could be a game changer as this will help in arresting theft & pilferage of electricity besides other multiple uses.

The Company has also planned and on the advance stage to set its footprint in Electrical vehicle Business by creating a range of different ratings of EV charging stations. We believe that the future is not just Electric City but it has to be trouble free and economical.

I would like to take a moment to extend our sincere gratitude to our workforce for their dedication and hard work. Their deep and innate skills and craftsmanship make us proud. We also express gratefulness to our loyal customers for their belief in our value propositions. They encourage us to bring to them unique products that enrich their lifestyle. We thank our shareholders and appreciate the faith they have shown in our Company's management, leadership and future. Our sincere thanks also to our financiers and bankers, suppliers and communities for the work they do in support of our business.

Best Wishes,  
Ankit Agarwal  
Whole-time Director

**Lamina** <sup>TM</sup>  
A REFLECTION OF YOUR INTERIOR LIFE

# ABOUT US

We are proud to be the only Indian Electrical Enclosure Manufacturing Company offering enclosures in all types of materials. Our Infrastructure is spread over an area of more than 800000 sq. ft. with all ultra-modern manufacturing and testing facilities. We are certified with all quality certification like 5S KAIZEN, ISO-9001: 2015.

## **Mission:**

*To create world class working environment for the employees of the Company.*

*To be leader in the Indian Power Industry by providing best quality products.*

*To make the nation 100% independent with balanced and safe power distribution*

*To save the interest of the society and nature by reducing carbon emission and providing shock proof and tamper proof electrical equipments.*

*Ready with smart solution.*

*Ready to Electrify India*

## **Vision:**

*Our vision is to be the world's most reputed and customer centric company by building a place where one can find anything related to LV and MV power equipments.*

## **Core Values:**

*Honesty  
Team Work  
Positive Attitude  
Passion  
Determination  
Commitments  
Good Moral Values*

## CAPABILITIES - ANNUAL

1, 20,000  
Distribution Boxes

5,00,000  
Molded Case  
Circuit Breakers

3,000 MT of  
Other Mild Steel  
Components

6,000 MT of  
Sheet Moulding  
Compound and  
Bulk Moulding  
Compound

5,000 MT of  
Engineering  
Plastic  
Components

10,000  
Feeders Pillars

30, 00,000  
Enclosures for  
Energy Meter

We interact and engage with our stakeholders in a variety of ways, and our key stakeholders are our customers, employees, investors, communities and the environment at large.

## Key Stakeholders



**Communities:** We believe our communities give us the license to operate and we uphold their expectations with responsibility. For our communities, we engage in a number of meaningful activities that have a direct impact on the quality of their lives.

**Customers:** Our customers are the lifeline of our business and our loyal customers have always been vital to sustain our sales and manufacturing volumes. We engage with our customers in a variety of ways, including through enthralling content, with a view to strengthen our relationship and drive repeat value.

**Employees:** Our employees are our most important stakeholders. Their dedication, professionalism, experience, energy and craftsmanship turn our strategy into the reality of doing business. We engage our employees on a daily basis in a collaborative manner and in a wide variety of interactions.

**Shareholders:** We believe that engaging with our Shareholders is important. We usually meet our Shareholders at our Shareholders meetings and are also always open to responding to Shareholder queries or concerns / grievances at any other time.



# ASHA KI UDAAN-AN INITIATIVE BY RMC SWITHGEARS LIMITED



OUR COMMUNITIES...

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

Employees are the backbone of RMC Family. Employees are the greatest asset of every business. RMC takes initiative to engage its employees in various activities and interactive sessions.

An Interaction event at SRNG Auditorium, Jaipur.



OUR EMPLOYEES...

## OUR BOARD'S PROFILE



Mr. Ashok Agarwal  
Chairman & Managing Director

**Date of Board Appointment:**  
23rd August, 1994

Mr. Ashok Kumar Agarwal, aged 63 years is the founder Promoter of the Company and currently holding the position of Chairman cum Managing Director. He has an overall experience of around 39 years out of which 21 years in the field of electrical industry. He is instrumental in taking major policy decisions of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.



Mr. Ankit Agrawal  
Whole-time Director

**Date of Board Appointment:**  
20th November, 2008

**Background & Specialty:**

Mr. Ankit Agrawal, aged 37 years is the Whole Time Director of our Company. He has 20 years of rich experience in the field of electrical industry. He is entrusted with the responsibility to look after the marketing and production department of our Company. He has been instrumental in establishing the quality assurance standards for the Company. He is providing his learned guidance and mentoring the senior management of our Company to execute and implement future growth strategy.



Mrs. Neha Agarwal  
Executive Director

**Date of Board Appointment:**  
28<sup>th</sup> June, 2016

**Background & Specialty:**

Mrs. Neha Agrawal has been associated with the company since 2016 as an Executive Director. She holds the degree of Bachelor of Business Administration from Eastern Institute for Integrated Learning in Management and has an overall experience of 4 Years in the electrical Industry. She currently looks after the overall administration of the Company.



## OUR BOARD'S PROFILE



**Mr. Devi Shankar Goyal**  
Independent Director

**Date of Board Appointment:**  
1st August, 2016

**Background & Specialty:**

In 2016, Company brought on Board Mr. Devi Shankar Goyal, aged 72 years on Board as Independent Director. He is having 28 years of experience in the field of Industrial Vastu Consultancy.



**Mrs. Radhika Agarwal**  
Independent Director

**Date of Board Appointment:**  
1st August, 2016

**Background & Specialty:**

Mrs. Radhika Agarwal, aged 41 years is associated with the Company from 2016 as Independent Director having an experience of in the field of Electrical equipment industry.



**Mr. Himanshu Goyal**  
Independent Director

**Date of Board Appointment:**  
28th February, 2018

**Background & Specialty:**

Mr. Himanshu Goyal, aged 36 years is associated with the company from 2018 as Independent Director. He holds the degree of Chartered Accountant and is a Law Graduate. He has more than 14 years experience as a Practicing Chartered Accountant.



# Awards and Recognitions

Our company was incorporated in year 1994 as RFH Metal Castings Private Limited. We became a public limited company in the year 2008 and were rechristened as RFH Metals Castings Limited. In 2016 the name was changed to RMC Switchgears Limited. We have been awarded with many awards like Industry Champion Award 2019. It is a great honor for all of us to be received accolades and award for the execution of the most successful and highly important







The year 2018-19 has been one of the milestone year for us and We have received many Awards and Recognitions. We innovate to improve the way the world works and lives. See our accomplishments as a Industry leader, great employer and corporate citizen. We are truly obliged for this great honor and recognition received



# CORPORATE INFORMATION

## Board of Directors and Key Management Team

### Board of Directors

Mr. Ashok Kumar Agarwal (Chairman & Managing Director)  
Mr. Ankit Agrawal (Whole-time Director)  
Mrs. Neha Agrawal (Executive Director)  
Mr. Devi Shankar Goyal (Independent Director)  
Mrs. Radhika Agarwal (Independent Director)  
Mr. Himanshu Goyal (Independent Director)

### Board Committees

#### Audit Committee

Mr. Himanshu Goyal (Chairman)  
Mr. Ashok Kumar Agarwal  
Mr. Devi Shankar Goyal

#### Nomination and Remuneration Committee

Mr. Devi Shankar Goyal (Chairman)  
Mrs. Radhika Agarwal  
Mr. Himanshu Goyal

#### Stakeholders Relationship Committee

Mr. Devi Shankar Goyal (Chairman)  
Mrs. Radhika Agarwal  
Mr. Himanshu Goyal

#### Chief Financial Officer (CFO)

**Mr. Bharat Bhushan Gupta**

#### Company Secretary & Compliance Officer

**Ms. Neha Dusad**

#### Registered Office Address:

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

#### Corporate Office:

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

#### Contact Details:

phone: +91-141-403156,  
+91-141- 4400222  
Fax:+91\_141-4031516  
E-Mail- [admin@rmcindia.in](mailto:admin@rmcindia.in)  
[cs@rmcindia.in](mailto:cs@rmcindia.in)  
website: [www.rmcindia.in](http://www.rmcindia.in)  
[www.laminadecor.com](http://www.laminadecor.com)

### Statutory Auditors

M/s Saraswat & Company  
Chartered Accountants, Jaipur

### Secretarial Auditors

M/s Deepika Jain & Associates  
Company Secretaries, Jaipur

### Cost Auditors

M/s Bikram Jain & Associates  
Cost Accountants, Jaipur

### Internal Auditor

M/s Ankur S & Associates  
Company Secretaries, Jaipur

### Principal Bankers

**The Federal Bank Limited**  
**Punjab National Bank**

### RTA

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

**Stock Exchange where Companies securities are listed**  
**BSE Limited- SME Platform**



**RMC SWITCHGEARS LIMITED**

CIN: L25111RJ1994PLC008698

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

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

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

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

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**NOTICE**

**NOTICE** is hereby given that the Twenty Fifth Annual General Meeting of the Members of RMC Switchgears Limited will be held on Monday, the 23<sup>rd</sup> September, 2019 at 11.00 A.M. at the Registered Office of the Company situated at 7 Km. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901 Rajasthan to transact the following businesses:

**ORDINARY BUSINESS:**

**1. Adoption of Financial Statements**

To consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon

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

To appoint a Director in place of Mrs. Neha Agrawal (DIN: 07540311), who retires by rotation at this Annual General Meeting and, being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

**3. Ratification of remuneration of Cost Auditor:**

To ratify remuneration of Cost Auditors and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an **ordinary resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 21,000/- (Rupees Twenty one Thousand only) plus applicable taxes to M/s Bikram Jain & Associates (FRN: 101610), Cost Accountants, Jaipur as the Cost Auditor of the Company as approved by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2020, be and is hereby ratified.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

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

**Place: Jaipur  
Date: 14.08.2019**

**Neha Dusad  
Company Secretary  
(Membership No: ACS 55093)**

## NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), a statement setting out material facts concerning Special Business (item no. 3) to be transacted at the Annual General Meeting (“AGM”) is annexed hereto and forms part of the notice.
2. The information required pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with secretarial standards 2 issued by ICSI, regarding the Directors seeking appointment/re-appointment in the AGM is annexed hereto and forms part of the notice.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.** In order to be effective, the instrument appointing a proxy (Proxy Form), duly completed, stamped and signed must be deposited at the Company’s registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed herewith at the end of Annual Report.
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. Members/Proxies/ Authorised Representatives attending the meeting are requested to bring the duly filled attendance slip enclosed herewith at the end of Report
6. Corporate members / Societies / Partnership Firms / Trusts, etc intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution / Authorization Letter authorizing their representative to attend and vote at the AGM on their behalf.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Directors and KMP and their shareholding and Register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at the AGM. The members desirous of getting any information on the Company’s accounts and / or operations of the Company are requested to write to the Company at least seven days before the date of AGM to enable us to keep the information ready at the AGM.
9. The copies of relevant documents referred to in the Notice and explanatory statement are open for inspection by the members at the Registered Office of the Company on all working days between 11.00 A.M. to 3.00 P.M. (IST) up to the date of the 25<sup>th</sup> AGM.
10. Members are requested to send their demat/remat applications, request for share transmission, intimation of change of address and other correspondence to the Company’s Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400 083.
11. Members who hold shares in electronic form are requested to notify immediately, any change in their addresses to their respective depository participants.
12. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent of the Company in any change in their residential status on return to India for permanent settlement, particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
13. Pursuant to SEBI circular, shareholders, whose ledger folios do not have or have incomplete details with regard to PAN and Bank Particulars are required to compulsorily furnish the details to the 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 accounts.
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 2018-19 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) 23rd August, 2019 by electronic mode to those members whose email address is registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their email address, physical copies are being sent by the permitted mode.
  16. As a measure of austerity, copies of the Annual Report will not be distributed at the AGM. Members are therefore requested to bring their copies of the Annual Report in the meeting.
  17. The Annual Report of the Company circulated to the Members of the Company will be made available on the Company's corporate website at [www.rmcindia.in](http://www.rmcindia.in).
  18. **GO GREEN INITIATIVE:** Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company, to support the MCA's Green Initiative in the Corporate Governance.
  19. The Register of Members and Share Transfer Books of the Company will not close.
  20. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the AGM.
  21. Members may kindly note that bags, eatables, laptops, arms, ammunitions or any other harmful/dangerous objects are not allowed inside the Auditorium at the meeting venue.
  22. Company is exempted from conducting E – Voting vide Rule 20(2) of Companies (Management & Administration) Rule, 2014 as amended. Therefore, voting will be conducted by means of ballot paper at the Annual General Meeting.
  23. The Board of Directors has appointed Ms. Deepika Jain, Practicing Company Secretary (ACS 41190, CP 16994), as Scrutinizer for conducting the voting process in a fair and transparent manner.
  24. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company [www.rmcindia.in](http://www.rmcindia.in). The results shall simultaneously be communicated to the Stock Exchanges.

**The route map showing direction to reach the venue of the 25<sup>th</sup> AGM is annexed at the end of the Report.**

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

**Neha Dusad  
Company Secretary  
(Membership No: ACS 55093)**

**Place: Jaipur  
Date: 14.08.2019**

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

### Item No: 3

The Board of Directors, on the recommendation of the Audit Committee has approved the appointment of M/s Bikram Jain & Associates, Cost Accountants, Jaipur (FRN: 101610) as the Cost Auditor of the Company for the financial year ending on 31<sup>st</sup> March, 2020 at a fees of Rs. 21,000/- (Rupees Twenty one Thousand only) plus applicable taxes per annum as remuneration to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020.

In accordance with the provisions of Section 148 of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor as recommended by the Audit Committee and approved by the Board is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for the ratification of remuneration payable to the Cost Auditors for

the financial year ending March 31, 2020 by passing an Ordinary Resolution as set out at Item No. 3 of the Notice.

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

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

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

**Neha Dusad  
Company Secretary  
(Membership No: A55093)**

**Place: Jaipur  
Date: 14.08.2019**

### Details of Directors seeking appointment/re-appointment at 25<sup>th</sup> Annual General Meeting

Name	Mrs. Neha Agrawal
Category / Designation	Executive Director
Director Identification No (DIN)	07540311
Date of Birth and Age	05.10.1982
Nationality	Indian
Date of first appointment on the Board	28.06.2016
Brief Profile / Expertise in Specific field/ Qualification	Mrs. Neha Agarwal holds the degree of Bachelor of Business Administration from Eastern Institute for Integrated Learning in Management and having an overall experience of 4 years and highly specialized in Electrical Industry and looking after the administration of the Company and has been associated with the RMC since 2016. Mrs. Neha Agarwal is also a Director in Explora IOT Solutions Pvt. Ltd (Subsidiary of RMC Switchgears Limited).
Board Meetings held & attended during the FY 2018-19	Twenty one attended out of Twenty one meetings held
Directorship held in other public companies (Excluding foreign companies and Section 8 Companies)	Nil
Memberships/Chairmanships of Committees of other Public Companies (Includes only Audit Committee and Stakeholder’s Relationship Committee)	Nil
Number of shares held in the company	4,20,000 equity shares
Remuneration paid during financial year 2018-19	Rs. 11,46,600
Relationship with other directors / KMP	Daughter in law of Mr. Ashok Kumar Agarwal (Chairman & Managing Director) and Spouse of Mr. Ankit Agrawal (Whole-time Director).



# *BOARD'S REPORT*

Dear Members,  
Your Directors have pleasure in presenting the 25<sup>th</sup> (Twenty Fifth) Annual Report on the affairs, business and operations of the Company, together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2019.

## Financial Performance & Highlights

The Audited Financial Statements (Standalone and Consolidated) of the Company for the year ended 31<sup>st</sup> march, 2019 are as follows:

(Rs. in Lacs)

Particulars	Standalone (F.Y.)		Consolidated (F.Y.)	
	2018-19	2017-18	2018-19	2017-18
Revenue From Operations (Net)	13175.10	8311.84	13175.10	8311.84
Other Income	86.04	100.74	86.04	100.74
<b>Profit Before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>1376.84</b>	<b>984.20</b>	<b>1372.39</b>	<b>984.20</b>
Less: Depreciation & Amortization Expenses	229.29	173.72	229.41	173.72
Less: Finance Cost	636.42	509.39	636.42	509.39
<b>Profit Before Tax Expense (PBT)</b>	<b>511.14</b>	<b>301.09</b>	<b>506.56</b>	<b>301.09</b>
Less: Tax Expenses (Current & Deferred)	131.08	48.87	131.14	48.87
<b>Profit After Tax (PAT)</b>	<b>380.06</b>	<b>252.22</b>	<b>375.42</b>	<b>252.22</b>
<b>Total comprehensive Income</b>	<b>380.06</b>	<b>252.22</b>	<b>375.42</b>	<b>252.22</b>

Previous Years figures have been regrouped and rearranged wherever necessary

### Operation and Sate of Company's Affairs

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

The year under review was one of the best years for the company and the Company has reached new milestones.

Company has registered impressive growth in Gross revenue which increased to Rs. **13175.10** Lakh, against Rs. 8311.84 Lakh in the previous year.

Similarly Profit before depreciation and taxation was Rs. 1376.84 Lakh against Rs. 984.20 Lakh in the previous year and Net Profit before Tax amounting to Rs. 511.14 Lakh against Rs. 301.09 Lakh in the previous year, the net profit after tax of the company for the year under review has increased to Rs. 380.06 Lakh as against Rs. 252.22 Lakh in the previous year. The year under review was an excellent one for the company

### Consolidated Financial Statements

The consolidated financial statements of the Company and the subsidiary form a part of this Annual Report and have been prepared in accordance with Section 129(3) of the Companies Act, 2013. A copy of the

audited financial statements for the financial year ended 31st March, 2019 in respect of subsidiary shall

be provided to shareholders upon request. A separate statement containing salient features of the financial statements of the subsidiary in prescribed format AOC-1 is annexed as Annexure B to this report. The statement also provides the details of performance and financial position of the subsidiary company.

### Dividend

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

### Transfer to Reserve & Surplus

The Board of Directors of your Company have decided not to transfer any amount to the Reserves but the Company has transferred profit of Rs.380.06 Lakh from profit and loss account to Surplus.

### Particulars of Loans, Guarantees and Investments

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



## ANNUAL REPORT 2018-19

### Deposits

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. There are no outstanding deposits as on 31st March, 2019.

### Loan from Directors

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

Name of Director giving loan	Amount borrowed during the Financial Year 2018-19 (Amount in Rs.)
Mr. Ashok Kumar Agarwal	897284
Mr. Ankit Agrawal	7906628.66

### Details of Holding and Subsidiary Companies

During the year under review Explora IOT Solutions Private Limited was formed as Wholly Owned Subsidiary Company of your company on 10<sup>th</sup> May, 2018. The Company was formed to enter into a Joint Venture with FactoryLab B.V. Netherlands for importing the technical expertise and manufacturing and marketing of Smart Data Loggers in India and other Asian Countries but the tender has not been opened yet consequently the Subsidiary Company has not commenced business yet. Pursuant to the aforesaid investment RMC Switchgears Limited holds 99.99 % shareholding in the aforesaid subsidiary.

### Loan to the Subsidiary

The maximum amount of Loan outstanding during the year under review to Explora IOT Solutions Private Limited being Wholly Owned Subsidiary was Rs. 84,510/- (Rupees Eighty Four Thousand Five Hundred only)

### Change in Capital Structure

During the financial year 2018-19, there has been no change in capital structure of the Company and paid up share capital of the Company stands at Rs. 6,09,22,000/- (Rupees Six Crore Nine Lakhs Twenty Two Thousand only). The Company has not issued Debentures, shares with differential voting rights, stock options and sweat equity during the year.

### Credit Rating

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

### Memorandum and Articles of Association

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

### Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

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

### Directors and Key Managerial Personnel (KMP)

During the year, Mr. Ashok Kumar Agarwal was re-appointed as Managing Director of the Company for a period of five years w.e.f. 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March 2024, Mr. Ankit Agrawal was re-appointed as Whole-time Director of the Company for a period of five years w.e.f. 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March 2024 and Mrs. Neha Agrawal was re-appointed as Executive Director of the Company for a period of five years w.e.f. 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March 2024. The aforesaid reappointments were approved by the shareholders of the Company on 25<sup>th</sup> March, 2019 in duly held Extra Ordinary General Meeting of the Company.

During the year, Mr. Suresh Kumar Jain was ceased to be the Independent Director of the Company w.e.f. 19<sup>th</sup> February, 2019. The Board places on record its appreciation towards valuable contribution made by Mr. Suresh Kumar Jain during his tenure as Independent Director of the Company.

## ANNUAL REPORT 2018-19

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mrs. Neha Agrawal, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for reappointment. The Board and Nomination and Remuneration Committee recommended her re-appointment at the ensuing Annual General Meeting. Mr. Himanshu Goyal, Additional Director of the Company was regularized as Independent Director of the Company in Annual General Meeting of the Company held on 14<sup>th</sup> August, 2018.

During the year under review the following changes took place in the Key Managerial Personnel (KMP's) of the Company.

- a. Mr. Atul Dixit, Chief Executive Officer of the Company resigned w.e.f. 29<sup>th</sup> September, 2018.
- b. Mr. Shiv Charan Maheshwari resigned from the post of Chief Financial Officer w.e.f 31<sup>st</sup> July, 2018 and Mr. Bharat Bhushan Gupta was appointed as Chief Financial Officer of the Company w.e.f 1<sup>st</sup> August, 2018.
- c. Mrs. Monika Sharma resigned from the post of Company Secretary w.e.f 31<sup>st</sup> July, 2018 and Ms. Pranju Daftari was appointed as Company Secretary of the Company w.e.f 08<sup>th</sup> August, 2018 who resigned w.e.f 31.05.2019 and Ms. Neha Dusad was appointed at her place w.e.f. 24.06.2019.

### Board Evaluation and Remuneration Policy

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

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

During the year under review, the Nomination and Remuneration Policy was amended to incorporate the changes of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The amended Policy is available on the Company's website, i.e. www.rmcindia.in

### A. Board Meetings

During the year, Twenty one (21) Board Meetings were convened and held, the details of which are given as Annexure-I

### B Declaration by Independent Directors

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, and Regulation 16(1) (b) of SEBI (LODR), Regulations, 2015. Further, all necessary declarations with respect to independence have been received from all the Independent Directors and also received the confirmation that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. The terms and conditions for the appointment of the Independent Directors are available on the website of the Company.

### C Familiarization Programme for Independent Director

RMC believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfills stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes/developments in the domestic/global corporate and industry scenario including those pertaining to statutes / legislations & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.

### Committees of the Board

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

Audit Committee  
Nomination and Remuneration Committee  
Stakeholders Relationship Committee

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

### Auditor and Auditor's Report

#### Statutory Auditor

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

The Statutory Auditors of the Company, have submitted Auditors' Report on the financial statements (standalone and consolidated) of the Company for the financial year ended 31st March, 2019. The reports do not contain any reservation, qualification or adverse remark. Information referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

#### Secretarial Auditor

Pursuant to provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, M/s Deepika Jain & Associates, Company Secretaries, Jaipur having firm registration no. I2016RJ1495300 was appointed as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report as required under section 204 (1) of the Companies Act, 2013 in the prescribed form MR-3 is enclosed as Annexure-E. The report does not contain any reservation, qualification or adverse remark. Information referred to in the Secretarial Auditor Report are self-explanatory and do not call for any further comments.

#### Cost Auditors

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, M/s Bikram Jain & Associates, Cost Accountants, Jaipur having firm registration no 101610 has been appointed as Cost Auditor to conduct Cost Audit of the Company for the Financial Year 2019-20 and the remuneration needs to be ratified by the shareholders of the Company at the ensuing General Meeting.

During the year under review requirement to appoint Cost Auditor was not applicable on the Company. Further pursuant to provision of section 148(1) of the Companies Act, 2013, maintenance of cost records as specified by Central Government are maintained by the Company.

#### Internal Auditor:

Pursuant to the provisions of Section 138 and any other applicable provisions of the Companies Act, 2013 and the rules made there under, Mr. Ravindra Kumar Sharma was appointed as an Internal Auditor of the Company for the financial year 2018-19. Mr. Ravindra Kumar Sharma has

resigned from the post of Internal Auditor w.e.f. 13<sup>th</sup> August, 2019 and M/s Ankur S & Associates, Company Secretaries, Jaipur having firm registration no S2018RJ562000 has been appointed as an Internal Auditor of the Company w.e.f. 14<sup>th</sup> August, 2019.

#### Vigil Mechanism / Whistle Blower Policy

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

#### Annual Return

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

#### Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

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

#### Particulars of Contracts or Arrangements with Related Parties

All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no material significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large. The format for Particulars of contracts or arrangements with related parties as referred in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2 is annexed herewith as Annexure C.

## ANNUAL REPORT 2018-19

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

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

### Listing of Shares

The shares of the Company are listed on BSE Limited – SME Platform and the Annual listing fee for the year 2019-20 has been duly paid.

### Environment and Safety

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

Employees' well-being and safety is of paramount importance to us. Creating a safe and healthy work environment is the most material issue in our operations. The focus is to continuously improve our health and safety performance. Our operations are safe and do not use significant amount of hazardous materials. All our employees are provided with relevant personal protective equipment according to the nature of work handled. They are also imparted relevant training on safety and handling of hazardous materials.

### Directors Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, in preparation of annual accounts for the financial year ended 31st March, 2019 and state that:

a) in the preparation of annual accounts of the Company for the financial year ended 31<sup>st</sup> March, 2019, the

applicable accounting standards have been followed along with proper explanation relating to material departures from the same, if there any;

- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularity;
- d) the annual accounts have been prepared on a going concern basis;
- e) proper internal financial control have been laid down which are adequate and were operating effectively; and
- f) proper systems have been devised ensure compliance with the provision of all applicable law and that such system operating effectively.

### Management Discussion & Analysis Report

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

### Business Responsibility Report

The Business Responsibility Reporting as required under Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to your company for the financial year 2018-19.

### Internal Control Systems and Their Adequacy

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



## ANNUAL REPORT 2018-19

### Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Other Employees

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

### Human Resource Management, Health and Safety

At RMC, we consider our employees as the most valuable resource and ensure strategic alignment of Human Resource practices to business priorities and objectives. Our constant endeavour is to invest in people and people processes to improve human capital for the organization and service delivery to our customers. Attracting, developing and retaining the right talent will continue to be a key strategic imperative and the organization continues its undivided attention towards that. We would like to take this opportunity to express appreciation for the hard work and commitment of the employees of the Company and look forward to their continued contribution.

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

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

ees through greater knowledge, team spirit and developing greater sense of responsibility.

### Particulars of Employees

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

### Risk Management

The Company has framed and implemented a Risk Management policy to identify the various business risks. This framework seeks to create transparency, minimise adverse impact on business objectives and enhance the Company's competitive advantage. The risk management policy defines the risk management approach across the enterprise at various levels, including documentation and reporting.

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

#### **(A) Commodity Price Risk**

Risk of price fluctuation on basic raw materials as well as finished goods used in the process of manufacturing. Your Company commands excellent business relationship with both suppliers and buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.

#### **(B) Interest Rate Risk**

Any increase in interest rate can affect the finance cost. Your Company's dependency on interest bearing debt is reasonably low therefore risk on account of any unforeseen hike in interest rate is very nominal.

#### **(C) Human Resource Risk**

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

**(D) Competition Risk**

Your Company is exposed to competition risk particularly from China. The increase in competition can create pressure on margins, market share etc. However, by continuous efforts to enhance the brand image of the Company by focusing on, quality, cost, timely delivery, best customer service and by introducing new product range commensurate with demands, your Company plans to mitigate the risks so involved. Company is diversifying into new products to balance the risk of depending on sole product.

**(E) Compliance Risk**

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

**(F) Industrial Safety, Employee Health and Safety Risk**

The Electrical industry is labour intensive and is exposed to accidents, health and injury risk due to machinery breakdown, etc. By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee. All the insurable interests of your Company including Properties, Equipment and stocks etc. are adequately insured.

**Prevention of Sexual Harassment at Workplace**

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

**Dematerialisation of Shares**

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system. As on March 31, 2019, 100% of the share capital stands dematerialized.

**Corporate Social Responsibility (CSR)**

As per Provisions of Section 135 of the Company Act 2013, and rules made there under, the Corporate Social Responsibility is not applicable on your company for the Financial Year 2019-20.

**Trade & Investor Relations**

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

**Corporate Governance**

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

Since, the Company falls into the ambit of the above mentioned limits, compliance with the provisions of Regulation 27 and para C, D, E of Schedule V of the Listing Regulations is not mandatory for the Company for the time being and consequently, the Compliance Report on Corporate Governance as stipulated under Schedule V of the Regulations does not form part of this Annual Report for the Financial Year 2018-19.

**Secretarial Standards**

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

**Code of Conduct**

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

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

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

Declaration by Chairman & Managing Director regarding compliance by board members and senior management personnel with the company's code of conduct is given in **Annexure "J"**.

### Prevention of Insider Trading

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

### Transfer of Amounts to Investor Education and Protection Fund

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

1. Unclaimed dividend transferred to IEPF during the year 2018-19 – NIL
2. Shares transferred to IEPF during the year 2018-19 - NIL

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

The information under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2019 are given at Annexure-H and forms part of the Board's Report.

### Company's Policies

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

- 1) Code of Conduct of board of directors and senior management personnel;
- 2) Board's performance evaluation policy
- 3) Familiarization Policy
- 4) Code of Conduct for Prohibition of Insider Trading;
- 5) Code of practices and procedures for fair disclosure of unpublished price sensitive information;
- 6) Whistle Blower Policy and Vigil Mechanism;
- 7) Risk Management Policy;
- 8) Policy for related party transactions;
- 9) Nomination and Remuneration Policy;
- 10) Policy for determining materiality of events/information; and.
- 11) Anti-Sexual Harassment Policy.

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

### Acknowledgement

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

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

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

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

**Place: Jaipur**  
**Date: 14.08.2019**

## ANNEXURE “A” To THE BOARD’S REPORT

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

### **Responsibility of Board/ Independent Director**

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

### **The Board of Directors shall undertake the following activities on an annual basis:**

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

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

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

### **Evaluation Factors**

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

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

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below.

### **Rating Scale**

Scale Performance	Rating Scale
Exceptionally good	5
Good	4
Satisfactory	3
Needs improvement	2
Unacceptable	1

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



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### **Independent Directors**

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

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

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

### **Non-Independent Directors, Executive Directors non – Independent Directors / Executive Directors**

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

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

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

### **Board of Directors**

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

S. No.	Assessment Criteria	Rating	Remarks/ Comments

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

**Committees of Board**

The Board has constituted the following committees:

1. Audit Committee;
2. Nomination and Remuneration Committee; and
3. Stakeholders Relationship Committee

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

S. No	<u>Audit Committee (for Audit Committee members only)</u>	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

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S. No.	Nomination and Remuneration Committee (For Nomination and Remuneration Committee members only)	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues.		
2.	Timely inputs on the minutes of the meetings		

S. No.	Stakeholders Relationship Committee (For Stakeholders Relationship Committee members only)	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues.		
2.	Timely inputs on the minutes of the meetings		

### Key Managerial Personnel And Senior Executives

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

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

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Abidance and behavior in accordance with ethical standards & code of conduct of Company		
2.	Interpersonal and communication skills		
3.	Compliance with policies of the Company, ethics, code of conduct, etc.		
4.	Safeguarding interest of whistle-blowers under vigil mechanism		
5.	Team work attributes		
6.	Safeguard of confidential information		

### Review & Amendment

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

### Disclosure

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

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

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

**Place: Jaipur**  
**Date: 14.08.2019**

## ANNEXURE “B” To THE BOARD’S REPORT

### AOC-1

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

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

#### Part “A”: Subsidiaries

(Amount in Rs)

Particulars	Subsidiary
Sl. No.	1
Name of the subsidiary	Explora IOT Solutions Private Limited
The date since which subsidiary was acquired	10.05.2018
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	10.05.2018-31.03.2019
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
Share capital	5,30,000
Reserves & surplus	(4,63,016.77)
Total Assets	1,58,369.14
Total Liabilities	91,385.91
Investments	-
Turnover	-
Profit / (loss) before Taxation	(4,57,679.86)
Provision for Taxation (Deferred Tax)	(5,336.91)
Profit / (loss) after Taxation	(4,63,016.77)
Proposed Dividend	-
% of shareholding	99.99%

**Note: 1. Name of Subsidiaries which are yet to commence operations:** Explora IOT Solutions Private Limited  
Date of Incorporation: 10.05.2018

**2. Name of Subsidiaries which have been liquidated or sold during the year:** Not applicable

#### Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures There is no Associate company / Joint venture as on 31st March 2019.

**Date:** 14.08.2019  
**Place:** Jaipur

**Ashok Kumar Agarwal**  
Chairman & Managing  
Director (DIN: 0793152)

**Bharat Bhushan Gupta**  
Chief Financial Officer

**Neha Dusad**  
Company Secretary



## ANNEXURE “C” To THE BOARD’S REPORT

### AOC-2

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

#### 1. Details of contracts or arrangements or transactions not at arm’s length basis;

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

#### 2. Details of Material Contracts or Arrangements or Transactions at arm’s length basis

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

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

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

**Place: Jaipur**  
**Date: 14.08.2019**

## ANNEXURE “D” To THE BOARD’S REPORT

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the Financial Year ended on 31st March, 2019**  
*[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

### I REGISTRATION & OTHER DETAILS:

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

### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated hereunder:			
S. No.	Name & Description of main Products/Services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacturing of Electrical Equipment (Meter/Distribution Boxes)	279	68.43%

### III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Explora IOT Solutions Private Limited	U72900RJ2018 PTC061199	Subsidiary	99.998%	2 (87)

## IV SHARE HOLDING PATTERN (Equity Share Capital breakup as a percentage of total equity)

i) Category-wise Share Holding										
S. No.	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promoters</b>									
<b>[1]</b>	<b>Indian</b>									
(a)	Individuals / Hindu Undivided Family (HUF)	3401960	0	3401960	55.84	3427840	0	3427840	56.26	0.42
(b)	Central Government	0	0	0	0	0	0	0	0	0
(c)	State Government(s)									
(d)	Bodies Corporate									
(e)	Banks / FI	0	0	0	0	0	0	0	0	0
(f)	Any Other	0	0	0	0	0	0	0	0	0
	<b>Sub Total (A)(1)</b>	3401960	0	3401960	55.84	3427840	0	3427840	56.26	0.42
<b>[2]</b>	<b>Foreign</b>									
(a)	NRIs-Individuals	0	0	0	0	0	0	0	0	0
(b)	Other- Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0	0
(e)	Any Other	0								0
	<b>Sub Total (A)(2)</b>	0	0	0	0	0	0	0	0	0
	<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	3401960	0	3401960	55.84	3427840	0	3427840	56.26	0.42
<b>(B)</b>	<b>Public Shareholding</b>									
<b>[1]</b>	<b>Institutions</b>									
(a)	Mutual Funds	0	0	0	0	0	0	0	0	0
(b)	Banks / FI	0	0	0	0	0	0	0	0	0
(c)	Central Government	0	0	0	0	0	0	0	0	0
(d)	State Government (s)	0	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0	0
(g)	Foreign Institutional Investors (FIIs)	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(i)	Others (Specify)	0								0

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	<b>Sub Total (B)(1)</b>	0	0	0	0	0	0	0	0	0
[2]	<b>Non-Institutions</b>									
(a)	<b>Bodies Corporate</b>									
(i)	Indian	474720	0	474720	7.79	450720	0	450720	7.40	(0.39)
(ii)	Overseas	0	0	0	0	0	0	0	0	0
(b)	<b>Individuals</b>									
(i)	Individuals holding nominal share capital upto Rs. 1 Lakh	763900	0	763900	12.54	573680	0	573680	9.42	(3.12)
(ii)	Individuals holding nominal share capital in excess of Rs. 1 lakh	1014520	0	1014520	16.65	1224960	0	1224960	20.11	3.45
(c)	<b>Others (Specify)</b>									
(i)	Hindu Undivided Family (HUF)	313000	0	313000	5.14	337000	0	337000	5.53	0.39
(ii)	Clearing Members	32100	0	32100	0.53	32000	0	32000	0.53	(0.001)
(iii)	Non-Resident Indians (Non Repat)	8000	0	8000	0.13	8000	0	8000	0.13	0
(iv)	Non-Resident Indians (Repat)	84000	0	84000	1.38	38000	0	38000	0.62	(0.76)
(v)	Trusts	0	0	0	0	0	0	0	0	0
(vi)	NBFC registered with RBI	0	0	0	0	0	0	0	0	0
	<b>Sub Total (B)(2)</b>	2690240	0	2690240	44.16	2664360	0	2664360	43.73	(0.42)
	<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	2690240	0	2690240	44.16	2664360	0	2664360	43.73	(0.42)
(C)	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	6092200	0	6092200	100	6092200	0	6092200	100	0

**(ii) Shareholding of Promoters**

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Ashok Kumar Agarwal	585000	9.6	0	610880	10.03	0	0.42
2	Ankit Agrawal	569880	9.35	0	569880	9.35	0	0
3	Santosh Agarwal	568520	9.33	0	568520	9.33	0	0
4	Vitthal Das Agarwal HUF	500600	8.22	0	500600	8.22	0	0
5	Parwati Bai Agrawal	302920	4.97	0	302920	4.97	0	0



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6	Ashok Kumar Agrawal HUF	212840	3.49	0	212840	3.49	0	0
7	Neha Agrawal	420000	6.89	0	420000	6.89	0	0
8	Ankit Agarwal HUF	104000	1.71	0	104000	1.71	0	0
9	Vitthal Das Agrawal	63200	1.03	0	63200	1.03	0	0
10	Rajendra Kumar Agrawal	40320	0.66	-	40320	0.66	0	0
11	Atika Agrawal	34680	0.57	-	34680	0.57	0	0

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

S. No.	Shareholder Name	Shareholding at the beginning of the year		Cumulative Shareholding at the year	
		No. of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
<b>1</b>	<b>Ashok Kumar Agarwal</b>				
	At the beginning of the Year	585000	9.60	585000	9.60
	Gift (18.05.2018)	25880	0.42	610880	10.03
	At the end of the Year			610880	10.03
<b>2.</b>	<b>Ankit Agrawal</b>				
	At the beginning of the Year	569880	9.35	569880	9.35
	Increase / Decrease		<b>No Change</b>		
	At the end of the Year			569880	9.35
<b>3</b>	<b>Santosh Agarwal</b>				
	At the beginning of the Year	568520	9.33	568520	9.33
	Increase / Decrease		<b>No Change</b>		
	At the end of the Year			568520	9.33
<b>4</b>	<b>Vitthal Das Agarwal HUF</b>				
	At the beginning of the Year	500600	8.22	500600	8.22
	Increase / Decrease		<b>No Change</b>		
	At the end of the Year			500600	8.22
<b>5</b>	<b>Parwati Bai Agrawal</b>				
	At the beginning of the Year	302920	4.97	302920	4.97
	Increase / Decrease		<b>No Change</b>		
	At the end of the Year			302920	4.97
<b>6</b>	<b>Ashok Kumar Agrawal HUF</b>				
	At the beginning of the Year	212840	3.49	212840	3.49
	Increase / Decrease		<b>No Change</b>		
	At the end of the Year			212840	3.49
<b>7</b>	<b>Neha Agrawal</b>				
	At the beginning of the Year	420000	6.89	420000	6.89
	Increase / Decrease		<b>No Change</b>		

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	At the end of the Year			420000	6.89
<b>8</b>	<b>Ankit Agarwal HUF</b>	<b>No Change</b>			
	At the beginning of the Year	104000	1.71	104000	1.71
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			104000	1.71
<b>9</b>	<b>Vitthal Das Agrawal</b>	<b>No Change</b>			
	At the beginning of the Year	63200	1.03	63200	1.03
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			63200	1.03
<b>10</b>	<b>Rajendra Kumar Agrawal</b>	<b>No Change</b>			
	At the beginning of the Year	40320	0.66	40320	0.66
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			40320	0.66
<b>11</b>	<b>Atika Agrawal</b>	<b>No Change</b>			
	At the beginning of the Year	34680	0.57	34680	0.57
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			34680	0.57

**(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)**

S. No.	Shareholder Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
<b>1.</b>	<b>Argent Leasing and Finance Pvt. Ltd.</b>	<b>No Change</b>			
	At the beginning of the year	413120	6.78	413120	6.78
	Increase / Decrease	<b>No Change</b>			
	At the end of the year			413120	6.78
<b>2.</b>	<b>Sunit Karnawat</b>	<b>No Change</b>			
	At the beginning of the year	304000	4.99	304000	4.99
	Increase / Decrease	<b>No Change</b>			
	At the end of the year			304000	4.99
<b>3</b>	<b>Vikram Karnawat</b>	<b>No Change</b>			
	At the beginning of the year	304000	4.99	304000	4.99
	Increase / Decrease	<b>No Change</b>			
	At the end of the year			304000	4.99
<b>4</b>	<b>Ishwar Prasad Agarwal and Sons</b>	<b>No Change</b>			
	At the beginning of the year	121000	1.99	121000	1.99

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	Increase / Decrease	No Change			
	At the end of the year			121000	1.99
<b>5.</b>	<b>Vasudevarao Dhanekula</b>				
	At the beginning of the year	92000	1.51	92000	1.51
	Market Sell (06.04.2018)	(4000)	(0.07)	88000	1.44
	At the end of the year			88000	1.44
<b>6</b>	<b>Manoj Kumar Kothari HUF</b>				
	At the beginning of the year	60000	0.98	60000	0.98
	Market Purchase (17.08.2018)	2000	0.03	62000	1.02
	At the end of the year			62000	1.02
<b>7</b>	<b>Shyam Sunder Agarwal</b>				
	At the beginning of the year	0	0	0	0
	Market Purchase (18.05.2018)	52000	0.85	52000	0.85
	At the end of the year			52000	0.85
<b>8</b>	<b>Sunita Kothari</b>				
	At the beginning of the year	36000	0.59	36000	0.59
	Market Purchase (21.09.2018)	4000	0.07	40000	0.66
	Market Purchase (12.10.2018)	10000	0.16	50000	0.82
	At the end of the year			50000	0.82
<b>9</b>	<b>Garvit Kothari</b>				
	At the beginning of the year	36000	0.59	36000	0.59
	Market Purchase (21.09.2018)	2000	0.03	38000	0.62
	At the end of the year			38000	0.62
<b>10</b>	<b>Rajesh S Pandit</b>				
	At the beginning of the year	36000	0.59	36000	0.59
	Market Sell (25.01.2019)	(4000)	(0.07)	32000	0.53
	At the end of the year			32000	0.53
<b>11</b>	<b>Kushal Jayesh Khandwala</b>				
	At the beginning of the year	44000	0.72	44000	0.72
	Market Sell (25.05.2018)	(12000)	(0.20)	32000	0.53
	Market Sell (08.06.2018)	(12000)	(0.20)	20000	0.33
	At the end of the year			20000	0.33
<b>12</b>	<b>Rashmi Rani Pahwa</b>				
	At the beginning of the year	56000	0.92	56000	0.92
	Market Sell (13.04.2018)	(4000)	(0.07)	52000	0.85
	Market Sell (20.04.2018)	(4000)	(0.07)	48000	0.79
	Market Sell (27.04.2018)	(28000)	(0.46)	20000	0.33
	Market Sell (04.05.2018)	(18000)	(0.30)	2000	0.03
	Market Sell (11.05.2018)	(2000)	(0.03)	0	0.00
	At the end of the year			0	0.00
<b>13</b>	<b>Vinay Jaiprakash Ambekar</b>				
	At the beginning of the year	40000	0.66	40000	0.66

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Market Sell (05.10.2018)	(24000)	(0.39)	16000	0.26
Market Sell (12.10.2018)	(16000)	(0.26)	0	0.00
At the end of the year				

**(v) SHAREHOLDING OF DIRECTORS & KMP**

S. No.	Name of Directors & KMP's	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Ashok Kumar Agarwal (Chairman &amp; Managing Director)</b>				
	At the beginning of the Year	585000	9.60	585000	9.60
	Gift (18.05.2018)	25880	0.42	610880	10.03
	At the end of the Year			610880	10.03
<b>2.</b>	<b>Ankit Agrawal (Whole-time Director)</b>				
	At the beginning of the Year	569880	9.35	569880	9.35
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			569880	9.35
<b>3.</b>	<b>Neha Agrawal (Executive Director)</b>				
	At the beginning of the Year	420000	6.89	420000	6.89
	Increase / Decrease	<b>No Change</b>			
	At the end of the Year			420000	6.89

Note: No other Director and KMP held any shares during the financial year 2018-19.

**V. INDEBTEDNESS**

Amount In Rupee

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	216382666.8	151515583.69	-	367898250.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	329000	-	-	329000
<b>Total (i+ii+iii)</b>	<b>216711666.8</b>	<b>151515583.69</b>		<b>368227250.49</b>
<b>Change in Indebtedness during the financial year</b>				
Additions		45124389.56	-	45124389.56
Reduction	4643551.68		-	4643551.68
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	211739115.12	196639973.25	--	408379088.37



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ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	553,424.23	-	-	553,424.23
<b>Total (i+ii+iii)</b>	<b>212292539.35</b>	<b>196639973.25</b>		<b>408932512.60</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**(A) REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTORS AND/OR MANAGER:**
**Amount In Rupee**

S. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Mr. Ashok Kumar Agarwal (Chairman & Managing Director)	Mr. Ankit Agrawal (Whole-Time Director)	Mrs. Neha Agrawal (Executive Director)	
<b>1.</b>	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16,50,000/-	15,75,000/-	11,25,000/-	43,50,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,600/-	21,600/-	21,600/-	64,800/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
<b>2.</b>	Stock Option	-	-	-	-
<b>3.</b>	Sweat Equity	-	-	-	-
<b>4.</b>	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others	-	-	-	-
	<b>Total (A)</b>	<b>16,71,600/-</b>	<b>15,96,600</b>	<b>11,46,600/-</b>	<b>44,14,800/-</b>

The remuneration paid to Executive Directors is within the ceiling under Section 197 read with Schedule V of the Companies Act, 2013 and shareholders' approval.

**(B) REMUNERATION TO OTHER DIRECTORS**
**Amount In Rupee**

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Mr. Devi Shankar Goyal	Mrs. Radhika Agarwal	Nr. Suresh Kumar Jain*	Mr. Himanshu Goyal**	
	• Fee for attending board/ committee meetings	NIL				
	• Commission					
	• Others					
	Total (B) (1)					
2.	Other Non-Executive Directors					
	• Fee for attending board/ committee meetings					
	• Commission					

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	• Others	NIL			
	Total (B) (2)	NIL			
	Total (B) = (B)(1)+(B)(2)	NIL	NIL	NIL	NIL

**(C) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/ WTD**

Amount In Rupee

S. No.	Particulars of Remuneration	Key Managerial Personnel					Total Amount
		Mr. Atul Dixit (CEO)*	Mr. Shiv Charan Maheshwari (CFO)**	Mr. Bharat Bhushan Gupta (CFO)***	Mrs. Monika Sharma (Company Secretary)****	Ms. Pranju Daftari (Company Secretary)*****	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,20,000/-	3,00,000/-	11,85,600/-	96,888/-	1,66,252/-	38,68,740/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-
	- others						
	Total (A)	21,20,000/-	3,00,000/-	11,85,600/-	96,888/-	1,66,252/-	38,68,740/-

\* Mr. Atul Dixit resigned from the post of CEO w.e.f. 29.09.2018

\*\*Mr. Shiv Charan Maheshwari resigned from the post of CFO w.e.f. 31.07.2018. The remuneration paid to Mr. Shiv Charan Maheshwari includes the remuneration paid as Non-KMP appointed in Purchase Department of two months.

\*\*\* Mr. Bharat Bhushan Gupta was appointed as CFO of the Company w.e.f. 01.08.2018

\*\*\*\* Mrs. Monika Sharma resigned from the post of Company Secretary w.e.f. 31.07.2018

\*\*\*\*\* Ms. Pranju Daftari was appointed as Company secretary of the Company w.e.f. 08.08.2018.

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

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

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

**Place: Jaipur  
Date: 14.08.2019**

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

## ANNEXURE “E” To THE BOARD’S REPORT

### MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To,  
**The Members,**  
**RMC Switchgears Limited,**  
**CIN: L25111RJ1994PLC008698**  
**7 KM. From Chaksu, Khotkawda Road,**  
**Village Badodiya, Tehsil Chaksu, Tonk Road,**  
**Jaipur- 303901 Rajasthan.**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RMC Switchgears Ltd. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us 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 Authorised Representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on March 31, 2019 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 extent, in the manner and subject to the reporting made hereinafter.

We

have examined the Books, Papers, Minute Books, Forms, Returns filed and other Records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts ( Regulation) Act, 1956 (SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment; **[Not Applicable to the Company as there are no reportable transactions for the period under review.]**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ( ‘ SEBI Act’);
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Up to 10<sup>th</sup> November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (W.E.F. 11<sup>th</sup> November, 2018) **[Not applicable as the Company has not issued any further Share Capital during the period under review];**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014; **[Not Applicable to the Company as there is no reportable event for the period under review.];**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable to the Company as there are no reportable transactions for the period under review.];**



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- (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 clients [**Not applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the period under review;**]
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [**Not Applicable to the Company as there is no reportable event for the period under review.;**]
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (up to 10<sup>th</sup> September, 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [**W.E.F. 11<sup>th</sup> September, 2018;**]; [**Not Applicable to the Company as there is no reportable event for the period under review.**]

### 6. Other laws applicable specifically to the Company namely:

- a. The Factories Act, 1948 and allied state laws.
- b. Environment Protection Act, 1986 and the rules, notifications issued thereunder.
- c. The Trademark Act, 1999
- d. MSME Act, 2006

### We have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with BSE Limited.
- III. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

**We Further Report That** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except where consent of all the Director were received for circulation of Notices and Agendas at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the Meeting and for meaningful participation at the Meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be. We further report 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.

**For Deepika Jain & Associates**  
**(Practicing Company Secretaries)**  
**FRN: I2016RJ1495300**

**(Deepika Jain)**  
**Proprietor**  
**M. No.: A41190**  
**CP: 16994**  
**Place: Jaipur**  
**Date: 29.05.2019**

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

**To,  
The Members,  
RMC Switchgears Limited,  
CIN: L25111RJ1994PLC008698  
7 KM. From Chaksu, Khotkawda Road,  
Village Badodiya, Tehsil Chaksu, Tonk Road,  
Jaipur- 303901 Rajasthan**

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

1. Maintenance of Secretarial records 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, we followed provide a reasonable basis for 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 compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Deepika Jain & Associates  
(Practicing Company Secretaries)  
FRN: I2016RJ1495300**

**(Deepika Jain)  
Proprietor  
M. No.: A41190  
CP: 16994  
Place: Jaipur  
Date: 29.05.2019**

## ANNEXURE “F” To THE BOARD’S REPORT

### Particular of Employees

(1) Information 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)

a. Ratio of Remuneration of Directors to Median Remuneration of employees (MRE) of the Company for the financial year 2018-19:

S. No.	Name of Director	Designation	Ratio of Remuneration to MRE	% Increase in Remuneration
1.	Mr. Ashok Kumar Agarwal	Chairman & Managing Director	6.64:1	37.65 %
2.	Mr. Ankit Agrawal	Whole-time Director	6.34:1	31.47%
3.	Mrs. Neha Agrawal	Executive Director	4.55:1	25.89%

b. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.

S. No.	Name of Person	Designation	% Increase in Remuneration
1.	Mr. Atul Dixit*	Chief Executive Officer (CEO)	NIL
2.	Mr. Shiv Charan Maheshwari**	Chief Financial Officer (CFO)	NIL
3.	Mr. Bharat Bhushan Gupta***	Chief Financial Officer (CFO)	NIL
4.	Mrs. Monika Sharma****	Company Secretary	NIL
5.	Ms. Pranju Daftari*****	Company Secretary	NIL

\* Mr. Atul Dixit resigned from the post of CEO w.e.f. 29.09.2018

\*\*Mr. Shiv Charan Maheshwari resigned from the post of CFO w.e.f. 31.07.2018.

\*\*\* Mr. Bharat Bhushan Gupta was appointed as CFO of the Company w.e.f. 01.08.2018

\*\*\*\* Mrs. Monika Sharma resigned from the post of Company Secretary w.e.f. 31.07.2018

\*\*\*\*\* Ms. Pranju Daftari was appointed as Company secretary of the Company w.e.f. 08.08.2018

#### Note:

- The median remuneration of employees was Rs. 3,21,103.50 as on 31st March, 2019 and Rs. 3,36,000 as on 31st March, 2018. There was decrease in MRE during the financial year 2018-19 of 4.43 %
- The number of permanent employees on the rolls of the Company as at 31<sup>st</sup> March, 2019 were 128
- The average managerial percentage has been increased by 32.20% in the F.Y. 2018-19, while for others it is increased to 10.17%. 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 Corporate Governance Report. 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 financial year 2018-19
- 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, 2019 is as per the Remuneration Policy of the Company

(2) Information 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)

a. Details of Top ten employees as per remuneration as on 31st March, 2019

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### Note:

1. All employments are contractual, terminable by notice from either side.
2. No employee of the Company hold 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.

S. No.	Employee Name	Designation	Remuneration received in F.Y. 2018-19	Date of Commencement of employment	Nature of Employment*	Educational Qualification	Age	Experience In years)	Last Employment
1.	Atul Dixit	Chief Executive Officer	21,20,000/-	04.09.2017	CONTRACTUAL	M.A	54	30	GRAPH INDUSTRIES
2.	Ashok Kumar Agarwal	Chairman & Managing Director	16,71,600/-	23.08.1994	CONTRACTUAL	B.Com	63	63	SELF-EMPLOYED
3.	Ankit Agrawal	Whole-time Director	15,96,600/-	20.11.2008	CONTRACTUAL	B.Com	37	37	SELF-EMPLOYED
4.	Bharat Bhushan Gupta	Chief Financial officer	11,85,600/-	01.08.2018	CONTRACTUAL	CA	47	24	NANDAN TERRY PVT. LTD.
5.	Mahesh Kumar Gupta	Plant-Head Metal Division	11,85,600/-	02.07.2018	CONTRACTUAL	BE	46	25	DELTON CABLES LIMITED
6.	Neha Agrawal	Executive Director	11,46,600/-	28.06.2016	CONTRACTUAL	BBA	36	36	SELF-EMPLOYED
7.	Deepak Jain	R & D Manager	8,44,161/-	05.06.2017	CONTRACTUAL	P.H.D	43	19	PERMALI WALLACE LIMITED
8.	Kamlesh K. Patel	SMC Plant Head	8,01,633/-	01.05.2013	CONTRACTUAL	ITI	36	17	EPP COMPOSIT
9.	Tarun Sharma	Vice President	7,90,000/-	02.09.2011	CONTRACTUAL	MSC, MBA	48	29	GENUS POWER INFRASTRUCTURE LTD.
10.	Anshuman Mishra	Deputy Plant Head-Tool Room	7,66,313/-	04.09.2018	CONTRACTUAL	MBA	36	13	PHOENIX CONTRACT INDIA PVT. LTD.

3. No employee is relative of any director or manager of the Company other than Directors interse.
- b) (i) 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.
- (ii) 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.

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

Place: Jaipur  
Date: 14.08.2019

Ashok Kumar Agarwal  
DIN: 00793152  
Chairman & Managing Director



## ANNEXURE “G” To THE BOARD’S REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Industry Structure and Developments

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

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

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

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

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

- The present scenario of the transmission & distribution industry is very dynamic with increasing resources of state government to provide power supply to consumers.
- The generation equipment sector is around 15% of the total industry, while the T&D equipment sector is the rest 85% of the Industry. Generators, Generating Sets & Parts, Switchgear and Control gear, Transformers & Parts, Cables, Industrial Electronics, Boilers & Parts, Transmission Line Towers etc.
- The sector boasts of a diversified, matured and strong manufacturing base backed by a robust supply chain. Rugged performance design of equipment to meet tough network demand and presence of major foreign players, either directly or through technical collaborations with Indian manufacturers is a testimony of unique advantages India holds in this sector.
- With state-of-the-art technology in most sub-sectors at par with global standards, the major export markets for Indian electrical equipment are USA, Germany, UAE, Saudi Arabia, France, UK, Nigeria, China, Kenya and Brazil. The major export products are Rotating Machines (Motors, AC Generators, and Generating Sets) & Parts, Switchgear and Control gear, Transformers & Parts, Cables, Industrial Electronics, Boilers & Parts, and Transmission Line Towers etc. (Source:)

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### SWOT Analysis

#### **Strengths:**

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

#### **Weaknesses:**

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

#### **Opportunities:**

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

#### **Threats**

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

### Segment-Wise or Product-Wise Performance

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

### Switchgears

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

### Industry Outlook

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

### Risk and Concern

Your Company continuously ascertains risks and concerns in the Electrical Industry affecting its present operations, future performances and business environment. In order to overcome such risks and concerns your Company adopts preventive measures as considered expedient and necessary.

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The overarching objective of the Company is one of responsible risk management. The Company has evolved a risk-management framework encompassing effective processes and catalysed by a talented pool of qualified professionals. As a result, its business decisions balance risk and reward, leading to profitable and sustainable growth.

### **Internal Control System and Their Adequacy**

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

### **Discussions on Financial Performance Vis-À-Vis Operational Performance**

Financial performance of the Company has been good and your company is doing well on fulfilling its objectives of growth, profitability and maximization of shareholders wealth.

During the year company made net profit Rs. 380.05 Lakhs and last year net profit was Rs. . 252.22Lakh This Year turnover of our company is Rs 13175.10Lakh and last year turnover was Rs. 8311.84 Lakh;

### **Material Developments in Human Resources / Industrial Relations Front Including Number of People Employed**

The Company always believes that its growth is closely linked with the growth and overall development of its employees. The Company is committed to upgrade the skill of its employees and to create an environment where excellence is recognized and rewarded. The target is to place right people at right position and to enhance the efficiency, working speed, competency and time management skill of its employees. The Company's endeavor is to create an environment where people can use all of their capabilities in promoting the business of the Company. Number of on rolls people employed, as on 31/03/2019 is 128

### **Cautionary Statement**

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

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

**Place: Jaipur  
Date: 14.08.2019**

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

## ANNEXURE “H” To THE BOARD’S REPORT

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

The information under section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2019 is given below and forms part of the Director’s Report.

#### **(A) 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.

#### **(B) Technology Absorption**

##### **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.

##### **Benefits derived as a result of the above efforts:**

Improvement in overall productivity, quality of the products and reduced process scrap and cost

##### **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.

##### **The expenditure incurred on Research and Development**

Company has not incurred any expenditure on Research and Development

#### **( C ) 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.

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b) The details of earnings in foreign currency and outgo of foreign currency are as under:

		<b>Year Ended 31.03.2019</b>	<b>Year Ended 31.03.2018</b>
A)	<i>Foreign Currency used for:</i>		
a)	Raw Materials	1,68,91,247.66	6,856,313.00
b)	Capital Goods	4,78,343.00	34,581,098.12
c)	Expenditure in Foreign Currency	6,48,501.00	-
B)	<i>Earnings in Foreign Currency</i>	-	-

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

**Place: Jaipur  
Date: 14.08.2019**

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



## ANNEXURE “I” To THE BOARD’S REPORT

### Board of Directors

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

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

Name of Directors	Category	***Directorship held in Companies as on 31.03.2019	***Committee Membership/ Chairmanship held in other Companies as on 31.03.2019
<b>Mr. Ashok Kumar Agarwal</b> DIN: 00793152	Chairman & Managing Director	2	NIL
<b>Mr. Ankit Agrawal</b> DIN: 00793035	Whole-time Director	2	NIL
<b>Mrs. Neha Agrawal</b> DIN: 07540311	Executive Director	1	NIL
<b>Mr. Suresh Kumar Jain*</b> DIN:07546087	Independent Director	NIL	NIL
<b>Mr. Devi Shankar Goyal</b> DIN: 07559565	Independent Director	NIL	NIL
<b>Mr. Himanshu Goyal**</b> DIN: 03101053	Independent Director	3	NIL
<b>Mrs. Radhika Agarwal</b> DIN:07579658	Independent Director	2	NIL

\* Mr. Suresh Kumar Jain ceased to be independent Director of the Company w.e.f. 19.02.2019.

\*\* Mr. Himanshu Goyal was appointed as Additional Director of the Company and was regularized as Independent director of the Company w.e.f. 14.08.2018.

\*\*\*Includes private and public Companies

#### a) No. of Board Meetings

During the financial year ended on 31<sup>st</sup> March, 2019, the Board of Directors have duly met 21 (Twenty One) times on 04.04.2018, 11.04.2018, 24.05.2018, 11.06.2018, 26.06.2018, 28.06.2018, 18.07.2018, 31.07.2018, 08.08.2018, 22.08.2018, 29.08.2018, 28.09.2018, 29.09.2018, 17.10.2018, 13.11.2018, 23.11.2018, 05.12.2018, 19.01.2019, 23.01.2019, 19.02.2019 and 29.03.2019. The intervening gap between any two meetings was within the time period and quorum at these meetings was in conformity with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards-1 on Board Meetings.

The attendance records of the Directors at the Board Meetings during the year ended on 31<sup>st</sup> March, 2019 and at the last AGM is as under:

<b>Name of Directors</b>	<b>Category</b>	<b>No. of Board Meetings held</b>	<b>No. of Board Meeting attend</b>	<b>Attendance at last AGM</b>
<b>Mr. Ashok Kumar Agarwal</b>	Chairman & Managing Director	21	20	Yes
<b>Mr. Ankit Agrawal</b>	Whole-time Director	21	18	No
<b>Mrs. Neha Agrawal</b>	Executive Director	21	21	No
<b>Mr. Suresh Kumar Jain</b>	Independent Director	19	4	No
<b>Mr. Devi Shankar Goyal</b>	Independent Director	21	21	No
<b>Mr. Himanshu Goyal</b>	Independent Director	21	5	No
<b>Mrs. Radhika Agarwal</b>	Independent Director	21	10	No

a) **Key Managerial Personnel**

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

The details of Key Managerial Personnel (KMP's) in the company as on 31.03.2019 are as under:

<b>Name of Key Managerial Personnel (KMP)</b>	<b>Category</b>
Mr. Ashok Kumar Agarwal	Chairman & Managing Director
Mr. Ankit Agarwal	Whole-time Director
Mr. Barat Bhushan Gupta	Chief Financial Officer
Ms. Pranju Daftari	Company Secretary

❖ **Audit Committee**

The Board has constituted a well-qualified Audit Committee. The Committee comprises of 3 members. Mr. Suresh Kumar Jain was the Chairman of the Committee who resigned as the Independent director of the Company w.e.f. 19.02.2019 and Mr. Himanshu Goyal was appointed as Chairman and member of the Audit Committee. All the members of the Committee possess sound knowledge on accounts, audit, finance, internal control etc

I **Broad terms of Reference**

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

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditor's report thereon;

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- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) Monitoring the end use of funds raised through public offers and related matters.
- i) All other matters specified in the Companies Act, 2013 and SEBI (LODR) regulations, 2015

### ii. Meetings:

During the financial year 2018-19 Six (6) Audit Committee Meetings were held i.e. on 04.04.2018, 24.05.2018, 18.07.2018, 31.07.2018, 13.11.2018 and 23.01.2019. The Audit Committee meets at regular interval to transact the required business (s). The attendance of each committee members of Audit committee is as under:

Name of Directors	Category	No. of Committee Meetings held	No. of Committee Meeting attend
Mr. Suresh Kumar Jain	Chairman	6	6
Mr. Devi Shankar Goyal	Member	6	6
Mr. Ashok Kumar Agarwal	Member	6	6

### ❖ Nomination and Remuneration Committee:

The Board has constituted a well-qualified Nomination and Remuneration Committee. The Committee comprises of 3 members. Mr. Suresh Kumar Jain was the Chairman of the Committee who resigned as the Independent director of the Company w.e.f. 19.02.2019 and Mr. Devi Shankar Goyal was appointed as Chairman and member of the Nomination and Remuneration Committee. All the members of the Committee possess sound knowledge on accounts, audit, finance, internal control etc.

Terms of Reference:

The Committee is empowered to-

- a)
- b) Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors;
- c) Identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors/Independent Directors on the Board and as Key Managerial Personnel;
- d) Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance;
- e) Conduct Annual performance review of MD and CEO and senior management employees;
- f) Formulate a policy relating to remuneration for the Directors, Committee and also the senior management employees.

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- g) All other matters specified in the Companies Act, 2013 and SEBI (LODR) regulations, 2015

iii. Meetings:

The Nomination and Remuneration Committee consists of three members. During the financial year 2018-19 Six (6) Nomination and Remuneration Committee Meetings were held on 18.07.2018, 31.07.2018, 08.08.2018, 29.09.2018, 19.01.2019 and 19.02.2019. The attendance of the members at the meeting is as under:

Name of Directors	Category	No. of Committee Meetings held	No. of Committee Meeting attend
Mr. Suresh Kumar Jain	Chairman	6	6
Mr. Devi Shankar Goyal	Member	6	6
Mrs. Radhika Agarwal	Member	6	6

❖ Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is entrusted with the responsibility of addressing the shareholder's investor's complaints with respect to transfer, transmission of shares, duplicate issuance of share certificate, non-receipt of Annual Report, non-receipt of dividend etc.

This Committee overlooks the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the Quality of Investor services. The Company has always valued its customer relationship.

i. Composition and Meetings:

The Stakeholders' Relationship Committee consists of three members. Mr. Devi Shankar Goyal is the Chairman of the Committee. The Committee met Four (4) times on 05.04.2018, 12.07.2018 and 10.10.2018 07.01.2019 during the financial year ended on 31st March, 2018. The attendance of the members at the meeting is as under:

Name of Directors	Category	No. of Committee Meetings held	No. of Committee Meeting attend
Mr. Suresh Kumar Jain	Chairman	4	4
Mr. Devi Shankar Goyal	Member	4	4
Mr. Ashok Kumar Agarwal	Member	4	4

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

Place: Jaipur  
Date: 14.08.2019

Ashok Kumar Agarwal  
DIN: 00793152  
Chairman & Managing Director

**ANNEXURE “J” To THE BOARD’S REPORT**

**Declaration of Chairman & Managing Director regarding compliance by Board Members and Senior Management Personnel with the Company’s Code of Conduct**

I hereby confirm that The Company has in respect of the financial year ended March 31, 2019 received a declaration of compliance with the Code of Conduct from the Board of Directors and Senior Management Team of the Company as applicable to them.

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

**Place: Jaipur  
Date: 14.08.2019**

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





# STANDALONE & CONSOLIDATED FINANCIAL STATEMENTS

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

## *Independent Auditor's Report*

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

#### **Opinion**

We have audited the standalone financial statements of ***RMC SWITCHGEARS LIMITED*** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2019, and profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our

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audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

### **Emphasis of Matter:**

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

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*Providing deferred Tax Liability at the rate prescribed u/s 115JB of the Income Tax Act, 1961 as described in Note No. 1(vi)(b) of the Financial Statements, in place of regular rate of income tax, as suggested under Accounting Standard-22*

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

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us. <sup>iii</sup> ]
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements;



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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **SARASWAT & COMPANY**  
**Chartered Accountants**  
Firm's registration number: 004846C

**CA PRAVIN SARASWAT**

Jaipur  
Partner  
Dated: 29/05/2019

Membership number: 072679



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### Annexure – A to the Auditors' Report

**The Annexure referred to in the Independent Auditors' Report to the members of the company on the Financial Statements for the year ended 31<sup>st</sup> March 2019, we report that:**

1. (a) The company is maintaining proper records showing full particulars, including quantitative details & situation of Fixed Assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; No such material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company except Leasehold / Freehold Lands which are in the old name of company i.e. RFH Metal Castings Private Ltd.
2. The Physical Verification of Inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed;
3. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In respect of loans, investments, guarantees, and security all the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposit from the public within the meaning of Section 73 to 76 of the Act and Rules framed there-under to the extent notified.
6. The maintenance of Cost Records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and such accounts and records have been so made and maintained by the Company.
7. (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Services Tax (GST) and any other statutory dues to the appropriate authorities.
- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, the following dues of Central Excise are under dispute:

Name of Statute	Nature of dues	Amount (in Rs.) (Net of Deposit)	Period to which amount relates	Forum where Dispute is pending
Central Excise Act, 1944	Excise Duty & Penalty	123129/-	March, 2011	CESTAT, New Delhi

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8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders.
9. No money was raised during the year by way of initial public offer by the company. Term Loans raised have been used by the company for the purpose for which they were sanctioned and raised.
10. No Fraud by the Company or fraud on the company by its Officers or employees has been noticed or reported during the year.
11. The Managerial Remuneration has been paid and provided in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
12. The company is not a Nidhi Company and hence reporting under clause 12 of the CARO, 2016 Order is not applicable.
13. All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
14. The company has not made any preferential allotment of shares during the year under review .
15. The Company has not entered into any non-cash transaction with the Directors or person connected with him/her under the provisions of section 192 of Companies Act, 2013.
16. According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SARASWAT & COMPANY**

**Chartered Accountants**

Firm's registration number: 004846C

**CA PRAVIN SARASWAT**

Jaipur  
Partner  
Dated: 29/05/2019

Membership number: 072679

## **Annexure – B to the Auditors’ Report**

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### **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 31 March 2019 in conjunction with our audit of the financial statements of the company for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the

## **ANNUAL REPORT 2018-19**

internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SARASWAT & COMPANY**  
**Chartered Accountants**  
Firm's registration number: 004846C

**CA PRAVIN SARASWAT**

Jaipur  
Partner  
Dated: 29/05/2019

Membership number: 072679



# ANNUAL REPORT 2018-19



**RMC SWITCHGEARS LIMITED**  
(CIN:L25111RJ1994PLC008698)  
**STANDALONE BALANCE SHEET AS AT 31st MARCH, 2019**

(Amount in Rs.)

	Particulars	Note No.	As At March 31, 2019	As At March 31, 2018
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1)</b>			
	<b>Shareholders' Funds</b>			
	(a)	2	6,09,22,000.00	6,09,22,000.00
	(b)	3	21,09,54,792.01	17,29,49,311.12
			<b>27,18,76,792.01</b>	<b>23,38,71,311.12</b>
	<b>2)</b>			
	<b>Non-Current Liabilities</b>			
	(a)	4	21,67,95,681.35	20,53,65,204.02
	(b)	31	1,63,47,995.15	1,36,77,581.09
	(c)		-	-
	(d)	5	24,04,543.00	28,29,803.00
			<b>23,55,48,219.50</b>	<b>22,18,72,588.11</b>
	<b>3)</b>			
	<b>Current Liabilities</b>			
	(a)	6	15,36,89,876.91	13,90,01,746.55
	(b)	-	30,63,15,202.73	15,52,50,292.46
	(c)	7	9,76,00,731.80	6,65,06,189.37
	(d)	-	-	-
			<b>55,76,05,811.44</b>	<b>36,07,58,228.38</b>
	<b>TOTAL</b>		<b>1,06,50,30,822.95</b>	<b>81,65,02,127.61</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>1)</b>			
	<b>Non-Current Assets</b>			
	(a)	8		
	i)		28,84,88,460.22	24,10,27,397.69
	ii)		18,73,264.55	10,14,454.77
	iii)		-	5,38,86,397.93
			<b>29,03,61,724.77</b>	<b>29,59,28,250.39</b>
	(b)	9	5,30,000.00	-
	(c)	10	13,07,289.00	87,20,609.00
	(d)	11	1,13,03,841.80	3,24,34,884.80
			<b>1,31,41,130.80</b>	<b>4,11,55,493.80</b>
	<b>2)</b>			
	<b>Current Assets</b>			
	(a)	-	-	-
	(b)	12	11,40,54,188.67	6,99,11,763.28
	(c)	13	50,60,79,208.39	33,36,91,050.19
	(d)	14	2,79,07,481.35	1,88,44,623.68
	(e)	15	3,34,87,700.21	3,38,23,821.18
	(f)	16	7,99,99,388.75	2,31,47,125.09
			<b>76,15,27,967.38</b>	<b>47,94,18,383.42</b>
	<b>TOTAL</b>		<b>1,06,50,30,822.95</b>	<b>81,65,02,127.61</b>
			0.00	0.00

The accompanying notes form an integral part of the Financial Statements

As per our separate report of even date

**FOR SARASWAT & COMPANY**

Chartered Accountants  
FRN 004846C

**CA Pravin Saraswat**

Partner  
Membership Number : 072679  
Jaipur, Dated The 29th Day of May, 2019

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

**Ashok Kumar Agarwal**  
Chairman Cum Managing Director  
(DIN: 793152)

**Bharat Bhushan Gupta**  
Chief Financial Officer

**Pranju Daftari**  
Company Secretary

## RMC SWITCHGEARS LIMITED

(CIN:L25111RJ1994PLC008698)

## STANDALONE STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31st MARCH, 2019

(Amount in Rs.)

Particulars		Note No.	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>I.</b>	Revenue from Operations(Gross)	17	1,31,75,09,884.70	84,55,80,947.22
	Less: Excise Duty		-	1,43,96,758.94
	Revenue from Operations(Net)		1,31,75,09,884.70	83,11,84,188.28
<b>II.</b>	Other Income	18	86,03,967.78	1,00,73,510.63
<b>III.</b>	<b>Total Revenue ( I + II )</b>		<b>1,32,61,13,852.48</b>	<b>84,12,57,698.91</b>
<b>IV.</b>	<b>Expenses</b>			
	a) Cost of Materials consumed	19	68,04,16,328.92	41,03,81,756.23
	b) Changes in inventories of Finished Goods & Work-in-Progress	20	-3,37,72,921.14	-32,26,526.60
	c) Purchases of Stock-in-Trade		12,22,15,679.70	76,86,672.00
	d) Employee Benefits Expenses	21	3,85,76,682.17	2,80,63,899.70
	e) Finance Costs	22	6,36,40,512.30	5,09,39,446.49
	f) Depreciation and Amortization Expenses	23	2,29,29,237.17	1,73,71,505.41
	g) Other expenses	24	38,09,94,406.89	29,99,32,267.41
	<b>Total Expenses (a to g)</b>		<b>1,27,49,99,926.01</b>	<b>81,11,49,020.64</b>
<b>V.</b>	<b>Profit Before Tax (III - IV)</b>		<b>5,11,13,926.48</b>	<b>3,01,08,678.27</b>
<b>VI.</b>	<b>Tax Expenses</b>			
	a) Current Tax		1,05,22,720.00	61,38,810.00
	Income Tax Related to Previous Year		0.00	0.00
	Less: MAT Credit Entitlement		-84,688.47	-61,38,810.00
	b) Deferred Tax Liability	31	26,70,414.06	48,86,233.88
<b>VII.</b>	<b>Profit (Loss) for the year (V-VI)</b>		<b>3,80,05,480.89</b>	<b>2,52,22,444.39</b>
<b>VIII.</b>	<b>Earning per equity share: (Face Value of Rs.10 each)</b>	28		
	a) Basic		<b>6.15</b>	<b>4.87</b>
	b) Diluted		<b>6.15</b>	<b>4.87</b>

The accompanying notes form an integral part of the Financial Statements

As per our separate report of even date

For & on behalf of the Board of Directors of  
RMC Switchgears Limited**FOR SARASWAT & COMPANY**Chartered Accountants  
FRN 004846C**CA Pravin Saraswat**  
Partner

Membership Number : 072679

Jaipur, Dated The 29th Day of May, 2019

**Ashok Kumar Agarwal**

Chairman Cum Managing Director

(DIN: 793152)

**Bharat Bhushan Gupta**

Chief Financial Officer

**Pranju Daftari**

Company Secretary

**RMC SWITCHGEARS LIMITED**  
(CIN:L25111RJ1994PLC008698)

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2019**

(Amount in Rs.)

Particulars		Year ended on	Year ended on 31st
		31st March, 2019	March, 2018
		Amount in (Rs.)	Amount in (Rs.)
<b>I)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>1</b>	<b>Net Surplus in Statement of profit &amp; loss Before Taxes</b>	<b>5,11,13,926.48</b>	<b>3,01,08,678.27</b>
<b>2</b>	<b>Adjustments for:</b>		
i)	Depreciation and Amortisation	2,21,53,237.17	1,66,38,314.07
ii)	Finance Cost	6,36,40,512.30	5,09,39,446.49
iii)	Interest Income	-80,06,286.50	-41,69,974.98
iv)	Dividend Income	0.00	-15.00
v)	(Profit)/Loss on Sale of Fixed Assets	-5,97,681.28	-64,182.90
vi)	Rent received	0.00	0.00
vii)	Provisions	-4,25,260.00	17,77,680.00
	<b>Operating Profit Before Working Capital Changes</b>	<b>127878448.17</b>	<b>95229945.95</b>
<b>3</b>	<b>Adjustments for Working Capital changes:</b>		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Inventories	-4,41,42,425.39	-3,74,08,476.48
	Trade receivables	-17,23,88,158.20	-9,81,41,060.15
	Short-term loans and advances	3,36,120.97	-1,16,25,199.46
	Other current assets	-5,68,52,263.66	38,67,417.69
	<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
	Trade payables	15,10,64,910.27	4,43,69,379.81
	Other current liabilities	3,10,94,542.43	59,61,489.38
<b>4</b>	<b>Cash Generated From Operations</b>	<b>3,69,91,174.58</b>	<b>22,53,496.74</b>
	Less: Direct Taxes ( Net of MAT effect)	-1,04,38,031.53	0.00
	<b>NET CASH FROM OPERATING ACTIVITIES [A]</b>	<b>2,65,53,143.05</b>	<b>22,53,496.74</b>
<b>II)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
i)	Purchase of Tangible / Intangible Assets	-1,70,27,324.27	-7,87,54,840.04
ii)	Investment in Equity Shares of Wholly Owned Subsidiary Company	-5,30,000.00	0.00
iii)	Sale of Tangible / Intangible Assets	0.00	0.00
vi)	Proceeds on Disposal of Tangible Fixed Assets	10,38,294.01	64,182.90
v)	Interest Received	80,06,286.50	41,69,974.98
vi)	Other Non Current Assets	2,11,31,043.00	-2,66,26,712.60
vii)	Long Term Loans and Advances	74,13,320.00	-38,50,051.00
viii)	Dividend Received		15.00
ix)	Issue of Equity Shares including Share Premium		7,00,00,000.00
	<b>NET CASH (USED IN) INVESTING ACTIVITIES [B]</b>	<b>2,00,31,619.24</b>	<b>-3,49,97,430.76</b>
<b>III)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
i)	Proceeds/(Repayment) from Short Term Borrowings(Net)	1,46,88,130.36	4,98,99,804.76
ii)	Proceeds/(Repayment) from Long Term borrowings (Net)	1,14,30,477.33	2,26,73,905.07
iii)	Proceeds/(Repayment) from Long Term Liabilities (Net)	0.00	-11,44,621.13
iv)	Finance Cost Paid	-6,36,40,512.30	-5,09,39,446.49

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		NET CASH FROM FINANCING ACTIVITIES [C]	<b>(37521904.61)</b>	<b>20489642.21</b>
		NET CASH GENERATED/(USED) [A+B+C]	90,62,857.68	-1,22,54,291.82
		Cash & cash equivalents the beginning of the year	1,88,44,623.68	3,10,98,915.50
		Cash & cash equivalents the end of the year	<b>2,79,07,481.36</b>	<b>1,88,44,623.68</b>
	Note:			
	1	Components of cash & cash Equivalents:-		
		Cash on hand	15,26,055.63	81,98,958.63
		Balances with banks		
		In current Accounts	60,596.72	10,247.05
		In fixed deposits	2,63,20,829.00	1,06,35,418.00
			<b>27907481.35</b>	<b>18844623.68</b>
			0.01	0.00
	2	The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement		

As per our separate report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**FOR SARASWAT & COMPANY**

Chartered Accountants  
FRN 004846C

**Ashok Kumar Agarwal**  
Chairman Cum Managing Director  
(DIN: 793152)

**Pravin Saraswat**  
PARTNER  
Membership Number 072679  
PLACE : JAIPUR  
Jaipur, Dated The 29th Day of May, 2019

**Bharat Bhushan Gupta**  
Chief Financial Officer

**Pranju Daftari**  
Company Secretary

**i) Corporate Information**

RMC Switchgears Limited is a public company domiciled in India. The company is primarily engaged in the business of 'Switchgear Engineering' and 'ECI contracts for power distribution / transmission sector'. Company has also started commercial operations of the manufacture of 'PVC Marble and Solid Surface' in the FY 2018-19.

**ii) Basis of Accounting**

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

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

**iii) Changes in Accounting Policies**

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

**iv) Fixed Assets and Depreciation**

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

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

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

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

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

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

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

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

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### 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) Provision is made for the income tax liability in accordance with the provision of the Income Tax Act, 1961. 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 unabsorbed depreciation and MAT Credit balance lying for adjustment against future profits. Company was using regular rate of tax till the last financial year and had such rate been used for current FY also, the Profit After Tax (PAT) would had been lower by Rs. 6,726,095/41 (Previous Year Rs. 5,627,400/46) and Deferred Tax Liability would had been higher by the same amount.

### vii) Liquidated Damages:

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

### viii) Foreign Currency:

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

### ix) Revenue Recognition:

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

### x) Use of Estimates:

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

### xi) Borrowing Costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets as Pre-operative Expenses. During the year, Rs.1.61 Lacs (Previous year Rs. 25 Lacs) has been capitalized for the Capital Assets added during the year. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.



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### 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 equal installment, beginning from 01/04/2017. Amount Written Off during the year was Rs. 776000/- (Previous Year 733191) and to be written off during the subsequent four years is Rs. 2156757 /80-(Previous Year Rs. 2932758/-).

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.

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

As per our report of even date

### FOR SARASWAT & COMPANY

Chartered Accountants  
FRN 004846C

**Pravin Saraswat**

PARTNER

Membership Number 072679

PLACE : JAIPUR

Jaipur, Dated The 29th Day of May, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Ashok Kumar Agarwal**

Chairman Cum Managing Director  
(DIN: 793152)

**Bharat Bhushan Gupta**  
Chief Financial Officer

**Pranju Daftari**  
Company Secretary

# ANNUAL REPORT 2018-19



RMC SWITCHGEARS LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

## NOTE : 2

### Share Capital

(Amount In Rs)

Particulars	As At 31.03.2019	As At 31.03.2018
<b>Authorized Capital</b>		
65,00,000 Equity Shares of Rs.10/- each	6,50,00,000.00	6,50,00,000.00
<b>Issued, Subscribed and Paid Up Capital</b>		
60,92,200 (Previous Year: 60,92,200 ) Equity shares of Rs 10/- each Fully Paid up	6,09,22,000.00	6,09,22,000.00
<b>TOTAL</b>	<b>6,09,22,000.00</b>	<b>6,09,22,000.00</b>

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

Particulars	As At 31.03.2019	As At 31.03.2018
Outstanding at the beginning of the Year	60,92,200	50,92,200
Add : Equity Shares issued during the year as Bonus Shares	0	0
Add : Fresh Equity Shares issued during the year through Initial Public Offer	0	0
Add : Fresh Equity Shares issued during the year through Preferential Issue	0	10,00,000
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 31.03.2019		As At 31.03.2018	
	No. of Shares	% Holding	No. of Shares	% Holding
(a) Ashok Kumar Agarwal	6,10,880	10.03%	5,85,000	9.60%
(b) Ankit Agarwal	5,69,880	9.35%	5,69,880	9.35%
(c) Santosh Agarwal	5,68,520	9.33%	5,68,520	9.33%
(d) Vitthal Das Agarwal (HUF)	5,00,600	8.22%	5,00,600	8.22%
(e) Neha Agrawal	4,20,000	6.89%	4,20,000	6.89%
(f) Argent Leasing & Finance Pvt. Ltd.	4,13,120	6.78%	4,13,120	6.78%

### 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) 32,43,150 Numbers of Equity Shares of Rs 10/- each fully paid-up have been allotted as Bonus Shares by capitalizing Share Premium amounting Rs. 3,24,31,500/- during the FY 2016-17.

## NOTE : 3

### Reserves and Surplus

Particulars	As At 31.03.2019	As At 31.03.2018
<b>(a) Share Premium Account</b>		
As per Last Financial Statements	10,68,11,250.00	4,68,11,250.00
Add: Share Premium Received		6,00,00,000.00
Closing Balance	<b>10,68,11,250.00</b>	<b>10,68,11,250.00</b>
<b>(b) Capital Reserve</b>		
As per Last Financial Statements:		
Capital Investments Subsidy - State	14,50,060.00	14,50,060.00

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	CLCS Subsidy-Central Government	15,00,000.00	15,00,000.00
		<b>29,50,060.00</b>	<b>29,50,060.00</b>
<b>(c)</b>	<b>Surplus in Statement of Profit and Loss</b>		
	As per Last Financial Statements	6,31,88,001.12	3,79,65,556.73
	Add : Transferred during the year from Statement of Profit and Loss	3,80,05,480.89	2,52,22,444.39
	Net Surplus in Statement of Profit and Loss	10,11,93,482.01	6,31,88,001.12
	<b>TOTAL</b>	<b>21,09,54,792.01</b>	<b>17,29,49,311.12</b>

### NOTE : 4

#### Long Term Borrowings

Particulars		As At 31.03.2019		As At 31.03.2018	
		Non Current	Current	Non Current	Current
<b>Secured</b>					
<b>I.</b>	<b>Term Loan from banks</b>				
	From Punjab National Bank	2,30,29,205.00	72,00,000.00	3,04,18,284.00	60,00,000.00
<b>II.</b>	<b>Secured Subordinate Loan</b>				
	From Small Industries Development Bank of India (SIDBI)	93,32,382.00	75,00,000.00	1,68,75,000.00	75,00,000.00
<b>III.</b>	<b>Secured loans for vehicles</b>	38,92,890.53	14,89,332.68	53,08,643.31	20,13,863.95
<b>IV.</b>	<b>Secured Loans for Plant &amp; Machinery</b>	5,05,943.00	50,99,485.00	56,05,428.00	44,92,008.00
<b>Unsecured</b>					
<b>I.</b>	<b>Long term borrowings</b>				
	(a) From Directors	5,86,44,438.00	-	4,67,07,379.34	-
	(b) Inter-Corporate Deposits	7,61,66,143.83	1,17,47,779.00	4,89,88,469.83	-
	(c) Others	4,52,24,678.99	48,56,933.43	5,14,61,999.54	43,57,734.98
<b>TOTAL</b>		<b>21,67,95,681.35</b>	<b>3,78,93,530.11</b>	<b>20,53,65,204.02</b>	<b>2,43,63,606.93</b>

#### (A) Nature of Securities:

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

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

<b>1</b>	<b>Secured Term Loans</b>								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Particulars</th> <th style="width: 20%;">As At 31.03.2019</th> <th style="width: 20%;">As At 31.03.2018</th> <th style="width: 30%;">Terms of Repayment</th> </tr> </thead> <tbody> <tr> <td><b>I)</b> Small Industries Development Bank of India</td> <td style="text-align: right;">1,68,32,382.00</td> <td style="text-align: right;">2,43,75,000.00</td> <td>Repayment in 48 Monthly Installments commencing in July, 2017 @ 15% p.a. 21 Monthly installments have been paid as on 31st March, 2019.</td> </tr> </tbody> </table>	Particulars	As At 31.03.2019	As At 31.03.2018	Terms of Repayment	<b>I)</b> Small Industries Development Bank of India	1,68,32,382.00	2,43,75,000.00	Repayment in 48 Monthly Installments commencing in July, 2017 @ 15% p.a. 21 Monthly installments have been paid as on 31st March, 2019.
Particulars	As At 31.03.2019	As At 31.03.2018	Terms of Repayment						
<b>I)</b> Small Industries Development Bank of India	1,68,32,382.00	2,43,75,000.00	Repayment in 48 Monthly Installments commencing in July, 2017 @ 15% p.a. 21 Monthly installments have been paid as on 31st March, 2019.						

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	II)	<b>Hero Fincorp Ltd</b>	10,45,295.00	15,19,227.00	Repayable in 48 Equated Monthly Installments commencing from February, 2017 @ 13% p.a. 38 Monthly Installments have been paid as on 31st March, 2019.
	III)	<b>Punjab National Bank</b>	3,02,29,205.00	3,64,18,284.00	Repayable in 66 Unequal Installments commencing from 30th April, 2018 @ MCLR + Spread of 3.5%, repayable Rs. 500000/- per month. 11 Monthly Installments have been paid as on 31 March, 2019
	IV)	<b>Dewan Housing Finance Corporation Ltd</b>	45,60,133.00	85,78,209.00	Repayable in 24 Equated monthly Installments commencing from 1 April, 2018 of Rs. 406864/- each @ 12.75% p.a. 12 Monthly Installments have been paid as on 31 March, 2019.
	<b>2</b>	<b>Unsecured Term Loans</b>			
		<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>	<b>Terms of Repayment</b>
	(a)	From Directors	5,86,44,438.00	4,67,07,379.34	Repayable not earlier than 12 months on demand.
	(b)	Inter-Corporate Deposits	7,61,66,143.83	4,89,88,469.83	Repayable not earlier than 12 months on demand.
	(c)	<b>Others</b>			
		Standard Chartered Bank	4,68,02,305.18	5,11,05,003.20	Repayable in 48 Equated Monthly Installments of Rs. 652536/- each commencing in Dec. 2016 @ 9.85% p.a. 16 Monthly Installments have been paid as on 31st March, 2019
		Standard Chartered Bank	32,79,307.24	47,14,731.32	Repayable in 36 Equated Monthly Installments of Rs. 163416/- each @ 13% p.a. commencing in March, 2018. 13 Installment has been paid as on 31st March, 2019.
	<b>3</b>	<b>Vehicle Loans</b>			
		<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>	<b>Terms of Repayment</b>
	I)	<b>ICICI Bank Ltd</b>			
		ICICI (Indica) Loan(LAJAI00034168043)	-	1,27,886.20	Repayable in 36 monthly installments of Rs.12315/- @ 10.01% p.a. 36 installments have been paid as on 31st March, 2019.
		ICICI (Indigo) Loan (LAJAI00033991087)	-	1,44,141.70	Repayable in 36 Equated monthly installments of Rs.15168/- @ 10.01% p.a. 36 installments have been paid as on 31st March, 2019.
	II)	<b>Axis Bank Ltd</b>	3,99,058.00	8,41,584.00	Repayable in 60 Equated Monthly Installments of Rs. 42500/- each @ 10.50% p.a. 50 installments have been paid as on 31st March, 2019.

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III)	HDFC Bank Ltd	-	1,20,393.76	Repayable in 36 Equated monthly installments of Rs.17786/- each @ 10.15% p.a. 36 installments have been paid as on 31st March, 2019.
IV)	Sundaram Finance Ltd	-	1,70,014.00	Repayable in 36 Equated monthly installments of Rs. 15385/- each @ 12.04% p.a. 36 installments have been paid as on 31st March, 2019.
V)	The Federal Bank Ltd	7,67,906.40	9,36,387.60	Repayable in 60 Equated Monthly Installments of Rs. 20502/- each @ 8.90% p.a. 16 Installments have been paid as on 31st March, 2019.
VI)	HDFC Bank Ltd	42,15,258.81	49,82,100.00	Repayable in 60 Equated Monthly Installments of Rs. 101640/- each @ 8.26% p.a. 11 Monthly Installments have been paid as on 31st March, 2019.

### Note: 5

#### Long Term Provisions

Particulars	As At 31.03.2019	As At 31.03.2018
Provisions for Employee benefits	24,04,543.00	28,29,803.00
<b>TOTAL</b>	<b>24,04,543.00</b>	<b>28,29,803.00</b>

### NOTE : 6

#### Short Term Borrowings

Particulars	As At 31.03.2019	As At 31.03.2018
<b>Loans repayable on demand:</b>		
<b>Secured</b>		
Cash credit from banks	15,36,89,876.91	13,81,69,439.55
Loan Against Fixed Deposits of bank	-	8,32,307.00
<b>Unsecured</b>		
Security Deposits and Refundable/Adjustable Advances	-	-
<b>TOTAL</b>	<b>15,36,89,876.91</b>	<b>13,90,01,746.55</b>

#### Nature of Securities:

##### 1 Cash Credit


Cash Credit under the consortium arrangements with Punjab National Bank and The Federal Bank Ltd. are Secured by way of first pari-passu charge on entire current assets, both present and future, of the company. Also collaterally secured by way of first charge ranking pari passu on all unencumbered immovable assets of the company, both present and future and equitable mortgage of Factory Land and Building on pari-passu basis located at Malviya Industrial Area, Jaipur and at Kotkhawda Road, Tehsil Chaksu, Jaipur and personal guarantees of Ashok Kumar Agarwal, Neha Agarwal and Ankit Agarwal, Directors of the company.

### NOTE : 7

#### Other Current Liabilities

Particulars	As At 31.03.2019	As At 31.03.2018
(a) Current maturities of Long Term Borrowings:		
Term Loans (Secured)	1,47,00,000.00	1,35,00,000.00
Vehicle Loans (Secured)	14,89,332.68	20,13,863.95
Plant and Machinery Loans	50,99,485.00	44,92,008.00
Other Loans	1,66,04,712.43	43,57,734.98
(b) Advance from Customers	52,21,315.53	85,80,063.72
(c) Creditors For Expenses	4,16,35,764.30	1,69,19,305.09
(d) Statutory & Other Liabilities	86,51,590.63	1,07,45,213.64
(e) Interest accrued but not due on borrowings	5,53,424.23	3,29,000.00
(f) Provision for Expenses - Other than employees benefits	36,45,107.00	55,69,000.00
<b>TOTAL</b>	<b>9,76,00,731.80</b>	<b>6,65,06,189.37</b>

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NOTE: 8										
<b>FIXED ASSETS</b>										
										
DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		
	AS AT	ADDITIONS	DEDUCTIONS	AS AT	AS AT	DELETIONS	DEPRECIATION / AMORTISATION	AS AT	AS AT	AS AT
	1st April 2018			31st March 2019	1st April 2018	SALES		31st March 2019	31st March 2019	1st April 2018
	RS	RS	RS	RS	RS		RS	RS	RS	RS
<b>1. TANGIBLE ASSETS</b>										
Freehold Land	18,50,100.00	-	-	18,50,100.00	-	-	-	-	18,50,100.00	18,50,100.00
Leasehold Land	5,98,238.00	-	-	5,98,238.00	1,32,186.20	-	5,665.00	1,37,851.20	4,60,386.80	4,66,051.80
Building	8,56,11,201.57	1,44,180.00	-	8,57,55,381.57	1,77,63,669.64	-	24,44,887.55	2,02,08,557.19	6,55,46,824.38	6,78,47,531.93
Plant, Property & Equipment	16,86,22,610.40	6,53,84,863.53	22,75,263.14	23,17,32,210.79	4,89,72,796.88	20,16,634.74	1,28,56,811.49	5,98,12,973.63	17,19,19,237.16	11,96,49,813.52
Miscellaneous Fixed Assets	5,40,49,666.73	40,61,950.27	31,31,488.57	5,49,79,128.43	1,99,94,458.41	29,49,504.25	37,13,215.18	2,07,58,369.34	3,42,20,759.09	3,40,54,008.32
Furniture	45,85,757.23	1,84,228.00	-	47,70,985.23	14,91,731.24	-	4,32,274.24	19,24,005.48	28,55,979.75	31,04,025.99
Vehicles	2,17,58,588.86	-	-	2,17,58,588.86	77,02,732.74	-	24,20,693.09	1,01,23,425.83	1,16,35,173.03	1,40,55,866.12
<b>TOTAL</b>	<b>33,70,85,172.80</b>	<b>6,97,75,221.80</b>	<b>54,06,751.71</b>	<b>40,14,53,642.89</b>	<b>9,60,57,775.11</b>	<b>49,65,138.99</b>	<b>2,18,73,546.55</b>	<b>11,29,65,102.67</b>	<b>28,84,88,480.22</b>	<b>24,10,27,387.69</b>
Previous Year	31,22,24,660.46	2,48,60,512.33	-	33,70,85,172.80	7,96,28,878.03	-	1,64,28,897.08	9,60,57,775.11	24,10,27,387.69	23,25,95,782.63
<b>2. INTANGIBLE ASSETS</b>										
Softwares	22,94,343.04	11,38,500.40	-	34,32,843.44	12,79,888.27	-	2,79,690.62	15,59,578.89	18,73,264.55	10,14,454.77
<b>TOTAL</b>	<b>22,94,343.04</b>	<b>11,38,500.40</b>	<b>-</b>	<b>34,32,843.44</b>	<b>12,79,888.27</b>	<b>-</b>	<b>2,79,690.62</b>	<b>15,59,578.89</b>	<b>18,73,264.55</b>	<b>10,14,454.77</b>
Previous Year	20,56,593.04	2,37,750.00	-	22,94,343.04	10,70,471.28	-	2,09,416.99	12,79,888.27	10,14,454.77	9,86,321.76
<b>3. CAPITAL WORK-IN-PROGRESS</b>										
Project Work	5,38,86,387.93	-	5,38,86,387.93	-	-	-	-	-	-	5,38,86,387.93
<b>TOTAL</b>	<b>5,38,86,387.93</b>	<b>-</b>	<b>5,38,86,387.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,38,86,387.93</b>
<b>GRAND TOTAL</b>	<b>39,32,65,913.77</b>	<b>7,09,13,722.20</b>	<b>5,92,93,148.64</b>	<b>40,48,86,486.33</b>	<b>9,73,37,663.38</b>	<b>49,65,138.99</b>	<b>2,21,53,237.17</b>	<b>11,45,24,761.56</b>	<b>29,03,61,744.77</b>	<b>29,59,28,250.39</b>
Previous Year	31,45,11,073.72	7,87,54,840.04	-	39,32,65,913.77	8,06,99,349.31	-	1,66,38,314.41	9,73,37,663.38	29,59,28,250.39	23,38,11,744.41



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### NOTE : 9

#### Non-Current Investments

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(At cost &amp; Unquoted , Non- Trade Investment)</i>			
(a)	53000 Fully paid-up Equity Shares of EXPLORA IOT SOLUTIONS PRIVATE LIMITED, a wholly owned subsidiary (Previous year NIL)	5,30,000.00	-
	(Book value of Equity Shares issued by Subsidiary Company is lower than acquisition cost, but being strategic investment, the Company has not provided diminution in the value of Long Term Investments)		
<b>TOTAL</b>		<b>5,30,000.00</b>	<b>-</b>

### NOTE : 10

#### Long Term Loans and Advances

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	Capital Advances	13,07,289.00	87,20,609.00
<b>TOTAL</b>		<b>13,07,289.00</b>	<b>87,20,609.00</b>

### NOTE : 11

#### Other Non - Current Assets

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	Security Deposits	9,20,300.00	8,20,300.00
(b)	Deferred Revenue Expenditure	21,56,757.80	29,32,757.80
(c)	Fixed Deposits with Banks (with Maturity of more than Twelve Months) <i>( Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits )</i>	82,26,784.00	2,86,81,827.00
<b>TOTAL</b>		<b>1,13,03,841.80</b>	<b>3,24,34,884.80</b>

### NOTE : 12

#### Inventories

Particulars		As At 31.03.2019	As At 31.03.2018
(a)	Raw Materials (Including Goods in Transit of Rs - NIL Previous year Rs NIL )	6,32,27,354.06	5,49,58,449.30
(b)	Work in Progress	56,05,250.00	54,54,314.25
(c)	Finished Goods(including Scrap)	4,09,46,303.14	73,24,317.75
(d)	Stores & spares (Including Goods in Transit of Rs - NIL Previous year Rs NIL )	42,75,281.47	21,74,681.98
<b>TOTAL</b>		<b>11,40,54,188.67</b>	<b>6,99,11,763.28</b>

### NOTE : 13

#### Trade Receivables

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	Outstanding for a period exceeding six months from the due date	2,44,03,924.72	1,60,95,560.75

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	(b)	Others	48,16,75,283.68	31,75,95,489.44
<b>TOTAL</b>			<b>50,60,79,208.39</b>	<b>33,36,91,050.19</b>

**NOTE : 14**
**Cash and cash Equivalents**

Particulars		As At 31.03.2019	As At 31.03.2018
(a)	Cash on Hand	15,26,055.63	81,98,958.63
(b)	Balances with Banks:		
	i) In Current Accounts	60,596.72	10,247.05
	ii) Fixed Deposits with maturity of less than 1 year (including Accrued Interest) ( Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits )	2,63,20,829.00	1,06,35,418.00
<b>TOTAL</b>		<b>2,79,07,481.35</b>	<b>1,88,44,623.68</b>

**NOTE : 15**
**Short Term Loans and Advances**

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	Advances Recoverable in Cash/Kind or value to be received	1,83,56,845.28	1,98,31,049.17
(b)	Prepaid Expenses	44,66,056.93	54,92,772.02
(c)	Short Term Loans and Advances	1,06,64,798.00	85,00,000.00
<b>TOTAL</b>		<b>3,34,87,700.21</b>	<b>3,38,23,821.18</b>

**NOTE : 16**
**Other Current Assets**

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	GST Advance to be adjusted against future tax liabilities	29,107.00	1,37,463.00
(b)	Security Deposits	6,61,94,665.19	93,18,734.00
(c)	MAT Credit Entitlement	1,37,75,616.56	1,36,90,928.09
<b>TOTAL</b>		<b>7,99,99,388.75</b>	<b>2,31,47,125.09</b>

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### NOTE : 17

#### Revenue From Operations

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
<b>(a)</b>	<b>Sale of Products</b>		
	Product Sales	1,08,18,38,386.68	78,51,81,244.36
	Sale of Scrap	1,28,93,099.85	85,62,811.06
<b>(b)</b>	<b>Sale of Services</b>		
	Erection & Commissioning Services	6,01,57,130.05	35,70,116.38
	Works Contract Services	16,25,99,268.12	4,36,96,816.70
		<b>1,31,74,87,884.70</b>	<b>84,10,10,988.50</b>
<b>(c)</b>	<b>Other Operating Revenues</b>		
	Transport Charges Recovered	22,000.00	44,89,958.72
	Packing Charges	-	80,000.00
	<b>Revenue From Operations (Gross)</b>	<b>1,31,75,09,884.70</b>	<b>84,55,80,947.22</b>

### NOTE : 18

#### Other Income

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Interest on Bank Deposits including Interest Accrued but not due	18,81,854.00	28,28,966.58
b)	Interest Income (Others)	61,24,432.50	13,41,008.40
c)	Dividend Income	-	15.00
d)	Profit (Loss) on Sale of Fixed Assets	5,97,681.28	64,182.90
e)	Liabilities no longer payable Written Off	-	4,89,305.62
f)	Insurance Claim Received	-	53,50,032.13
	<b>TOTAL</b>	<b>86,03,967.78</b>	<b>1,00,73,510.63</b>

### NOTE : 19

#### Cost of Materials Consumed

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
	Opening Stock	5,49,58,449.30	79,16,432.14
	Add : Purchases(Net of Returns)	68,86,85,233.68	45,74,23,773.39
		<b>74,36,43,682.98</b>	<b>46,53,40,205.53</b>
	Less: Closing Stock	6,32,27,354.06	5,49,58,449.30
	<b>TOTAL</b>	<b>68,04,16,328.92</b>	<b>41,03,81,756.23</b>

### NOTE : 19.1

#### Materials consumed comprises:

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Plastic Dana		9924930.24
b)	Ferrous and Non-ferrous Metals		199728620.36
c)	Sheet Moulding Compound, Resins & other fibres etc.		121891483.63
d)	Electricals and Electronic Parts for Switchgears		59216963.10
e)	Other Materials	680416328.92	19619758.90
		<b>68,04,16,328.92</b>	<b>41,03,81,756.23</b>

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### NOTE : 19.2

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

Particulars				For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Value of Imported and Indigenous Raw Materials Consumed during the year :				
	Imported	Value	Rs.	16891247.66	6856313.00
		Percentage		2.48%	1.67%
	Indigenous	Value	Rs.	663525081.27	403525443.23
		Percentage		97.52%	98.33%
				<b>68,04,16,328.92</b>	<b>41,03,81,756.23</b>

### NOTE : 20

#### Changes in Inventory of Finished Goods & Work in Progress

Particulars			For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
	<b>Opening Inventory</b>	Work In Progress	5454314.25	7178531.59
		Finished Goods	7324317.75	2373573.80
			12778632.00	9552105.39
	<b>Closing Inventory</b>			
		Work In Progress	5605250.00	5454314.25
		Finished Goods	40946303.14	7324317.75
			46551553.14	12778632.00
	<b>TOTAL</b>		<b>-3,37,72,921.14</b>	<b>-32,26,526.60</b>

### NOTE : 21

#### Employee Benefits Expenses

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Salary, Wages & Allowances	38006446.17	25730657.00
b)	Contribution to Provident Fund	259847.00	153772.00
c)	Labour & Staff Welfare Expenses	310389.00	2179470.70
	<b>TOTAL</b>	<b>3,85,76,682.17</b>	<b>2,80,63,899.70</b>

### NOTE : 22

#### Finance Costs

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Interest Expense on		
	Borrowings from Bank	3,05,96,774.860	2,85,82,064.34
	Others	19731224.42	17941243.63
b)	Other Borrowing Costs	13474289.02	6915753.59
	Less: Interest Capitalized during the Year	-1,61,776.00	-24,99,615.07
	<b>TOTAL</b>	<b>6,36,40,512.30</b>	<b>5,09,39,446.49</b>

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### NOTE : 23

#### Depreciation and Amortisation Expenses

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Depreciation on Tangible Assets	2,21,47,572.170	16632649.41
b)	Amortisation of Tangible Assets	5665.00	5665.00
c)	Amortisation of Intangible Assets- Deffered Revenue Expenditure	776000.00	733191.00
<b>TOTAL</b>		<b>2,29,29,237.17</b>	<b>1,73,71,505.41</b>

### NOTE : 24

#### Other Expenses

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Auditors' Remuneration		357500.00	325000.00
Brokerage		145886.00	184034.94
Conveyance Expenses		16582.00	2210.00
Directors' Remuneration		4350000.00	3300000.00
Discount/ Rate Difference		3101888.84	471229.87
Excise, Service Tax and VAT Expenses		71648.00	615032.94
Freight & Carriage Inward		8529003.65	4996062.16
Insurance Expenses		1015734.12	809006.00
Job Work Charges		41061839.71	17273403.38
Loading, Unloading & Labour Charges		67498.60	50000.00
Liquidated Damages		13046446.93	114994.10
Miscellaneous Expenses		1869574.45	989170.02
Packing Material Consumed		14326754.88	8022935.37
Postage & Courier Expenses		166066.63	203321.76
Power & Fuel		25691481.00	16859908.54
Printing & Stationery		122666.50	21615.50
Professional & Legal Charges		2051820.68	829083.32
Rent		300000.00	300000.00
<b>Repairs &amp; Maintenance Expenses</b>			
a) Plant & Machinery		3214748.16	943695.25
b) Building		662189.91	10000.00
c) Others		1110877.14	856689.26
Stores, Spares & Accessories Consumed		214275470.14	202860067.28
Selling and Distribution expenses		38702071.12	31175416.69
Telephone & Internet Expenses		390131.16	530175.14
Travelling Expenses		5534400.76	5542161.30
Type-Testing Expenses		384012.50	1345931.60
Vehicle Upkeep Expenses		428114.00	1301123.00
<b>TOTAL</b>		<b>38,09,94,406.89</b>	<b>29,99,32,267.41</b>

(A)	<i>Auditors' Remuneration (Net of GST Input Credit)</i>		
	i) As Auditor	3,57,500.00	3,25,000.00

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	<b>TOTAL</b>	<b>3,57,500.00</b>	<b>3,25,000.00</b>
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**NOTE : 24.1**
**Value of Imported and Indigenous Stores & Spares Consumed and their percentage to consumption :**

Particulars				For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
<b>a)</b>	<b>Value of Imported and indigenous Stores &amp; Spares Consumed and their percentage to consumption :</b>				
	Imported	Value	Rs.		-
		Percentage		0.00%	0.00%
	Indigenous	Value	Rs.	21,42,75,470.14	20,28,60,067.28
		Percentage		100.00%	100.00%
				<b>21,42,75,470.14</b>	<b>20,28,60,067.28</b>

**NOTE : 25**
**Related Party Transactions**

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

Name of the related parties and nature of relationships :	
<b>a)</b>	<b>Companies with which transactions have taken place during the year :</b>
	i) Synergy Solar System
	ii) Acme Metawires Private Limited
	iii) Rajasthan Aluminium House Private Limited
	iv) Apex Aluminium Extrusion Private Limited
	v) Explora IOT Solutions Private Limited
<b>b)</b>	<b>Key Management Personnel</b>
	i) Mr. Ashok Kumar Agarwal, Managing Director
	ii) Mr. Ankit Agarwal, Whole Time Director
	iii) Mrs. Neha Agarwal, Whole Time Director
	iv) Mr. Bharat Bhushan Gupta, Chief Finance Officer (wef 01/08/2018)
	v) Mr. Shiv Charan Maheshwari, Chief Finance Officer (Till 31/07/2018)
	vi) Ms. Pranju Daftari, Company Secretary cum Compliance Officer (wef 08/08/2018)
	vii) Mrs. Monika Sharma, Company Secretary cum Compliance Officer (Till 31/07/2018)
	viii) Mr. Atul Dixit, Chief Executive Officer (Till 29/09/2018)
<b>c)</b>	<b>Relatives of Key Management Personnel</b>
	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

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



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Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
<b><u>Payments</u></b>			
<i>Details of transactions with relative parties of Key Management Personnel as mentioned in (a) above are as under:</i>			
	Material Purchased	3,22,57,944.39	4,61,35,887.69
<b><u>Receipts</u></b>			
	Sales	1,91,47,989.62	79,09,291.91
<i>Details of transactions with Key Management Personnel as mentioned in (b) above are as under:</i>			
	Remuneration to Directors	44,14,800.00	33,39,600.00
	Remuneration to Key Management Persons	38,68,740.00	31,60,686.00
	Rent for factory land	3,00,000.00	3,00,000.00
	Interest payment	69,47,851.00	85,59,345.99
<i>Details of transactions with Relatives of Key Management Personnel as mentioned in (c) above are as under:</i>			
	Salary Payment	4,00,000.00	
<b><u>Balance outstanding at the end of period/year :</u></b>			
	Payable as at the year end (Net)	5,97,74,493.07	4,99,69,301.21

**NOTE : 26**
**Disclosure Under Accounting Standard - 7 (Revised) "Construction Contracts"**

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
(a)	(i) Contract Revenue recognized during the year	22,27,56,398.17	4,72,66,933.08
	(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	2,57,19,593.96	2,81,88,476.96
	(iv) Amount due from customers (included under Note 12 – Trade Receivables )	46,41,449.30	1,48,94,129.30
	(v) Amount due to customers	-	-

**NOTE : 27**
**Contingent Liabilities and Commitments**

Particulars		As At 31.03.2019	As At 31.03.2018
a)	Bank Guarantee issued to third parties ( Net of Margin )	23,91,71,611.00	25,10,55,630.20
b)	Disputed Excise Demand Liability ( Net of Deposits )	1,23,129.00	1,26,629.00
c)	Claims lodged but not accepted by the company	28,83,984.00	29,00,984.00
d)	Capital Commitments ( Net of Advances )	-	18,00,000.00

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### NOTE : 28

#### Earnings Per Share

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
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	61,79,871.23	51,79,871.23
b)	Profit for Basic & Diluted Earnings Per Share as per Statement of Profit and Loss	3,80,05,480.89	2,52,22,444.39
c)	Earnings Per Share (Basic)	6.15	4.87
d)	Earnings Per Share (Diluted)	6.15	4.87
e)	Face Value per Share	10.00	10.00

### NOTE : 29

#### 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 : 30

#### CIF Value of Imports, Expenditures and Earnings in Foreign Currency

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
(a)	Raw Materials	1,68,91,247.66	68,56,313.00
(b)	Capital Goods	4,78,343.00	3,45,81,098.12
(c)	Expenditure in Foreign Currency	6,48,501.00	-
(d)	Earnings in Foreign Currency	-	-
		<b>1,80,18,091.66</b>	<b>4,14,37,411.12</b>

### NOTE : 31

#### Deferred Taxation {See Note 1(vi)(b)}

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
<b>Deferred Tax Liabilities</b>			
a)	Accumulated Depreciation	8,88,85,765.06	7,88,52,313.14
b)	Expenses claimed as deducted but deferred in accounts	21,56,757.80	29,32,757.80
		<b>9,10,42,522.86</b>	<b>8,17,85,070.94</b>
<b>Deferred Tax Assets</b>			
a)	Expenses allowable for tax purposes on Payment Basis	24,04,543.00	28,29,803.00
b)	DTA on account of disallowance u/s 40(a)(ia)	2,70,438.50	2,70,438.50
c)	Unabsorbed Depreciation brought forward for adjustment in future	-	47,51,958.67

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		<b>26,74,981.50</b>	<b>78,52,200.17</b>
	<b>Net Deferred Tax Liability</b>	8,83,67,541.36	7,39,32,870.77
	Tax Liability on Net DTL	1,63,47,995.15	1,36,77,581.09

**NOTE : 32**
**Employee Benefits**

<b>A.</b>	<b>Defined Contribution Plans</b>		
	The amount recognized as an expense for defined contribution plans are as under:		
	<b>Particulars</b>	<b>For the Year Ended 31.03.2019</b>	<b>For the Year Ended 31.03.2018</b>
	Provident Fund	2,59,847.00	1,44,523.00
	Employee State Insurance	1,40,750.00	1,33,956.00

**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 under:

<b>(i)</b>	<b>Assumptions:</b>		
(a)	Discount Rate (Per Annum)	7.50%	7.25%
(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	24.70	24.40
<b>(ii)</b>	<b>Changes in the present Value of Obligation:</b>		
(a)	Present value of the obligation at the beginning of the year	28,29,803.00	10,52,123.00
(b)	Interest Cost	2,12,235.00	76,279.00
(c)	Current Service Cost	5,98,091.00	6,76,146.00
(d)	Actuarial (Gain)/Loss	(1235586.00)	1025255.00
(e)	Benefits Paid	-	-
(f)	Present value of the obligation at the end of the year	24,04,543.00	28,29,803.00
<b>(iii)</b>	<b>Amount recognized as on 31/03/2019</b>		
(a)	Present Value of Obligation as at year end	24,04,543.00	28,29,803.00
(d)	Gain for the year which has been accounted by the company in Profit & Loss Account	-4,25,260.00	17,77,680.00

As per our report of even date

**FOR SARASWAT & COMPANY**

Chartered Accountants  
FRN 004846C

**Pravin Saraswat**

PARTNER

Membership Number 072679

PLACE : JAIPUR

Jaipur, Dated The 29th Day of May, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Ashok Kumar Agarwal**

Chairman Cum Managing Director  
(DIN: 793152)

**Bharat Bhushan Gupta**  
Chief Financial Officer

**Pranju Daftari**  
Company Secretary

## *Independent Auditor's Report*

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

#### **Opinion**

We have audited the accompanying consolidated financial statements of ***RMC SWITCHGEARS LIMITED*** ("the Holding Company") and Explora IOT Pvt Ltd. (its subsidiary), which comprise the consolidated Balance Sheet as at 31st March 2019, and the consolidated statement of Profit and Loss, and consolidated statement of cash flows for the year then ended, and consolidated 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 consolidated 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, 2019, and consolidated profit and its consolidated 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 consolidated 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 consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

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

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### Management's Responsibility for the Consolidated 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 consolidated financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)<sup>iv</sup> and cash flows of the Company in accordance with<sup>v</sup> 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 consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

### Emphasis of Matter:

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

*Providing deferred Tax Liability at the rate prescribed u/s 115JB of the Income Tax Act, 1961 as described in Note No. 1(vi)(b) of the Financial Statements, in place of regular rate of income tax, as suggested under Accounting Standard-22*

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### Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.<sup>vi</sup>]
- c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 27 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **SARASWAT & COMPANY**  
**Chartered Accountants**  
Firm’s registration number: 004846C

Jaipur  
Dated: 29/05/2019

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



## **Annexure – A to the Auditors’ Report**

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### **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”) and its subsidiary as on 31 March 2019 in conjunction with our audit of the financial statements of the company (Holding and subsidiary) for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

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

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

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

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

Holding/subsidiary companies' internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the

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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 Holding/subsidiary companies have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Holding/subsidiary companies' 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 **SARASWAT & COMPANY**  
**Chartered Accountants**  
FRN: 004846C

**CA PRAVIN SARASWAT**

Jaipur  
Partner  
Dated: 29/05/2019

Membership number: 072679

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**RMC SWITCHGEARS LIMITED**  
(CIN:L25111RJ1994PLC008698)  
**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2019**

(Amount in Rs.)

Particulars		Note No.	As At March 31, 2019	As At March 31, 2018	
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>1)</b>	<b>Shareholders' Funds</b>			
	(a)	Share Capital	2	6,09,22,000.00	6,09,22,000.00
	(b)	Reserves and Surplus	3	21,04,91,775.24	17,29,49,311.12
				<b>27,14,13,775.24</b>	<b>23,38,71,311.12</b>
	<b>2)</b>	<b>Non-Current Liabilities</b>			
	(a)	Long Term Borrowings	4	21,67,95,681.35	20,53,65,204.02
	(b)	Deferred Tax Liabilities(Net)	31	1,63,53,332.06	1,36,77,581.09
	(c)	Other Long Term Liabilities		-	-
	(d)	Long Term Provisions	5	24,04,543.00	28,29,803.00
				<b>23,55,53,556.41</b>	<b>22,18,72,588.11</b>
	<b>3)</b>	<b>Current Liabilities</b>			
	(a)	Short Term Borrowings	6	15,36,89,876.91	13,90,01,746.55
	(b)	Trade Payables	-	30,63,15,202.73	15,52,50,292.46
	(c)	Other Current Liabilities	7	9,76,02,270.80	6,65,06,189.37
	(d)	Short Term Provisions	-	-	-
				<b>55,76,07,350.44</b>	<b>36,07,58,228.38</b>
		<b>TOTAL</b>		<b>1,06,45,74,682.09</b>	<b>81,65,02,127.61</b>
<b>II.</b>	<b>ASSETS</b>				
	<b>1)</b>	<b>Non-Current Assets</b>			
	(a)	<b>Fixed Assets</b>			
	i)	Tangible Assets	8	28,85,86,133.36	24,10,27,397.69
	ii)	Intangible Assets		18,73,264.55	10,14,454.77
	iii)	Capital Work in Progress		-	5,38,86,397.93
				<b>29,04,59,397.91</b>	<b>29,59,28,250.39</b>
	(b)	Investments in Subsidiary	9	-	-
	(c)	Long Term Loans and Advances	10	13,07,289.00	87,20,609.00
	(d)	Other Non-Current Assets	11	1,13,23,841.80	3,24,34,884.80
				<b>1,26,31,130.80</b>	<b>4,11,55,493.80</b>
	<b>2)</b>	<b>Current Assets</b>			
	(a)	Current Investments	-	-	-
	(b)	Inventories	12	11,40,54,188.67	6,99,11,763.28
	(c)	Trade Receivables	13	50,60,79,208.39	33,36,91,050.19
	(d)	Cash and Cash Equivalents	14	2,79,29,097.35	1,88,44,623.68
	(e)	Short Term Loans and Advances	15	3,34,03,190.21	3,38,23,821.18
	(f)	Other Current Assets	16	8,00,18,468.75	2,31,47,125.09
				<b>76,14,84,153.38</b>	<b>47,94,18,383.42</b>
		<b>TOTAL</b>		<b>1,06,45,74,682.09</b>	<b>81,65,02,127.61</b>

The accompanying notes are an integral part of the financial statements

As per our separate report of even date

**For Saraswat & Company**

Chartered Accountants

FRN 004846C

For & on behalf of the Board of Directors of

RMC Switchgears Limited

**Ashok Kumar Agarwal**

Chairman Cum Managing Director

(DIN: 793152)

**CA Pravin Saraswat**

Partner

Membership Number : 072679

Jaipur, Dated The 29th Day of May, 2019

**Bharat Bhushan Gupta**

Chief Financial Officer

**Pranju Daftari**

Company Secretary

**ANNUAL REPORT 2018-19**
**RMC SWITCHGEARS LIMITED**
*(CIN:L25111RJ1994PLC008698)*
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019**
*(Amount in Rs.)*

Particulars		Note No.	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
<b>I.</b>	Revenue from Operations(Gross)	17	1,31,75,09,884.70	84,55,80,947.22
	Less: Excise Duty		-	1,43,96,758.94
	Revenue from Operations(Net)		1,31,75,09,884.70	83,11,84,188.28
<b>II.</b>	Other Income	18	86,03,967.78	1,00,73,510.63
<b>III.</b>	<b>Total Revenue ( I + II)</b>		<b>1,32,61,13,852.48</b>	<b>84,12,57,698.91</b>
<b>IV.</b>	<b>Expenses</b>			
	a) Cost of Materials consumed	19	68,04,16,328.92	41,03,81,756.23
	b) Changes in inventories of Finished Goods & Work-in-Progress	20	-3,37,72,921.14	-32,26,526.60
	c) Purchases of Stock-in-Trade		12,22,15,679.70	76,86,672.00
	d) Employee Benefits Expenses	21	3,89,82,245.17	2,80,63,899.70
	e) Finance Costs	22	6,36,42,012.30	5,09,39,446.49
	f) Depreciation and Amortization Expenses	23	2,29,41,064.03	1,73,71,505.41
	g) Other expenses	24	38,10,33,196.89	29,99,32,267.41
	<b>Total Expenses (a to g)</b>		<b>1,27,54,57,605.87</b>	<b>81,11,49,020.64</b>
<b>V.</b>	<b>Profit Before Tax (III - IV)</b>		<b>5,06,56,246.62</b>	<b>3,01,08,678.27</b>
<b>VI.</b>	<b>Tax Expenses</b>			
	a) Current Tax		1,05,22,720.00	61,38,810.00
	Income Tax Related to Previous Year		0.00	0.00
	Less: MAT Credit Entitlement		-84,688.47	-61,38,810.00
	b) Deferred Tax Liability	31	26,75,750.96	48,86,233.88
<b>VII.</b>	<b>Profit (Loss) for the year (V-VI)</b>		<b>3,75,42,464.12</b>	<b>2,52,22,444.39</b>
<b>VIII.</b>	<b>Earning per equity share: (Face Value of Rs.10 each)</b>	28		
	a) Basic		<b>6.07</b>	<b>4.87</b>
	b) Diluted		<b>6.07</b>	<b>4.87</b>

The accompanying notes form an integral part of the Financial Statements

As per our separate report of even date

**FOR SARASWAT & COMPANY**

Chartered Accountants

FRN 004846C

**CA Pravin Saraswat**

Partner

Membership Number : 072679

Jaipur, Dated The 29th Day of May, 2019

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

**Ashok Kumar Agarwal**

Chairman Cum Managing Director

(DIN: 793152)

**Bharat Bhushan Gupta**

Chief Financial Officer

**Pranju Daftari**

Company Secretary

## RMC SWITCHGEARS LIMITED

(CIN:L25111RJ1994PLC008698)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2019

Particulars		Year ended on 31st March, 2019	Year ended on 31st March, 2018
		Amount in (Rs.)	Amount in (Rs.)
<b>I)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>1</b>	<b>Net Surplus in Statement of profit &amp; loss Before Taxes</b>	<b>5,06,56,246.62</b>	<b>3,01,08,678.27</b>
<b>2</b>	<b>Adjustments for:</b>		
i)	Depreciation and Amortisation	2,21,60,064.03	1,66,38,314.07
ii)	Finance Cost	6,36,42,012.30	5,09,39,446.49
iii)	Interest Income	-80,06,286.50	-41,69,974.98
iv)	Dividend Income	0.00	-15.00
v)	(Profit)/Loss on Sale of Fixed Assets	-5,97,681.28	-64,182.90
vi)	Rent received	0.00	0.00
vii)	Provisions	-4,25,260.00	17,77,680.00
	<b>Operating Profit Before Working Capital Changes</b>	<b>127429095.17</b>	<b>95229945.95</b>
<b>3</b>	<b>Adjustments for Working Capital changes:</b>		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Inventories	-4,41,42,425.39	-3,74,08,476.48
	Trade receivables	-17,23,88,158.20	-9,81,41,060.15
	Short-term loans and advances	4,20,630.97	-1,16,25,199.46
	Other current assets	-5,68,71,343.66	38,67,417.69
	<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
	Trade payables	15,10,64,910.27	4,43,69,379.81
	Other current liabilities	3,10,96,081.43	59,61,489.38
<b>4</b>	<b>Cash Generated From Operations</b>	<b>3,66,08,790.58</b>	<b>22,53,496.74</b>
	Less: Direct Taxes ( Net of MAT effect)	-1,04,38,031.53	0.00
	<b>NET CASH FROM OPERATING ACTIVITIES [A]</b>	<b>2,61,70,759.05</b>	<b>22,53,496.74</b>
<b>II)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
i)	Purchase of Tangible / Intangible Assets	-1,71,31,824.27	-7,87,54,840.04
ii)	Investment in Equity Shares of Wholly Owned Subsidiary Company	0.00	0.00
iii)	Sale of Tangible / Intangible Assets	0.00	0.00
vi)	Proceeds on Disposal of Tangible Fixed Assets	10,38,294.00	64,182.90
v)	Interest Received	80,06,286.50	41,69,974.98
vi)	Other Non Current Assets	2,11,11,043.00	-2,66,26,712.60
vii)	Long Term Loans and Advances	74,13,320.00	-38,50,051.00
viii)	Dividend Received		15.00
ix)	Issue of Equity Shares including Share Premium		7,00,00,000.00
	<b>NET CASH (USED IN) INVESTING ACTIVITIES [B]</b>	<b>2,04,37,119.23</b>	<b>-3,49,97,430.76</b>



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<b>III)</b>		<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	i)	Proceeds/(Repayment) from Short Term Borrowings(Net)	1,46,88,130.36	4,98,99,804.76
	ii)	Proceeds/(Repayment) from Long Term borrowings (Net)	1,14,30,477.33	2,26,73,905.07
	iii)	Proceeds/(Repayment) from Long Term Liabilities (Net)	0.00	-11,44,621.13
	iv)	Finance Cost Paid	-6,36,42,012.30	-5,09,39,446.49
		<b>NET CASH FROM FINANCING ACTIVITIES [C]</b>	<b>(37523404.61)</b>	<b>20489642.21</b>
		<b>NET CASH GENERATED/(USED) [A+B+C]</b>	<b>90,84,473.67</b>	<b>-1,22,54,291.82</b>
		Cash & cash equivalents the beginning of the year	1,88,44,623.68	3,10,98,915.50
		Cash & cash equivalents the end of the year	<b>2,79,29,097.35</b>	<b>1,88,44,623.68</b>
	Note:			
	1	Components of cash & cash Equivalents:-		
		Cash on hand	15,26,055.63	81,98,958.63
		Balances with banks		
		In current Accounts	82,212.72	10,247.05
		In fixed deposits	2,63,20,829.00	1,06,35,418.00
			<b>27929097.35</b>	<b>18844623.68</b>
			0.00	0.00
	2	The above cash flow statement has been prepared under the “Indirect Method” as set out in the Accounting Standard -3 on Cash Flow Statement		

As per our separate report of even date

**FOR SARASWAT & COMPANY**

Chartered Accountants

FRN 004846C

**Pravin Saraswat**

PARTNER

Membership Number 072679

PLACE : JAIPUR

Jaipur, Dated The 29th Day of May, 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Ashok Kumar Agarwal**

Chairman Cum Managing  
Director  
(DIN: 793152)

**Bharat Bhushan Gupta**  
Chief Financial Officer

**Pranju Daftari**  
Company Secretary

## RMC SWITCHGEARS LIMITED

Note No. 1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON

31/03/2019

### **i) Corporate Information**

RMC Switchgears Limited is a public company domiciled in India. The company is primarily engaged in the business of 'Switchgear Engineering' and 'ECl contracts for power distribution / transmission sector'. Company has also started commercial operations of the manufacture of 'PVC Marble and Solid Surface' in the FY 2018-19.

A wholly owned subsidiary in the name of **Explora IOT Solutions Pvt. Ltd.** was incorporated on 10/05/2018.

### **Basis of Accounting**

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

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

### **ii) Changes in Accounting Policies**

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

### **iii) Fixed Assets and Depreciation**

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

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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.

### iv) 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) Provision is made for the income tax liability in accordance with the provision of the Income Tax Act, 1961. 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 avail-

## ANNUAL REPORT 2018-19

ability of unabsorbed depreciation and MAT Credit balance lying for adjustment against future profits. Company was using regular rate of tax till the last financial year and had such rate been used for current FY also, the Profit After Tax (PAT) would have been lower by Rs. 6,726,095/41 (Previous Year Rs. 5,627,400/.46) and Deferred Tax Liability would have been higher by the same amount.

### vii) Liquidated Damages:

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

### viii) Foreign Currency:

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

### ix) Revenue Recognition:

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

**x) Use of Estimates:**

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

**xi) Borrowing Costs**

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets as Pre-operative Expenses. During the year, Rs. 1.61 Lacs (Previous year Rs. 25 Lacs) has been capitalized for the Capital Assets added during the year. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

**xii) Employees Benefits:**

**a) Defined Contribution Plans:**

Employees' own and Employer's contribution to Provident Funds are contributed by company monthly at a determined rate. These contributions are remitted to the Employees' Provident Fund Organization, India and 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:**

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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 equal installment, beginning from 01/04/2017. Amount Written Off during the year was Rs. 776000/- (Previous Year 733191/-) and to be written off during the subsequent four years is Rs. 2156757/80 (Previous Year Rs. 2932758/-).

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.

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

As per our report of even date  
FOR SARASWAT & COMPANY  
Chartered Accountants  
F. R. No. 04846C

FOR AND ON BEHALF OF BOARD OF DIRECTORS

(PRAVIN SARASWAT)  
PARTNER  
M.No. – 072679  
PLACE: JAIPUR  
DATED: 29<sup>TH</sup> May, 2019

(ASHOK KUMAR AGARWAL)  
CHAIRMAN CUM MANAGING DIRECTOR  
DIN No: 793152

**Bharat Bhushan Gupta**  
Chief Financial Officer

**Pranju Daftari**  
Company Secretary



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## RMC SWITCHGEARS LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

#### NOTE : 2

#### Share Capital

(Amount In Rs)

Particulars	As At 31.03.2019	As At 31.03.2018
<b>Authorized Capital</b>		
65,00,000 Equity Shares of Rs.10/- each	6,50,00,000.00	6,50,00,000.00
<b>Issued, Subscribed and Paid Up Capital</b>		
60,92,200 (Previous Year: 60,92,200 ) Equity shares of Rs 10/- each Fully Paid up	6,09,22,000.00	6,09,22,000.00
<b>TOTAL</b>	<b>6,09,22,000.00</b>	<b>6,09,22,000.00</b>

<b>i)</b>	<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :</b>				
	<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>		
	Outstanding at the beginning of the Year	60,92,200	50,92,200		
	Add : Equity Shares issued during the year as Bonus Shares	0	0		
	Add : Fresh Equity Shares issued during the year through Initial Public Offer	0	0		
	Add : Fresh Equity Shares issued during the year through Preferential Issue	0	10,00,000		
	Outstanding at the end of the Year	60,92,200	60,92,200		
<b>ii)</b>	<b>Details of Shareholders holding more than 5 % equity shares :</b>				
	<b>Particulars</b>	<b>As At 31.03.2019</b>		<b>As At 31.03.2018</b>	
		<b>No. of Shares</b>	<b>% Holding</b>	<b>No. of Shares</b>	<b>% Holding</b>
	(a) Ashok Kumar Agarwal	6,10,880	10.03%	5,85,000	9.60%
	(b) Ankit Agarwal	5,69,880	9.35%	5,69,880	9.35%
	(c) Santosh Agarwal	5,68,520	9.33%	5,68,520	9.33%
	(d) Vitthal Das Agarwal (HUF)	5,00,600	8.22%	5,00,600	8.22%
	(e) Neha Agrawal	4,20,000	6.89%	4,20,000	6.89%
	(f) Argent Leasing & Finance Pvt. Ltd.	4,13,120	6.78%	4,13,120	6.78%
<b>iii)</b>	<b>Terms and Rights attached to equity shares:</b>				
	The Company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member. All equity shares of the Company rank pari passu in all respects including the right to dividend. The dividend is recommended by the Board of Directors and declared by the members at the ensuing Annual general Meeting.				
<b>iv)</b>	Company doesn't have any holding or ultimate holding Company.				
<b>v)</b>	32,43,150 Numbers of Equity Shares of Rs 10/- each fully paid-up have been allotted as Bonus Shares by capitalising Share Premium amounting Rs. 3,24,31,500/- during the FY 2016-17.				

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### NOTE : 3

#### Reserves and Surplus

Particulars		As At 31.03.2019	As At 31.03.2018
<b>(a)</b>	<b>Share Premium Account</b>		
	As per Last Financial Statements	10,68,11,250.00	4,68,11,250.00
	Add: Share Premium Received		6,00,00,000.00
	Closing Balance	<b>10,68,11,250.00</b>	<b>10,68,11,250.00</b>
<b>(b)</b>	<b>Capital Reserve</b>		
	As per Last Financial Statements:		
	Capital Investments Subsidy - State	14,50,060.00	14,50,060.00
	CLCS Subsidy-Central Government	15,00,000.00	15,00,000.00
		<b>29,50,060.00</b>	<b>29,50,060.00</b>
<b>(c)</b>	<b>Surplus in Statement of Profit and Loss</b>		
	As per Last Financial Statements	6,31,88,001.12	3,79,65,556.73
	Add : Transferred during the year from Statement of Profit and Loss	3,75,42,464.12	2,52,22,444.39
	Net Surplus in Statement of Profit and Loss	10,07,30,465.24	6,31,88,001.12
	<b>TOTAL</b>	<b>21,04,91,775.24</b>	<b>17,29,49,311.12</b>

### NOTE : 4

#### Long Term Borrowings

Particulars	As At 31.03.2019		As At 31.03.2018		
	Non Current	Current	Non Current	Current	
	<b>Secured</b>				
<b>I.</b>	<b>Term Loan from banks</b>				
	From Punjab National Bank	2,30,29,205.00	72,00,000.00	3,04,18,284.00	60,00,000.00
<b>II.</b>	<b>Secured Subordinate Loan</b>				
	From Small Industries Development Bank of India (SIDBI)	93,32,382.00	75,00,000.00	1,68,75,000.00	75,00,000.00
<b>III.</b>	<b>Secured loans for vehicles</b>				
		38,92,890.53	14,89,332.68	53,08,643.31	20,13,863.95
<b>IV.</b>	<b>Secured Loans for Plant &amp; Machinery</b>				
		5,05,943.00	50,99,485.00	56,05,428.00	44,92,008.00
	<b>Unsecured</b>				
<b>I.</b>	<b>Long term borrowings</b>				
(a)	From Directors	5,86,44,438.00	-	4,67,07,379.34	-
(b)	Inter-Corporate Deposits	7,61,66,143.83	1,17,47,779.00	4,89,88,469.83	-
(c)	Others	4,52,24,678.99	48,56,933.43	5,14,61,999.54	43,57,734.98
	<b>TOTAL</b>	<b>21,67,95,681.35</b>	<b>3,78,93,530.11</b>	<b>20,53,65,204.02</b>	<b>2,43,63,606.93</b>

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<b>(A)</b>	<b>Nature of Securities:</b>				
	<b>I.</b>	<b>Term Loan</b>			
		Secured by way of first charge on the fixed assets of the company created out of such borrowings, both present and future, situated at Tehsil Chaksu, Jaipur and personal guarantees of Ashok Kumar Agarwal, Ankit Agarwal and Neha Agarwal, Directors of The Company.			
	<b>II.</b>	<b>Secured Subordinated Loan</b>			
		SIDBI Loan is secured by way of second charge on the immovable assets of the company and further secured by the personal guarantees of Ashok Kumar Agarwal and Ankit Agarwal, Directors of Company, Smt. Santosh Agarwal and VD Agarwal, Ex-Directors of The Company.			
<b>(B)</b>	<b>Terms of repayment of term loans and other loans:</b>				
	<b>1</b>	<b>Secured Term Loans</b>			
		<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>	<b>Terms of Repayment</b>
	<b>I)</b>	<b>Small Industries Development Bank of India</b>	1,68,32,382.00	2,43,75,000.00	Repayment in 48 Monthly Installments commencing in July, 2017 @ 15% p.a. 21 Monthly installments have been paid as on 31st March, 2019.
	<b>II)</b>	<b>Hero Fincorp Ltd</b>	10,45,295.00	15,19,227.00	Repayable in 48 Equated Monthly Installments commencing from February, 2017 @ 13% p.a. 38 Monthly Installments have been paid as on 31st March, 2019.
	<b>III)</b>	<b>Punjab National Bank</b>	3,02,29,205.00	3,64,18,284.00	Repayable in 66 Unequal Installments commencing from 30th April, 2018 @ MCLR + Spread of 3.5%, repayable Rs. 500000/- per month. 11 Monthly Installments have been paid as on 31 March, 2019
	<b>IV)</b>	<b>Dewan Housing Finance Corporation Ltd</b>	45,60,133.00	85,78,209.00	Repayable in 24 Equated monthly Installments commencing from 1 April, 2018 of Rs. 406864/- each @ 12.75% p.a. 12 Monthly Installments have been paid as on 31 March, 2019.
	<b>2</b>	<b>Unsecured Term Loans</b>			
		<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>	<b>Terms of Repayment</b>
	(a)	From Directors	5,86,44,438.00	4,67,07,379.34	Repayable not earlier than 12 months on demand.
	(b)	Inter-Corporate Deposits	7,61,66,143.83	4,89,88,469.83	Repayable not earlier than 12 months on demand.
	(c)	<b>Others</b>			

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	Standard Chartered Bank	4,68,02,305.18	5,11,05,003.20	Repayable in 48 Equated Monthly Installments of Rs. 652536/- each commencing in Dec. 2016 @ 9.85% p.a. 16 Monthly Installments have been paid as on 31st March, 2019
	Standard Chartered Bank	32,79,307.24	47,14,731.32	Repayable in 36 Equated Monthly Installments of Rs. 163416/- each @ 13% p.a. commencing in March, 2018. 13 Installment has been paid as on 31st March, 2019.
<b>3</b>	<b>Vehicle Loans</b>			
	<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>	<b>Terms of Repayment</b>
<b>I)</b>	<b>ICICI Bank Ltd</b>			
	ICICI (Indica) Loan(LAJAI00034168043)	-	1,27,886.20	Repayable in 36 monthly installments of Rs.12315/- @ 10.01% p.a. 36 installments have been paid as on 31st March, 2019.
	ICICI (Indigo) Loan (LAJAI00033991087)	-	1,44,141.70	Repayable in 36 Equated monthly installments of Rs.15168/- @ 10.01% p.a. 36 installments have been paid as on 31st March, 2019.
<b>II)</b>	<b>Axis Bank Ltd</b>	3,99,058.00	8,41,584.00	Repayable in 60 Equated Monthly Installments of Rs. 42500/- each @ 10.50% p.a. 50 installments have been paid as on 31st March, 2019.
<b>III)</b>	<b>HDFC Bank Ltd</b>	-	1,20,393.76	Repayable in 36 Equated monthly installments of Rs.17786/- each @ 10.15% p.a. 36 installments have been paid as on 31st March, 2019.
<b>IV)</b>	<b>Sundaram Finance Ltd</b>	-	1,70,014.00	Repayable in 36 Equated monthly installments of Rs. 15385/- each @ 12.04% p.a. 36 installments have been paid as on 31st March, 2019.
<b>V)</b>	<b>The Federal Bank Ltd</b>	7,67,906.40	9,36,387.60	Repayable in 60 Equated Monthly Installments of Rs. 20502/- each @ 8.90% p.a. 16 Installments have been paid as on 31st March, 2019.

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	<b>VI)</b>	<b>HDFC Bank Ltd</b>	42,15,258.81	49,82,100.00	Repayable in 60 Equated Monthly Installments of Rs. 101640/- each @ 8.26% p.a. 11 Monthly Installments have been paid as on 31st March, 2019.
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### NOTE : 5

#### Long Term Provisions

<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>
Provisions for Employee benefits	24,04,543.00	28,29,803.00
<b>TOTAL</b>	<b>24,04,543.00</b>	<b>28,29,803.00</b>

### NOTE : 6

#### Short Term Borrowings

<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>
<b>Loans repayable on demand:</b>		
<b>Secured</b>		
Cash credit from banks	15,36,89,876.91	13,81,69,439.55
Loan Against Fixed Deposits of bank	-	8,32,307.00
<b>Unsecured</b>		
Security Deposits and Refundable/Adjustable Advances	-	-
<b>TOTAL</b>	<b>15,36,89,876.91</b>	<b>13,90,01,746.55</b>

#### Nature of Securities:

##### **1 Cash Credit**


Cash Credit under the consortium arrangements with Punjab National Bank and The Federal Bank Ltd. are Secured by way of first pari-passu charge on entire current assets, both present and future, of the company. Also collaterally secured by way of first charge ranking pari-passu on all unencumbered immovable assets of the company, both present and future and equitable mortgage of Factory Land and Building on pari-passu basis located at Malviya Industrial Area, Jaipur and at Kotkhawda Road, Tehsil Chaksu, Jaipur and personal guarantees of Ashok Kumar Agarwal, Neha Agarwal and Ankit Agarwal, Directors of the company.

### NOTE :7

#### Other Current Liabilities

<b>Particulars</b>	<b>As At 31.03.2019</b>	<b>As At 31.03.2018</b>
(a) Current maturities of Long Term Borrowings:		
Term Loans (Secured)	1,47,00,000.00	1,35,00,000.00
Vehicle Loans (Secured)	14,89,332.68	20,13,863.95
Plant and Machinery Loans	50,99,485.00	44,92,008.00
Other Loans	1,66,04,712.43	43,57,734.98
(b) Advance from Customers	52,21,315.53	85,80,063.72
(c) Creditors For Expenses	4,16,37,303.30	1,69,19,305.09
(d) Statutory & Other Liabilities	86,51,590.63	1,07,45,213.64
(e) Interest accrued but not due on borrowings	5,53,424.23	3,29,000.00
(f) Provision for Expenses - Other than employees benefits	36,45,107.00	55,69,000.00
<b>TOTAL</b>	<b>9,76,02,270.80</b>	<b>6,65,06,189.37</b>

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NOTE: 8										
<b>FIXED ASSETS</b>										
										
DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		
	AS AT	ADDITIONS	DEDUCTIONS	AS AT	AS AT	DELETIONS	DEPRECIATION / AMORTISATION	AS AT	AS AT	AS AT
	1st April 2018			31st March 2019	1st April 2018	SALES		31st March 2019	31st March 2019	1st April 2018
	RS	RS	RS	RS	RS		RS	RS	RS	RS
<b>1. TANGIBLE ASSETS</b>										
Freehold Land	18,50,100.00	-	-	18,50,100.00	-	-	-	-	18,50,100.00	18,50,100.00
Leasehold Land	5,98,238.00	-	-	5,98,238.00	1,32,186.20	-	5,665.00	1,37,851.20	4,69,386.80	4,66,051.80
Building	8,56,11,201.57	1,44,180.00	-	8,57,55,381.57	1,77,63,669.64	-	24,44,887.55	2,02,08,557.19	6,55,46,824.38	6,78,47,531.93
Plant, Property & Equipment	16,86,22,610.40	6,53,84,863.53	22,75,263.14	23,17,32,210.79	4,89,72,796.88	20,16,634.74	1,28,56,811.49	5,98,12,973.63	17,19,19,237.16	11,96,49,813.52
Miscellaneous Fixed Assets	5,40,49,666.73	40,61,950.27	31,31,488.57	5,49,79,128.43	1,99,94,458.41	29,49,504.25	37,13,215.18	2,07,58,369.34	3,42,20,759.09	3,40,54,008.32
Furniture	45,85,757.23	1,84,228.00	-	47,70,985.23	14,91,731.24	-	4,32,274.24	19,24,005.48	28,55,979.75	31,04,025.99
Vehicles	2,17,58,588.86	-	-	2,17,58,588.86	77,02,732.74	-	24,20,693.09	1,01,23,425.83	1,16,35,173.03	1,40,55,866.12
<b>TOTAL</b>	<b>33,70,85,172.80</b>	<b>6,97,75,221.80</b>	<b>54,06,751.71</b>	<b>40,14,53,642.89</b>	<b>9,60,57,775.11</b>	<b>49,65,138.99</b>	<b>2,18,73,546.55</b>	<b>11,29,65,102.67</b>	<b>28,84,88,480.22</b>	<b>24,10,27,387.69</b>
Previous Year	31,22,24,660.46	2,48,60,512.33	-	33,70,85,172.80	7,96,28,878.03	-	1,64,28,897.08	9,60,57,775.11	24,10,27,387.69	23,25,95,782.63
<b>2. INTANGIBLE ASSETS</b>										
Softwares	22,94,343.04	11,38,500.40	-	34,32,843.44	12,79,888.27	-	2,79,690.62	15,59,578.89	18,73,264.55	10,14,454.77
<b>TOTAL</b>	<b>22,94,343.04</b>	<b>11,38,500.40</b>	<b>-</b>	<b>34,32,843.44</b>	<b>12,79,888.27</b>	<b>-</b>	<b>2,79,690.62</b>	<b>15,59,578.89</b>	<b>18,73,264.55</b>	<b>10,14,454.77</b>
Previous Year	20,56,593.04	2,37,750.00	-	22,94,343.04	10,70,471.28	-	2,09,416.99	12,79,888.27	10,14,454.77	9,86,321.76
<b>3. CAPITAL WORK-IN-PROGRESS</b>										
Project Work	5,38,86,387.93	-	5,38,86,387.93	-	-	-	-	-	-	5,38,86,387.93
<b>TOTAL</b>	<b>5,38,86,387.93</b>	<b>-</b>	<b>5,38,86,387.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,38,86,387.93</b>
<b>GRAND TOTAL</b>	<b>39,32,65,913.77</b>	<b>7,09,13,722.20</b>	<b>5,92,93,148.64</b>	<b>40,48,86,486.33</b>	<b>9,73,37,663.38</b>	<b>49,65,138.99</b>	<b>2,21,53,237.17</b>	<b>11,45,24,761.56</b>	<b>29,03,61,744.77</b>	<b>29,59,28,250.39</b>
Previous Year	31,45,11,073.72	7,87,54,840.04	-	39,32,65,913.77	8,06,99,349.31	-	1,66,38,314.41	9,73,37,663.38	29,59,28,250.39	23,38,11,744.41

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### NOTE : 9

#### Non-Current Investments

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(At cost &amp; Unquoted , Non- Trade Investment)</i>			
(a)	53000 Fully paid-up Equity Shares of EXPLORA IOT SOLUTIONS PRIVATE LIMITED, a wholly owned subsidiary (Previous year NIL)	5,30,000.00	-
	(Book value of Equity Shares issued by Subsidiary Company is lower than acquisition cost, but being strategic investment, the Company has not provided diminution in the value of Long Term Investments)		
<b>TOTAL</b>		<b>5,30,000.00</b>	<b>-</b>

### NOTE : 10

#### Long Term Loans and Advances

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	Capital Advances	13,07,289.00	87,20,609.00
<b>TOTAL</b>		<b>13,07,289.00</b>	<b>87,20,609.00</b>

### NOTE : 11

#### Other Non - Current Assets

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	Security Deposits	9,20,300.00	8,20,300.00
(b)	Deferred Revenue Expenditure	21,76,757.80	29,32,757.80
(c)	Fixed Deposits with Banks (with Maturity of more than Twelve Months)	82,26,784.00	2,86,81,827.00
	<i>( Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits )</i>		
<b>TOTAL</b>		<b>1,13,23,841.80</b>	<b>3,24,34,884.80</b>

### NOTE : 12

#### Inventories

Particulars		As At 31.03.2019	As At 31.03.2018
(a)	Raw Materials (Including Goods in Transit of Rs - NIL Previous year Rs NIL )	6,32,27,354.06	5,49,58,449.30
(b)	Work in Progress	56,05,250.00	54,54,314.25
(c)	Finished Goods(including Scrap)	4,09,46,303.14	73,24,317.75
(d)	Stores & spares (Including Goods in Transit of Rs - NIL Previous year Rs NIL )	42,75,281.47	21,74,681.98
<b>TOTAL</b>		<b>11,40,54,188.67</b>	<b>6,99,11,763.28</b>



**NOTE : 13****Trade Receivables**

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	Outstanding for a period exceeding six months from the due date	2,44,03,924.72	1,60,95,560.75
(b)	Others	48,16,75,283.68	31,75,95,489.44
<b>TOTAL</b>		<b>50,60,79,208.39</b>	<b>33,36,91,050.19</b>

**NOTE : 14****Cash and Cash Equivalents**

Particulars		As At 31.03.2019	As At 31.03.2018
(a)	Cash on Hand	15,26,055.63	81,98,958.63
(b)	Balances with Banks:		
	i) In Current Accounts	82,212.72	10,247.05
	ii) Fixed Deposits with maturity of less than 1 year (including Accrued Interest)	2,63,20,829.00	1,06,35,418.00
	<i>( Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits )</i>		
<b>TOTAL</b>		<b>2,79,29,097.35</b>	<b>1,88,44,623.68</b>

**NOTE : 15****Short Term Loans and Advances**

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	Advances Recoverable in Cash/Kind or value to be received	1,83,56,845.28	1,98,31,049.17
(b)	Prepaid Expenses	44,66,056.93	54,92,772.02
(c)	Short Term Loans and Advances	1,05,80,288.00	85,00,000.00
<b>TOTAL</b>		<b>3,34,03,190.21</b>	<b>3,38,23,821.18</b>

**NOTE : 16****Other Current Assets**

Particulars		As At 31.03.2019	As At 31.03.2018
<i>(Unsecured, considered good)</i>			
(a)	GST Advance to be adjusted against future tax liabilities	48,187.00	1,37,463.00
(b)	Security Deposits	6,61,94,665.19	93,18,734.00
(c)	MAT Credit Entitlement	1,37,75,616.56	1,36,90,928.09
<b>TOTAL</b>		<b>8,00,18,468.75</b>	<b>2,31,47,125.09</b>

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### NOTE : 17

#### Revenue From Operations

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
<b>(a)</b>	<b>Sale of Products</b>		
	Product Sales	1,08,18,38,386.68	78,51,81,244.36
	Sale of Scrap	1,28,93,099.85	85,62,811.06
<b>(b)</b>	<b>Sale of Services</b>		
	Erection & Commissioning Services	6,01,57,130.05	35,70,116.38
	Works Contract Services	16,25,99,268.12	4,36,96,816.70
		<b>1,31,74,87,884.70</b>	<b>84,10,10,988.50</b>
<b>(c)</b>	<b>Other Operating Revenues</b>		
	Transport Charges Recovered	22,000.00	44,89,958.72
	Packing Charges	-	80,000.00
	<b>Revenue From Operations (Gross)</b>	<b>1,31,75,09,884.70</b>	<b>84,55,80,947.22</b>

### NOTE : 18

#### Other Income

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Interest on Bank Deposits including Interest Accrued but not due	18,81,854.00	28,28,966.58
b)	Interest Income (Others)	61,24,432.50	13,41,008.40
c)	Dividend Income	-	15.00
d)	Profit (Loss) on Sale of Fixed Assets	5,97,681.28	64,182.90
e)	Liabilities no longer payable Written Off	-	4,89,305.62
f)	Insurance Claim Received	-	53,50,032.13
	<b>TOTAL</b>	<b>86,03,967.78</b>	<b>1,00,73,510.63</b>

### NOTE : 19

#### Cost of Materials Consumed

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
	Opening Stock	5,49,58,449.30	79,16,432.14
	Add : Purchases(Net of Returns)	68,86,85,233.68	45,74,23,773.39
		<b>74,36,43,682.98</b>	<b>46,53,40,205.53</b>
	Less: Closing Stock	6,32,27,354.06	5,49,58,449.30
	<b>TOTAL</b>	<b>68,04,16,328.92</b>	<b>41,03,81,756.23</b>

### NOTE : 19.1

#### Materials consumed comprises:

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Plastic Dana		9924930.24
b)	Ferrous and Non-ferrous Metals		199728620.36
c)	Sheet Moulding Compound, Resins & other fibres etc.		121891483.63
d)	Electricals and Electronic Parts for Switchgears		59216963.10
e)	Other Materials	680416328.92	19619758.90

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68,04,16,328.92

41,03,81,756.23

**NOTE : 19.2**

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

Particulars				For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Value of Imported and Indigenous Raw Materials Consumed during the year:				
	Imported	Value	Rs.	16891247.66	6856313.00
		Percentage		2.48%	1.67%
	Indigenous	Value	Rs.	663525081.27	403525443.23
		Percentage		97.52%	98.33%
				<b>68,04,16,328.92</b>	<b>41,03,81,756.23</b>

**NOTE : 20**

**Changes in Inventory of Finished Goods & Work in Progress**

Particulars			For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
	<b>Opening Inventory</b>	Work In Progress	5454314.25	7178531.59
		Finished Goods	7324317.75	2373573.80
			12778632.00	9552105.39
	<b>Closing Inventory</b>			
		Work In Progress	5605250.00	5454314.25
		Finished Goods	40946303.14	7324317.75
			46551553.14	12778632.00
	<b>TOTAL</b>		<b>-3,37,72,921.14</b>	<b>-32,26,526.60</b>

**NOTE : 21**

**Employee Benefits Expenses**

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Salary, Wages & Allowances	38412009.17	25730657.00
b)	Contribution to Provident Fund	259847.00	153772.00
c)	Labour & Staff Welfare Expenses	310389.00	2179470.70
	<b>TOTAL</b>	<b>3,89,82,245.17</b>	<b>2,80,63,899.70</b>

**NOTE : 22**

**Finance Costs**

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Interest Expense on		
	Borrowings from Bank	3,05,96,774.860	2,85,82,064.34
	Others	19731224.42	17941243.63
b)	Other Borrowing Costs	13475789.02	6915753.59
	Less: Interest Capitalized during the Year	-1,61,776.00	-24,99,615.07
	<b>TOTAL</b>	<b>6,36,42,012.30</b>	<b>5,09,39,446.49</b>

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### NOTE : 23

#### Depreciation and Amortisation Expenses

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a)	Depreciation on Tangible Assets	2,21,54,399.030	16632649.41
b)	Amortisation of Tangible Assets	5665.00	5665.00
c)	Amortisation of Intangible Assets- Deffered Revenue Expenditure	781000.00	733191.00
<b>TOTAL</b>		<b>2,29,41,064.03</b>	<b>1,73,71,505.41</b>

### NOTE : 24

#### Other Expenses

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Auditors' Remuneration		357500.00	325000.00
Brokerage		145886.00	184034.94
Conveyance Expenses		16582.00	2210.00
Directors' Remuneration		4350000.00	3300000.00
Discount/ Rate Difference		3101888.84	471229.87
Excise, Service Tax and VAT Expenses		71648.00	615032.94
Freight & Carriage Inward		8529003.65	4996062.16
Insurance Expenses		1015734.12	809006.00
Job Work Charges		41061839.71	17273403.38
Loading, Unloading & Labour Charges		67498.60	50000.00
Liquidated Damages		13046446.93	114994.10
Miscellaneous Expenses		1906825.45	989170.02
Packing Material Consumed		14326754.88	8022935.37
Postage & Courier Expenses		166066.63	203321.76
Power & Fuel		25691481.00	16859908.54
Printing & Stationery		122666.50	21615.50
Professional & Legal Charges		2051820.68	829083.32
Rent		300000.00	300000.00
<b>Repairs &amp; Maintenance Expenses</b>			
a)	Plant & Machinery	3214748.16	943695.25
b)	Building	662189.91	10000.00
c)	Others	1110877.14	856689.26
Stores, Spares & Accessories Consumed		214275470.14	202860067.28
Selling and Distribution expenses		38702071.12	31175416.69
Telephone & Internet Expenses		390131.16	530175.14
Travelling Expenses		5535939.76	5542161.30
Type-Testing Expenses		384012.50	1345931.60
Vehicle Upkeep Expenses		428114.00	1301123.00
<b>TOTAL</b>		<b>38,10,33,196.89</b>	<b>29,99,32,267.41</b>
<b>(A)</b>	<b>Auditors' Remuneration (Net of GST Input Credit)</b>		
	i) As Auditor	3,57,500.00	3,25,000.00
	<b>TOTAL</b>	<b>3,57,500.00</b>	<b>3,25,000.00</b>

**NOTE : 24.1**

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

Particulars				For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
<b>a)</b>	<b>Value of Imported and indigenous Stores &amp; Spares Consumed and their percentage to consumption :</b>				
	Imported	Value	Rs.		-
		Percentage		0.00%	0.00%
	Indigenous	Value	Rs.	21,42,75,470.14	20,28,60,067.28
		Percentage		100.00%	100.00%
				<b>21,42,75,470.14</b>	<b>20,28,60,067.28</b>

**NOTE : 25****Related Party Transactions**

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

Name of the related parties and nature of relationships :		
<b>a)</b>	<b>Companies with which transactions have taken place during the year :</b>	<b>Nature of Relationship</b>
	i) Synergy Solar System	Owned by Neha Agarwal, Whole Time Director of the Company
	ii) Acme Metawires Private Limited	Daughter of the Managing Director is a Director
	iii) Rajasthan Aluminium House Private Limited	Brother of the Managing Director is a Director
	iv) Apex Aluminium Extrusion Private Limited	Brother of the Managing Director is a Director
	v) Explora IOT Solutions Private Limited	Wholly Owned Subsidiary of the Company
<b>b)</b>	<b>Key Management Personnel</b>	
	i) Mr. Ashok Kumar Agarwal, Managing Director	
	ii) Mr. Ankit Agarwal, Whole Time Director	Son of the Managing Director
	iii) Mrs. Neha Agarwal, Whole Time Director	Daughter -in- Law of the Managing Director
	iv) Mr. Bharat Bhushan Gupta, Chief Finance Officer (wef 01/08/2018)	
	v) Mr. Shiv Charan Maheshwari, Chief Finance Officer (Till 31/07/2018)	
	vi) Ms. Pranju Daftari, Company Secretary cum Compliance Officer (wef 08/08/2018)	
	vii) Mrs. Monika Sharma, Company Secretary cum Compliance Officer (Till 31/07/2018)	
	viii) Mr. Atul Dixit, Chief Executive Officer (Till 29/09/2018)	
<b>c)</b>	<b>Relatives of Key Management Personnel</b>	<b>Relation</b>
	i) Mrs. Santosh Agarwal	Spouse of the Managing Director
	ii) Mr. Vitthal Das Agarwal	Father of the Managing Director
	iii) Mrs. Parvati Bai Agarwal	Mother of the Managing Director
	iv) Mr. Amit Agarwal	Son -in- Law of the Managing Director
	v) Mr. Rajendra Agarwal	Brother of the Managing Director
	vi) Mrs. Anju Gupta	Wife of Shri Bharat Bhushan Gupta

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

Particulars	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
<b>Payments</b>		

## ANNUAL REPORT 2018-19

<i>Details of transactions with relative parties of Key Management Personnel as mentioned in (a) above are as under:</i>		
Material Purchased	3,22,57,944.39	4,61,35,887.69
<b>Receipts</b>		
Sales	1,91,47,989.62	79,09,291.91
<i>Details of transactions with Key Management Personnel as mentioned in (b) above are as under:</i>		
Remuneration to Directors	44,14,800.00	33,39,600.00
Remuneration to Key Management Persons	38,68,740.00	31,60,686.00
Rent for factory land	3,00,000.00	3,00,000.00
Interest payment	69,47,851.00	85,59,345.99
<i>Details of transactions with Relatives of Key Management Personnel as mentioned in (c) above are as under:</i>		
Salary Payment	4,00,000.00	
<b>Balance outstanding at the end of period/year :</b>		
Payable as at the year end (Net)	5,98,59,003.07	4,99,69,301.21

### NOTE : 26

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

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
(a)	(i) Contract Revenue recognized during the year	22,27,56,398.17	4,72,66,933.08
	(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	2,57,19,593.96	2,81,88,476.96
	(iv) Amount due from customers (included under Note 12 – Trade Receivables )	46,41,449.30	1,48,94,129.30
	(v) Amount due to customers	-	-

### NOTE : 27

#### Contingent Liabilities and Commitments

Particulars		As At 31.03.2019	As At 31.03.2018
a)	Bank Guarantee issued to third parties ( Net of Margin )	23,91,71,611.00	25,10,55,630.20
b)	Disputed Excise Demand Liability ( Net of Deposits )	1,23,129.00	1,26,629.00
c)	Claims lodged but not accepted by the company	28,83,984.00	29,00,984.00
d)	Capital Commitments ( Net of Advances )	-	18,00,000.00

### NOTE : 28

#### Earnings Per Share

Particulars	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Basic & Diluted Earnings Per Share (EPS) are computed in accordance with Accounting Standard (AS) 20 "Earnings Per Share"		

## ANNUAL REPORT 2018-19

a)	Weighted Average Equity Shares outstanding at year end	61,79,871.23	51,79,871.23
b)	Profit for Basic & Diluted Earnings Per Share as per Statement of Profit and Loss	3,75,42,464.12	2,52,22,444.39
c)	Earnings Per Share (Basic)	6.07	4.87
d)	Earnings Per Share (Diluted)	6.07	4.87
e)	Face Value per Share	10.00	10.00

### NOTE: 29

#### 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: 30

#### CIF Value of Imports, Expenditures and Earnings in Foreign Currency

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
(a)	Raw Materials	1,68,91,247.66	68,56,313.00
(b)	Capital Goods	4,78,343.00	3,45,81,098.12
(c)	Expenditure in Foreign Currency	6,48,501.00	-
(d)	Earnings in Foreign Currency	-	-
		<b>1,80,18,091.66</b>	<b>4,14,37,411.12</b>

### NOTE: 31

#### Deferred Taxation {See Note 1(vi)(b)}

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
<b>Deferred Tax Liabilities</b>			
a)	Accumulated Depreciation	8,88,94,613.20	7,88,52,313.14
b)	Expenses claimed as deducted but deferred in accounts	21,76,757.80	29,32,757.80
		<b>9,10,71,371.00</b>	<b>8,17,85,070.94</b>
<b>Deferred Tax Assets</b>			
a)	Expenses allowable for tax purposes on Payment Basis	24,04,543.00	28,29,803.00
b)	DTA on account of disallowance u/s 40(a)(ia)	2,70,438.50	2,70,438.50
c)	Unabsorbed Depreciation brought forward for adjustment in future	-	47,51,958.67
		<b>26,74,981.50</b>	<b>78,52,200.17</b>
<b>Net Deferred Tax Liability</b>		<b>8,83,96,389.50</b>	<b>7,39,32,870.77</b>
Tax Liability on Net DTL		1,63,53,332.06	1,36,77,581.09

### Note: 32

#### Employee Benefits

##### A. Defined Contribution Plans

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

Particulars		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
-------------	--	----------------------------------	-------------------------------------



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Provident Fund	2,59,847.00	1,44,523.00
Employee State Insurance	1,40,750.00	1,33,956.00

### 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 under:

<b>(i)</b>	<b>Assumptions:</b>		
(a)	Discount Rate (Per Annum)	7.50%	7.25%
(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	24.70	24.40
<b>(ii)</b>	<b>Changes in the present Value of Obligation:</b>		
(a)	Present value of the obligation at the beginning of the year	28,29,803.00	10,52,123.00
(b)	Interest Cost	2,12,235.00	76,279.00
(c)	Current Service Cost	5,98,091.00	6,76,146.00
(d)	Actuarial (Gain)/Loss	(1235586.00)	1025255.00
(e)	Benefits Paid	-	-
(f)	Present value of the obligation at the end of the year	24,04,543.00	28,29,803.00
<b>(iii)</b>	<b>Amount recognized as on 31/03/2019</b>		
(a)	Present Value of Obligation as at year end	24,04,543.00	28,29,803.00
(b)	Fair value of Plan Assets as at year end	-	-
(c)	Net (Asset)/Liability recognized	24,04,543.00	28,29,803.00
<b>(iv)</b>	<b>Expenses recognized as on 31/03/2019</b>		
(a)	Current Service Cost	5,98,091.00	6,76,146.00
(b)	Interest Cost	2,12,235.00	76,279.00
(c)	Net actuarial (Gain)/Loss	(1235586.00)	10,25,255.00
(d)	Gain for the year which has been accounted by the company in Profit & Loss Account	-4,25,260.00	17,77,680.00

As per our report of even date

FOR AND ON BEHALF OF THE BOARD OF  
DIRECTORS

**FOR SARASWAT & COMPANY**

Chartered Accountants  
FRN 004846C

**Ashok Kumar Agarwal**  
Chairman Cum Managing  
Director  
(DIN: 793152)

**Pravin Saraswat**

PARTNER

Membership Number 072679

PLACE : JAIPUR

Jaipur, Dated The 29th Day of May, 2019

**Bharat Bhushan Gupta**  
Chief Financial Officer

**Pranju Daftari**  
Company Secretary



**RMC SWITCHGEARS LIMITED**

CIN: L25111RJ1994PLC008698

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

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

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

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

**PROXY FORM**

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

**25<sup>th</sup> Annual General Meeting  
23<sup>rd</sup> September, 2019**

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

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

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

-----or failing him / her;

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

-----or failing him / her;

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

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 25th Annual General Meeting of the Company, to be held on Monday, 23<sup>rd</sup> September, 2019 at 11:00 A.M. (IST) at Registered Office of the Company situated at 7 K.M. from Chaksu, Khotkawda 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

## ANNUAL REPORT 2018-19

1.	Ordinary Business:		
2.	Adoption of Financial Statements (Standalone and Consolidated)		
	Re-appointment of Mrs. Neha Agrawal as a Director, liable to retire by rotation.		
	Special Business:		
3.	To fix the remuneration of M/s Bikram Jain & Associates Cost Auditors for the financial year ending 31 <sup>st</sup> March. 2020.		

Affix Revenue Stamp

Signed this-----day of -----2019

-----  
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 jointholders, the signature of any one holder will be sufficient, but names of all the jointholders 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.



**ANNUAL REPORT 2018-19**

**RMC SWITCHGEARS LIMITED**

CIN: L25111RJ1994PLC008698

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

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

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

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

**ATTENDANCE SLIP**

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

I / we hereby record my / our presence at the 25th Annual General Meeting of the members of the Company held on Monday, the 23rd September, 2019 at 11.00 A.M. (IST) at the Registered Office of the Company at 7 K.M. from Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Chaksu-303901(Rajasthan).

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

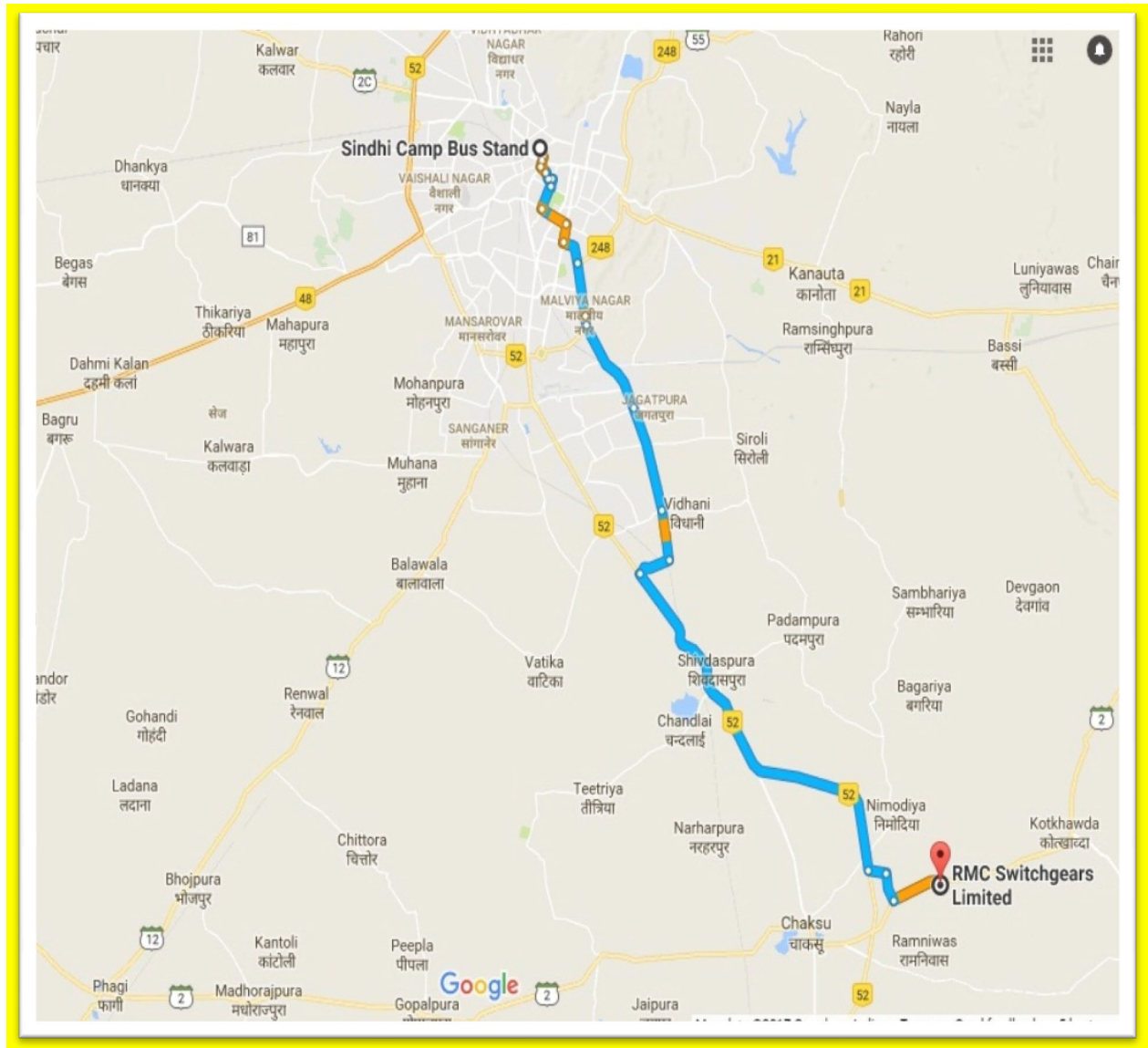
-----  
Signature

-----  
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.**

**ROUTE MAP OF THE AGM VENUE**  
**RMC SWITCHGEARS LIMITED**  
7 Km. from Chaksu, Khotkawda Road, Village Badodiya,  
Tehsil Chaksu, Tonk Road, Jaipur, Rajasthan, India -303901







***STAY POWERED UP ALWAYS***

E-version of the our Annual Report 2018-19 is also available online at [www.rmcindia.in](http://www.rmcindia.in)

**Registered Office Address:**

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

**Corporate Office:**

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

**Contact Details:**

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